Chapter 3

CSR-Emerging Global Perspectives and Practices
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3.1: Introduction

Ismail\textsuperscript{121} says that Corporate Social Responsibility (CSR) refers to strategies corporations and firms run their business in a way that is ethical, society-friendly, and beneficial to community in terms of development. Milton Friedman, a Nobel Laureate in Economics in 1970 advocated that the sole responsibility of business is to do business only when sole purpose is to earn profit for the shareholders of the business and this clearly established that Friedman was opposed to the idea of CSR. In this chapter, we would like to throw lights on global perspectives and practices so that a trend in the practice of CSR can be ascertained and the future of CSR to a certain extent may forecasted. It is an acceptable fact that wealth of the society is created through the efforts of the business and now the business has to decide what to payout and what to retain for its future and meeting the needs of uncertainty. There are many countries in the world where the companies are under legal compulsion to do CSR activities and report the same to the concerned and relevant authority through a prescribed mechanism.

The UN Sub Committee on Promotion and Protection of Human Rights, 2003 advocated for economic and philanthropic CSR besides other. Global perspectives and practices comprise of the philosophy as to how CSR is practiced and the views of the CSR contributory countries with regard to mandatory or voluntary nature should be the applicability mechanism in the society. One group of researchers are of the view that CSR should not be mandatory and they are the followers of the philosophy of Milton. Others like Carroll and Bowen are of the view that it is the responsibility of the corporations to secure well being of the society since there is symbiotic relationship between the business and the society and none can exist without other. Global perspectives are under the influence of the CSR mechanism framed by WTO, ILO, WHO, UNO and other who are proponents of CSR as the social obligation of business. Let us understand CSR global perspectives and practices in this chapter.

\textsuperscript{121} M. Ismail ‘work,’ Corporate Social Responsibility and its Role in Community Development: An International Perspective, \textit{The journal of Social Research}, Vol. 2(9), p. 1(2001), gives a relevant definition of CSR which essentially contains the purpose of CSR.
3.2: CSR Practices Across the Globe

The issues of CSR have become a subject of debate among the researchers during last 65 years when Bowen\textsuperscript{122} published his seminal work on the necessity of CSR by the corporations. Of late, Secchi\textsuperscript{123} and Lee\textsuperscript{124} reported that the definition of CSR has been changing in meaning and practice in global scenario. Ultimate objective of the business is to discharge its economic responsibilities and ensure better standard of living to the people of the society(Bichtaa)\textsuperscript{125}. Theory of utilitarianism, agency i.e. managerial and relational are the landmark issues in CSR perspectives and practices. These theories stand for managerial aspects of the company, interrelationship and benefits for all whosoever is a member of a society. According to utilitarian theory, a company serves as a constituent of the economic system where the objective is profit maximization. The utilitarian theory is related to competitive advantage and strategy for overcoming the competition in the market (Porter and Cramer)\textsuperscript{126}.

Secondly, managerial theory is based on the point that it makes optimum uses of external resources in order to make a company achieve its objectives. It has been an established fact that managerial theory is divided into three sub-theories further and they are with regard to corporate social performance, social accountability, auditing and reporting and finally social responsibility discharge for the multinational corporations. According to Maimunah Ismail, the journal of International Social Research, p. 201, corporate social performance measures contributions of the social variables that make economic performance. The remaining two aspects of the managerial theory are self explanatory and needs no further elaboration.

