

360 Degree Perspective On Corporate Social Responsibility

Social Systems Analysis

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Objective

- Employing social systems analysis to frame and guide corporate social responsibility

Leading to -

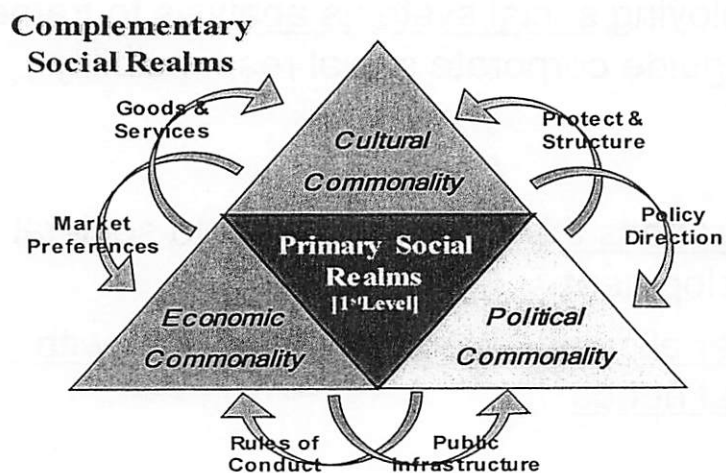
- Awareness that CSR is integral to societal development
- Better aligning enterprise operations with social needs

Theoretical Underpinnings

- Business of business is social service.
Profits are a by-product of consumer value.
- Private enterprise dynamics are “mirror image” of society and its social systems
- Aligning enterprise operations with social needs yield societal and enterprise benefits

3.

Mapping Unmet Societal Needs Social Process Model



4.

Challenges to Aligning Private with Social Interests

- Market imperfections
- Balancing property rights
- Biases in legal systems
- Public policy limitations
- Dislocation effects – socio-economic change
- Ethical norms, mistrust, low expectations
- Short-sighted, speculative decision-making

9.

4-Step CSR Audit Process

- Step 1** – Clarify strategic imperatives of enterprise and its working assumptions
- Step 2** – Review relevant range of societal needs that intersect with corp. activities
- Step 3** – Systematically review all enterprise functions and activities that address Step 2
- Step 4** – Comparative conduct cost-benefit analysis - determine adaptations and reconfigurations to corporate activities

10.

Corporate Audit
Corp. Operations Dynamics

1. **Resources Dynamic** – *e.g., sourcing standards, nurture emerging suppliers*
2. **Production Dynamic** – *e.g., lower waste, minimize pollution, ISO standards, disseminate best practices*
3. **Marketing Dynamic** – *e.g., practice “product stewardship,” monitor product usage, clear & accurate labeling*

11.

Corporate Audit
Corp. Organization Dynamics

4. **Administration Dynamic** – *e.g., regular audits, bidding standards, transparent industry & accounting standards*
5. **Decision-Making Dynamic** – *e.g., measurable CSR outcomes, collaborative environmental standards, B-School relationships*
6. **Mission Dynamic** – *“social compact,” e.g., local health care, hire locally, generally accepted labor standards, e.g., SA 8000*

12.

Corporate Audit

Corporate Culture Dynamics

7. **Learning Dynamic** – *e.g., upgrade skill levels, recruit from less fortunate, encourage employee civic pride and care*
8. **Style Dynamic** – *e.g., codes of conduct, build trust with stakeholders, promote mutually advantageous working relationships*
9. **Identity Dynamic** – *e.g., pride of workmanship, enterprise and employee involvement in local community building*