\textsuperscript{122} H. R. Bowen (1953) published, 'Social Responsibilities of Businessman, New York,:Harper & Row contains pioneering work on CSR by Bowen.
\textsuperscript{123} D. Secchi (2007)'s work, 'Utilitarian, managerial and relational theories of Corporate Social Responsibility, International Journal of Management Reviews, 9(4), pp. 347-373 may be referred for further details in the issues raised in this work.
\textsuperscript{124} M. P. Lee (2008)'s work, 'Reviews of the theories of corporate social responsibility: Its evolutionary path and the road ahead,' International Journal of Management Reviews, 10(1), pp. 53-73 critically examined the present state of CSR and predicted what it shape it may take in near future.
\textsuperscript{125} C. Bichtaa(2003) in his work entitled 'Corporate Socially responsible industry (CSR) practices in the context of Greek., Social Responsibility and Environmental Management, 10, PP. 12-24 encouraged management to raise ethical standards and justice in the society through efficient mobilization of resources and optimum utilization of the same.
\textsuperscript{126} M. E. Porter (2002) is known as the pioneer of business strategy and strategic management. His strategies make many organizations turnaround.
Finally, comes the Relational Theory which has the genesis in the complex firm-environment relationships. Relational theory views that business and society are interrelated and it may not be out of place to mention that business exists in society and no business can exist if society does not exist. It is, therefore, the prime responsibility of the business to keep the society viably alive in its own interest. Relational theory does have four constituents and they are business and society, stakeholders, corporate citizenship and finally social contact. The business has fiduciary duties towards the stakeholders. Enron company failed because there was breach of fiduciary duty of the managers with that of stakeholders.

Corporate citizenship based on Garriga and Mele's (2004) analysis is that it used under the integrative and political theories and the same was supported by Swanson and Wood and Logsdon respectively. Lastly, social contact theory speaks of morality of economic responsibility of the business. Ultimately the role of CSR is community development where a community is nothing but a group of people having common objectives. CSR practice across the globe is to make the world habitable under the influence of socio-economic peaceful conditions where everybody obtains the basic necessities for their comfortable living. The countries having plenty of wealth should share the same with those countries who are economically backward and this is the fundamental philosophy of global perspectives of CSR.

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129 Jeanne M. Logsdon and Donna J. Wood's work, "Business Citizenship: From Domestic to Global Level of Analysis, "*Business Ethics Quarterly*, Vol. 12.(2), pp. 155-187 (2002) wherein the authors reviewed the development of the concept of global business citizenship and showed how the libertarian political philosophy of free-market capitalism must give way to a communitarian view in order for the voluntaristic, local notion of “corporate citizenship” to take root. then distinguished the concept of global business citizenship from “corporate citizenship” by showing how the former concept requires a transition from communitarian thinking to a position of universal human rights. In addition, they link global business citizenship to global business strategy and to three analytical levels of ethical norms. Finally, they trace a process whereby global businesses can implement fundamental norms and learn to accommodate to legitimate cultural differences.
3.3: Emergence of Multinational Corporations in India

It is imperative to start with the view of Franklin Root\textsuperscript{130} to define multinational corporation and multinational corporation (MNC) is nothing but a parent company that remains engaged in production and distribution of goods and services through its affiliates spread or located in several countries geographical jurisdictions. This company exercises direct control over the administrative policies of the affiliates and finally play a prominent role in strategic aspects of production, finance, marketing and human resource management affairs.

A Company fulfilling the following criteria can be called to an MNC (Hub pages, 2012)\textsuperscript{131}:

Local business is managed by a national rules and regulations of the country in which MNC has got its existence. Moreover, the company has a centralized administration system which administratively overview the affairs of all the business housed spread all other countries. Finally, the company own stocks of different companies in different countries. In simplicity, MNC is a company which operates commercially in more than one country by abiding by the local rules and regulations. However, both financial and commercial strategies are framed centrally. In India, there is presence of many MNCs and they include FAG Bearings India Ltd, Sud-Chemie India Pvt. Limited, Asea Brown Boveri Limited (ABB), Transpek-Silox Industry Limited, Schneider Electronics, HSBC Bank, Standard Chartered Bank, City bank etc. All these companies are engaged in CSR activities in different manner. These companies offer CSR activities in the areas in which their main business concentrate. For instance, ABB is playing a prominent role and emerged as one of the leaders in power and automation technology delivery system. More than 10,000 employees are there is payroll of ABB in India in more than 15 manufacturing units or facilities. ABB has played an important and prominent role in upgrading school buildings in villages remaining in and around the activities of the company circle. In the same way CSR activities are taken care of by other MNCs in India. Similarly, we may name General Motors(GM), Vodafone, Blue Dart Express Ltd., Thomas Cook who have been playing a crucial role in environment protection, imparting basic education, providing drinking water and

\textsuperscript{130} Entry Strategies for International Market, the book, is authored by Franklin Root in 1994 and it contains details about day to day strategic aspects of management and functioning of multinational corporation. The book was published by WorldCAT. Org.

\textsuperscript{131} The concept hub page is connected by links to all educational hypertext pages related to this concept. The student can navigate between hub concept pages along conceptual links and from hub pages to the pages with educational material
sanitation system and so on. The whole spectrum of MNCs engaged in production and distribution system can be categories into two sectors and they are manufacturing and service sector. Banks and other financial service providing companies come under the canvas of service sector and other remaining are in manufacturing sector. The companies are trying to provide environment friendly products, financial grants like General Motors which alone donated more than $350 million to various NGOs for bringing about development in education sector. Customer satisfaction is the punch word of Thomas Cook, Vodafone provided rural sector women enabling information technology. In a nutshell, MNCs operating in India are engaged in providing education, health and sanitation, building of schools mainly in villages where modern education has not yet reached and vocational and skill development training for the youth and children including women.

3.4: CSR Practice of the Sampled Countries

Under this heading, we tried to see how CSR activities are practiced in the sampled countries in the world. These countries include United States of America (USA), United Kingdom (UK), Canada, South Africa, Japan, Australia, Germany, France, Singapore, China, Pakistan, Bangladesh, Malaysia etc.

3.4.1: CSR Practices in The USA

Corporate social responsibility plays an important role in a firm's life in the U. S. today as referred to Forte. In the same work, it is mentioned that the US firms want to generate enough profits and spend the same for social causes. There was hue and cry with regard to CSR activities during the corporate scandals of Enron, World.com etc. transpired before the public eyes. Today, CSR concentrates on three models in the place of Carroll's four model and these three models include the shareholder value, the stakeholders and ethics. Milton Friedman is the advocate of shareholder’s value and according to Milton, business is to make profit and obey laws of the land. The stakeholders model concentrates on CSR which affects the functioning of the company. Finally, ethics is conscience which guides a man in his day to day dealings with people. USA believes in two parameters of CSR and they are employment and environment.

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132 Almerinda Forte’s article, “Corporate Social Responsibility in the United States and Europe: How Important is it? The Future of Corporate Social Responsibility” International Business & Economics Research Journal, 12(7) pp. 815-823(2013) is a seminal work on CSR activities of the USA.
Employment is of board spectrum since it includes equal opportunity policies, employees training and development and social security of the employees. According to Almerinda Forte, environmental issues consist of environmental policies, environmental reporting and community performance. The USA gives maximum weightage to the issues concerning interest of the stakeholders. In this connection, it may be mentioned that stakeholders in the US include investors relations, environment and society and they believe in Visser's five principles which are creativity, scalability, responsiveness, glocality and circularity and this may be the basis of new theory of CSR.

3.4.2: CSR Practice in The UK

Although certain part of the UK corporate governance code is specifically concerned with corporate social responsibility (CSR), there is some recognition that a company’s duties extend beyond its shareholders and it states that "The board should set the company’s values and standards and ensure that its obligations to its shareholders and others are understood and met" – Supporting Principles, A. 1.

Moreover, the Turnbull Guidance makes clear that risk assessment should cover not only narrow financial risks but also those related to “health, safety and environmental, reputation, and business probity issues”.

The Companies Act 2006 has now added to those pressures by requiring directors to have regard to community and environmental issues when considering their duty to promote the success of their company and by the disclosures to be included in the Business Review.