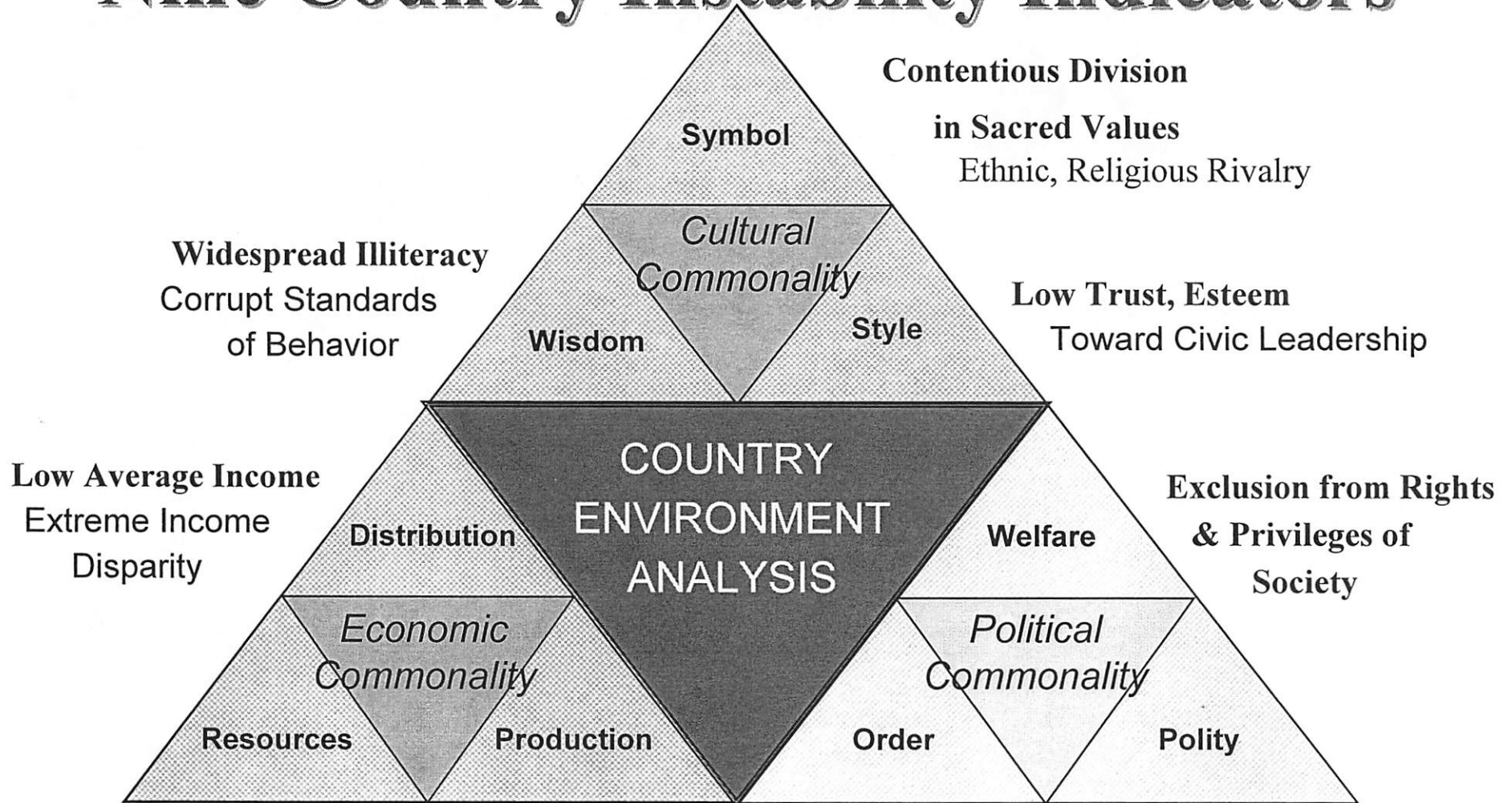
13.

Benefits of CSR Audit

- Identify existing corporate contributions
- Identify opportunities to better align an enterprise with societal needs
- Sensitize employees to their individual and their firm's potential contributions
- Identify collaborative possibilities with local government and other stakeholders

14.

Nine Country Instability Indicators



Subsistence Difficult
Resources are Scant or
Poorly Developed

**Econ. Opportunities
Severely Restricted**
Slow Growth, High
Unemployment

**Widespread
Coercion**
in lieu of Due
Process

**Closed/Skewed
Decision Making**
toward Ruling Elite