Increasingly, CSR is seen as part of best practice by both the city and the government. The Association of British Insurers, whose members own more than 20 per cent of the companies on the London Stock Exchange, publishes guidance on CSR-related issues for both companies and investors. Its 2007 “Socially Responsible Investment Guidelines” ask that the annual report highlights a company’s environmental, social and governance (ESG) risks. A remuneration

133 Wayne Visser(2011)'work The Ages and Stages of CSR- Towards the Future with CSR 2.0 Wayne Visser, CSR International Paper Series, No. 3, 2011 contains detailed discussion on five principles of CSR
134 The term ‘glocalization’ comes from the Japanese word dochakuka, which simply means global localization. Originally referring to a way of adapting farming techniques to local conditions, dochakuka evolved into a marketing strategy when Japanese businessmen adopted it in the 1980s.
committee should also disclose whether it considers corporate performance on ESG issues when setting remuneration for senior executives, and whether an incentive structure may inadvertently encourage “irresponsible” ESG behaviour. The government sponsors a CSP website, on which it says it has “an ambitious vision for UK businesses to consider the economic, social and environmental impacts of their activities, wherever they operate in the world”. Most companies are keen to talk about social and environmental issues in their annual reports, and many argue that complying with CSR guidelines has become a commercial necessity. At the least, the growing number of ‘green’ and ethical investment funds needs to find ‘green’ and ethical businesses to invest in the charity business in the community claims a membership of over 850 of the UK’s top companies “committed to improving their positive impact on society”. It publishes a Corporate Responsibility Index, which measures the performance of companies in terms of how well they apply CSR values to their business. For bigger companies in particular, CSR is, it can be argued, not an add-on or an optional extra: it is an integral part of good governance. It is argued that CSR has given rise to a new ’conception of control’ which is 'shareholder compatible'(Lamarche & Rubinstein). Such a conception reflects how governance changes when environmental and societal responsibilities are combined with responsibility towards shareholders(Koleva, Petia, Lamarche, Thomas and Magnin, Eric).

3.4.3: CSR Practice in Canada

Canada practices CSR in positive manner and they has been seen in the case of the USA and UK. Corporations in Canada act as the agent of social change. In 2011 Jantzi-Sustainalytics in conjunction with Maclean’s magazine published that in NGOs, Canada is number 1 in all G7 Countries in terms of its CSR practice Canadian businessmen thinks that CSR is part and parcel of their day to day business life. In Canada, customers support the business maximum. It

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135 UK Corporate Governance Code, Turnbull Guidance, Directors Duties on out Law Guide, the Business Review, an Out Law Guide may please be referred to for further details as the source materials.

136 T. Lamarche and Ruinstein (2012)’s work, ‘Dynamics of Corporate Social Responsibility towards a new conception control’?, Journal of Institutional Economics, 8(2) contains vividly the new conception of control that is envisaged in CSR developmental aspects in modern context.

137 Petia Koleva, Thomas Lamarche and Eric Magnin (2014) "work, ' Corporate Social Responsibility in an International Perspective: Europe, Russia and Tunisia-An Introduction', Journal of Economics and Business, 17(1) is the source of the subject mentioned above.
recycles paper product maximum and it gives a good contribution to CSR practice. Canada is expected to do many more CSR activities in terms of availability of its resources.

3.4.4: CSR Practice in South Africa

In South Africa, CSR refers to voluntary involvement or investment of companies in social projects and avenues of investments that might help in bringing about advancement of the society both in economic and social terms. Corporations came to understanding that they cannot function in isolation but jointly with the progress of the society. There has been a shifting of the companies from profit making to social wellbeing of the society after 1994. However, there is no legal obligation on the part of the companies on CSR spending. However, King II and King III reports have acknowledged the need and relevance for the companies to care for the stakeholders in entirety. King I report was published in 1994 and King II report was published in 2002 and in neither of the reports, CSR practice is made obligatory on the part of the companies. However, general trend in CSR practice is praiseworthy. For instance, BHP Billiton, a global mining company adopted many sustainable development initiatives in the avenues of education and training, capacity building, health care and sanitation and other socio-economic development in South Africa. Although, many companies are following international standards and codes with the regard to CSR practices, but many more efforts are necessary from many more companies in order to generate reasonable awareness about CSR in South Africa.

3.4.5: CSR Practice in Japan

According to an article named, ' Overview of CSR in Japan, Ideals, Intentions and Realities at Advanced Companies published in the Tokyo Foundation dated 10th September, 2014, 'every social problem is in fact an amalgam of diverse individual owes and its solution must involve all out efforts not just by the government but by all sectors and strata of society including businesses and citizens, based on a sense of their respective responsibilities. In particular, heightened expectations are being directed at the corporate sector, with its organizational strengths and funding clout.' and from this, it is evident how CSR is practiced in Japan and the

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138 the work is acknowledged as a publication, ' Corporate Social Responsibility-Is Canada leading or lagging written by Banu Raghuraman
139 BHP Billinton development trust report, http://www.ellenpapciakrose.com may please be referred to from which it is retrieved on 16/1/2017.
degree of awareness of social responsiveness of Japan is. In simplicity, social problem varies from country to country and they need to be treated accordingly and the same is the view of Japan with respect to CSR practice. In the report, it is mentioned that there evolved five points in Japanese CSR efforts and they are as below.

Point No. 1: Domestically many companies are undertaking efforts in the areas of environment, human rights and women's advancement but few are addressing the issue of poverty. On the other hand with respect of international contexts, the top area they are addressing is the environment.

Point No. 2: Environment-related efforts approach the ideal in terms of being integrated with business operations but efforts in the areas of human rights and women's advancement are mainly directed at people inside the company.

Point No. 3: Companies are aiming to integrate their CSR activities and their business operations but they are yet to approach this ideal.

Point No. 4: There is a greater emphasis on taking action to implement CSR than on deliberating how best to address social issues.

Point No. 5: Having a department dedicated to CSR can make a big difference. But the tendency for CSR department to become isolated.

Currently, Japanese companies are working together with Government to contribute CSR activities for upliftment of society from poverty, human rights, environmental issues and issues concerning social wellbeing.

3.4.6: CSR Practice in Australia

Corporate Social Responsibility has become a significant phenomenon in Australia (Truscott, Rachael A,140. There has been extensive investigation in order to know the CSR activities in

Australia (De Bakker, Groenewegen & Den Hond)\textsuperscript{141} and opportunities for practitioners to gain marketing mileage from the concept (Arthur D Little Ltd. & BITC)\textsuperscript{142}, very little has been devoted toward understanding the processes which surround this contentious social construction (Margolis & Walsh)\textsuperscript{143}. From these work, CSR practice in Australia can be understood. The same study states that CSR industry is incorporating all CSR-related products and service providers which enables the companies implement their CSR policies. Such providers include independent CSR advisory and assurance services, in-house corporate and government CSR departments, research centers providing consultancy services, third sector organizations offering CSR facilitations, peak CSR bodies providing workshops and conferences and so on. Therefore, CSR practice has received a prominent shape and both the government and the society became serious about its operations in order to make it applicable, 'live and let live' principle. Australian studies on CSR are in favour of employing stakeholder theory (Foster & Jonkar)\textsuperscript{144}. According to studies conducted by commercial firms (Baker & McKenzie\textsuperscript{145}, KPMG)\textsuperscript{146}, CSR has become a powerful instrument for socio-economic development of Australia.

To conclude, Australia is one of the countries in world that encourages CSR activities as means of socio-economic development. Both government and the private corporations are working together for better standard of living and economic well being of the society.

\textbf{3.4.7: CSR Practice in Germany}

For many years, Federal Government of Germany has been encouraging and promoting corporate social responsibility. In order to encounter economic crises as well as financial

\textsuperscript{141}De Bakker, F. G. A. Groenewegen, P., Den Hond F (2005), 'A Bibliometric Analysis of 30 Years of Research and Theory on Corporate Social Responsibility and Corporate Social Performance, Business & Society, 44(3), pp. 283-317 is the source of the view.

\textsuperscript{142}The view expressed here is the source of Arthur D Little Ltd., BITC (2003), 'The Business Case for Corporate Responsibility.


\textsuperscript{144}Foster, D., Jonkar, J., (2005), 'stakeholder relationships: the dialogue of engagement, Corporate Governance, 5(5), 51 is acknowledged as the source.


\textsuperscript{146}KPMG, 2005 & 2006 studied, 'KPMG International Survey of Corporate Responsibility Reporting: University of Amsterdam & KPMG Global Sustainability Services and KPMG(2006) 's Carbon Disclosure Report 2006 Australia & New Zealand: In conjunction with the investors group on Climate Change(IGCC) Australia/New Zealand are the sources duly acknowledged here.
problems, people call for a more responsible and financially supportive behaviour of the corporate world in Germany. The concern for CSR activities received larger attention in Heiligendamm Summit that took place in 2007 during G8 presidency. It is important to mention here that the Federal Ministry of Labour and Social Welfare played a leading role to voice the concern for CSR not only in Germany but the globe. This forum supported the federal government immensely in formulating CSR strategy and on the basis of it, the Federal Government adopted the CSR Action Plan 2010 and the same was implemented in the following year. As a matter of fact, after the G8 Summit, CSR practice received welcome wholeheartedly in Germany as the means of social wellbeing. Today, society expects socially responsible behaviour of the companies. The UN Human Rights Council adopted the 'UN Guiding Principles on Business and Human Rights' and in 2011, OECD revised its guidelines for multinational enterprises too. Germany practices on the principles of due diligence in the context of compliance matter relating to labor, social and environmental standards. EU has offered a definition of CSR as "the responsibility of enterprises for their impacts on society" and Germany is one of the major partners of EU.

3.4.8: CSR Practice in Pakistan

CSR in Pakistan: The Good, the Bad and Ugly published by Triple Bottom-Line Magazine in 2012 authored by Bushra Azhar which discusses about the current state of status of CSR practice in Pakistan. In the same article, it is mentioned that CSR practice by the companies is very poor and they hardly care for the society and its well being other than their of financial interests. In the same article, it is mentioned that the companies give irresponsible advertisements, enjoy monopolistic position, disregards customer relationship management and disregard of social interest. But there are some companies like Pfizer and PARCO who are taking important initiatives in CSR in Pakistan too. As a third world country, Pakistan suffers from having plenty of resources that are needed for CSR practice.

3.4.9: CSR Practice in Bangladesh

Bangladesh is a third world country and suffers from economic resources availability which can be diverted to the cause of CSR activities. Some of the companies and state-owned banks are taking part in socioeconomic development of the country. Bangladesh suffers from poverty,
illiteracy and low women empowerment. An article, "Corporate Social Responsibility Practices in Bangladesh: An Assessment of Four State-owned Banks’ published by Jannatul Ferdous in *International Journal of Business, Economics and Law*, 8(2) pp. 36-41(2015) and he has given his findings that state owned commercial banks involve themselves in CSR activities in Bangladesh. In these institutions, CSR activities remain confined within the scope of education, health care and disaster relief mainly. The environment and sports gets hardly any priority as CSR activities in Bangladesh. From this, it may be concluded that CSR practice in Bangladesh is not appreciable and it needs to take initiatives in CSR activities so that social well being is possible.

3.4.10: CSR Practice in France

France is one of the countries in the world who is the ardent advocate of CSR practice and the same is appreciably adopted by the corporations. Article 225 is the most comprehensive CSR reporting laws so far ever written in France. This law updates France's 2002 New Economic Regulations which requires mandatory reporting on 32 socials, environmental and governance indicators including employment figures, waste management and anticorruption practices. Article 225 is applicable to both the listed and unlisted corporations having physical existence in France, affecting both domestic and foreign companies. Article 225 is explicitly clear about voluntary and mandatory rules and regulations that affect the day to day commercial operations of the organizations. National CSR Reporting Laws comes into force in 2011 in France and this is applicable to both listed and unlisted companies with more than 500 employees and 100 EURO Million Revenue. The reporting shall be on the issues concerning social, environmental and economic affairs and the format shall be integrated with third party assurance. Finally, a company shall be required to produce information at the request of the stakeholders. In simplicity, Article 225 is very specific in the matter of disclosure on environmental issues, social and governance issues of a company. As far as environmental issues are concerned, it is to report on general environmental policy, pollution and waste management, sustainable use of resources, climate change and protection of biodiversity. Secondly social indicators include employment and regional development, corporate philanthropy, loyalty practices and actions taken to promote human rights. Finally governance reporting include total number and distribution of employees by sex, age and geographical areas, hiring and firing of employees,
current salary and salary progression, working hours, absenteeism, health and safety conditions, training policies, freedom for collective bargaining, discrimination if any, abolition of child labour and elimination of forced or compulsory labour. To conclude, CSR practice in France is scientific and rationale and result oriented\textsuperscript{147}.

3.4.11: CSR Practice in China

The concept and philosophy of CSR is well accepted and supported by the Chinese government. The important time came on January 1, 2006 when Chinese Corporate Law was revised to include formally the concept and philosophy of CSR in the legislation. In the same year, the State Grid Corporation of China issued the first ever CSR report by a Chinese State Owned Enterprises(SOE). Chinese government supported CSR activities of the state owned organizations with an objective to integrate the same with the global market and secondly, it offers its own CSR definition and guidelines that aimed at developing a CSR oriented business culture. The concept of CSR practice was included in Chinese Labour Law in 2008. Moreover, in the same year, the state-owned Assets Supervision and Administration Commission of the State Council(SASAC) issued an important policy directive on Guidelines to the State-owned Enterprises directly managed under the Central Government on Fulfiling Corporate Social Responsibilities in 2008. More than 1,600 sustainability reports were generated and distributed in the country as an outcome of SASAC directive policy. China took CSR practice as a part and parcel of competitive advantage\textsuperscript{148}.

3.4.12: CSR Practice in Saudi Arabia

Some select Saudi organizations that have been increasingly contributing towards the corporate social responsibility projects as there has been a significant development of the concept of CSR in the Kingdom during las five years especially increasing in the last two(M, Samita).\textsuperscript{149} King Khalid Foundation is a charity organization aims at achieving the noble objectives principles and values according the webpage of the Foundation. The mission of the foundation is to make a

\textsuperscript{147} The Five W's of France's CSR Reporting Law (2012) by Jonathan Morris, Associate Farid Baddache, Director, Europe, is the source of the views expressed here.

\textsuperscript{148} The source of information is "Is Corporate Social Responsibility China's Secret Weapon? (2012), World Economic Forum retrieved from http://www.weforum.org on 12/1/2017

positive impact in people's lives and this is in accordance with the wish of the late King Khalid Bin Abdul-Aziz the King Khalid Award for Responsible Competitiveness is a way of awarding responsible leadership in Saudi Companies is another initiative of the foundation. It is worth mentioning that the National Commercial Bank own the King Khalid Award for responsible competitiveness in 2010. It is again Saudi Basic Industries Corporation (SABIC) is engaged in CSR activities at high rate and as recognition for the same, it received the GCC-CSR Award on April 1, 2014 for being the best performing firm according to CSR Standards in the Gulf Region. According to the study made by Samita Maqbool, a strong and deeply embedded culture of CSR already exists in the corporate sector in Saudi Arabia, especially in family owned businesses with separate charity offices and family constitutions that define how the funds will be utilized for the welfare of the community. Saudi Arabia CSR practice is based on the principles of developing human and social capital in the country while at international level, CSR practices is based on human rights, labour rights, climate change and environment protection and anticorruption. The gap between these two is expected to be narrowed down in due course.

3.4.13: CSR Practice in Sri Lanka

Sri Lanka being one of the third world countries is well conversant with the philosophy and practice of CSR. CSR in Sri Lanka is seen from the angles of four dimensions and they include environmental protection, customer care, employee care and finally community care. (Source: Sweeny, 2009). Environmental protection covers waste reduction, energy conservation and protection of natural environment. Secondly customer care covers timely resolving of customer complaints and commitment to provide value to the customers. Thirdly, employee care covers skill development and extending long term career, consultation of employees on their important employment related issues and finally community care includes donation and charity and providing local job opportunities to the community. The big corporations follow the international standards and codes of CSR within the legal framework of the country.

3.4.14: CSR Practices in Malaysia

Malaysia a developing nation and it aspires to be in the league developed nations by 2020 according to the Principles of Vision 2020 Plan launched in 1991 and it is considered to be the strategic document for socio-economic development of the nation. Malaysia is in favour of CSR practice for upliftment of the society in terms of distribution of income and wealth. In order to justify the necessity of CSR practice, the Chief Executive of the Sime Darby Foundation uttered that it "it only makes sense", considering the billions of Ringgits in profits that its benefactor-Sime Darby Berhand-makes annually (Zainal Abidin)\(^{151}\). From the study entitled 'the Basis for Corporate Social Responsibility in Malaysia' authored by S. R. Abdulrazak, Fauziah Sh. Ahmed and published in Global Business and Management Research: An International Journal, 6(2), (2014), it is understood that Malaysia wants a CSR Model which should be compatible to its environment and the same should not be copied from Western Model of CSR practice. According to the same study, it appears that Malaysian companies like to adopt "shared value" approach as CSR practice. Malaysia is one of the countries in the world which supports CSR practice by the corporations and there is higher degree of seriousness and awareness about CSR practice before 1980s (Teoh & Thong)\(^{152}\).

3.4.15: CSR Practice in Singapore

Corporate Citizenship is the foundation of CSR practice in Singapore. The corporate office of Corporate Citizenship is situated at 10, Anson Road, 39-07, International Plaza, Singapore-079903. This organization frames CSR policy in conjunction with the government. Corporate Citizenship frames a guide map for CSR for the firms in general and they include:

1. Know your stakeholders and understand their issues.

2. Assess your impacts

3. Develop a strategy

\(^{151}\) Zainal Abidin, y, (2012)'s work, "Sime Darbay Foundations's corporate social responsibility in higher education and community engagement my please be referred to for further detail understanding the CSR culture of Malaysia.

\(^{152}\) H. Y. Teoh and T. S. Thong(1981)'s work, 'An empirical research on corporate social responsibilities undertaken by Malaysian companies,'
Malaysian Management Review, August, i-110 is the source of the view.
4. Communicate and engage.

In Singapore, different companies use different words to understand CSR. For instance, some firms understand CSR in a generic sense, some firms take it as the means of sustainability and certain firms understand CSR as shared value. However, essence of CSR in Singapore means "how organizations and companies voluntarily manage environmental, social and economic issues to reduce their negative effects and maximize their positive impacts." In Singapore, big firms running their business responsibly share their wealth with the society and in future, Singaporean business shall be CSR driven and is expected to follow the principles of the guide map containing four principles as advocated above.

3.5: Conclusion

CSR is one of the important issues the corporate world does have today. The journey of the concept of CSR started in 1953 officially with the humanitarian contribution of Howard Bowen in 1953. After Bowen, Carroll's pyramidal model of CSR was able to generate tremendous awareness about CSR Practice all over the Earth. It may not be out of place to mention that every social scientist except Milton Friedan supported the issues concerning CSR. In this chapter, we tried to offer a sketch of the CSR Practice that is in existence today. It has been seen that in USA, Canada and European countries, the CSR culture received much greater attention of the corporations than that of the firms belonging to the third world countries. Australia, Singapore and China are in forefront in CSR practice than Pakistan, Bangladesh, Sri Lanka and India. However, the degree of CSR practice awareness is a growing trend and perhaps this is a healthy sign of business practices across the globe. Human rights, labour and ethics are the heart of any business and no business can sustain and survive without support of them. However, environmental issues like climate change and environment protection are receiving due attention besides other issues a business should concern itself. None of us exist if the Earth suffers from incurable diseases. There is symbiotic relationship between business and society and the principle of "live and let live" is applicable to business and society. Almost companies of every country in the world are becoming conscious about their reasonability towards the society and it needs little more time for further awareness generation. Many African countries and Asian countries are still outside the map of CSR practices and economic reasons appear to restrict them from being CSR practitioners.