



CSR in Business for Sustainable Enterprise

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ABSTRACT

Over time, businesses have added additional components, such corporate governance, service-dominant thinking, and sustainable business. Examples of these include corporate social responsibility. It used to be said that an organization's main responsibility was to maximize profits for its stakeholders at the expense of its ability to improve society as a whole. Ecology, another important component that was previously disregarded, is now receiving the attention it deserves. A "business case" for corporate sustainability is a concept that more and more businesses, environmental groups, and others are adopting to bolster their sustainable business practises. No company can stay in business for very long if it withdraws from these operations. Therefore, it is now essential to engage in responsible corporate citizenship in the contemporary economic environment by understanding these phrases and integrating them into company social culture is increasingly essential. The theoretical examination of corporate social responsibility (CSR) in this article will primarily center on the triple bottom line (TBL) in terms of the economic, social, and environmental components. The study of corporate social responsibility (CSR) for sustainable business will be built around the triple bottom line, with a focus on the importance of this concept for running sustainable businesses. The value that companies may provide to their clientele will determine how corporate businesses turn out.

Introduction

Companies must contend with competition while offering local and foreign clients services. Both locally and globally, businesses must be concerned about the customers they serve, the standards, and the competition. Companies nowadays are expanding internationally, and to compete and prosper in the market, they must adhere to international

standards. If businesses wish to address the challenges of the present market, they must also be concerned with environmental, social, and economic issues. Businesses are shifting from producing goods to providing services, and they are dealing with challenges related to the economy, society, and the environment (CSR). If a business wishes to compete both locally and globally, these three components or variables are crucial.

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The Commission of the European Communities (2006) defines corporate social responsibility (CSR) as the process by which companies include their stakeholders voluntarily and integrate social and environmental problems into their everyday operations. This tendency is easily seen on a global basis as more and more business owners have started to think about the social implications of their decisions. Corporate social responsibility (CSR) begins with a business's pledge to act morally (Moir, 2001). It encompasses more than simply how companies conduct their operations to benefit society at large (Baker, 2008).

In the service sector, organisations that are concerned with corporate social responsibility through their operations are well-known today.

Corporate Social Responsibility's theoretical underpinnings

Businesses should participate in activities that may be considered socially responsible has been a topic of discussion, academic study, and literature for many years (Heald, 1957, quoted in Ullmann, 1985). The principal role of the role of business is to supply the needs and desires of society with commodities and services. Nonetheless, there is a need for both industry and society to have a stable environment and educated workforce, which makes them interdependent. The evolution of corporate social responsibility and the interaction of business, society, and government are covered by Cannon (1992). According to Cannon (1992: 33), Lord Sieff, the former chairman of Marks & Spencer PLC, "business only truly contributes to a society if it is efficient, profitable, and socially responsible." CSR's role in resolving matters pertaining to a business's corporate responsibilities and how they relate.

There has long been controversy around the interaction between civilization and the environment (Enquist, et al., 2007). It's a common misconception that CSR doesn't align with what yearly reports or company codes of conduct say. The company's whole CSR plans are only partially implemented. In general, the ecological, economic, and social bottom lines must be addressed by an organization's social responsibilities. There is much more to business social responsibility than merely contributing to charities. The fundamental idea of corporate social responsibility is that society and business are not distinct entities, but rather are intertwined (Wood, 1991). CSR's role in resolving matters pertaining to a business's corporate responsibilities and how they relate CSR is not just about giving to charity. The fundamental premise of corporate social responsibility is that business and society are not distinct entities, but

rather are linked and intertwined (Wood, 1991). The social component of CSR, which also tackles economic, social, and environmental challenges, consists mostly of philanthropy. Corporate social responsibility is becoming more and more important as more companies realize its value (Chaudhry & Krishnan, 2007). Globally, entrepreneurs are starting to take seriously the possibility of incorporating CSR projects into their primary business strategy. According to Lee and Kotler (2005), CSR is necessary to guarantee both strategic and competitive advantages.

Sustainable Development

A continual interaction between human behaviors—like the desire to enhance one's lifestyle and feeling of wellbeing—and the ecology and resources of the natural world is the actual meaning of sustainable development. The goal of this concept is to preserve the possibility that future generations will live in circumstances that are at least as good as our own (Mintzer, 1992). In a 1981 paper titled "Social Audit - A Management Tool for Co-operative Working," Freer Spreckley introduced the concept of the triple bottom line when talking about what social firms should include in their performance review. The phrase was first introduced by John Elkington in his 1998 book *Cannibals with Forks: the Triple Bottom Line of 21st Century Business*. (Brown and others, 2006).

The notion is to preserve the possibility that the level of living enjoyed by future generations will be at least as high as ours (Mintzer, 1992). We believe that everyone who appreciates nature and wants to see it protected for future generations should be involved in sustainable development. People will continue to utilize nature in direct and indirect ways if the current generation does nothing, maybe without even realizing they are endangering human health and the ecology. Everyone is growing more and more in favor of sustainable development. Environmental concerns are also a worry for many experts.

Triple Bottom Lines

The phrase "triple bottom line" (TBL) was originally used by John Elkington in 1994, and it was later used again in his 1997 book *Cannibals with Forks: the Triple Bottom Line of 21st Century Business*, according to a survey of the literature. Elkington, 2004. Elkington first made the term known to the public in three different publications: *Cannibals with Forks: The Triple Bottom Line of 21st Century Business* (Elkington, 1997); a 1994 article on "win-win-win" company strategy in the *California Management Review*; and

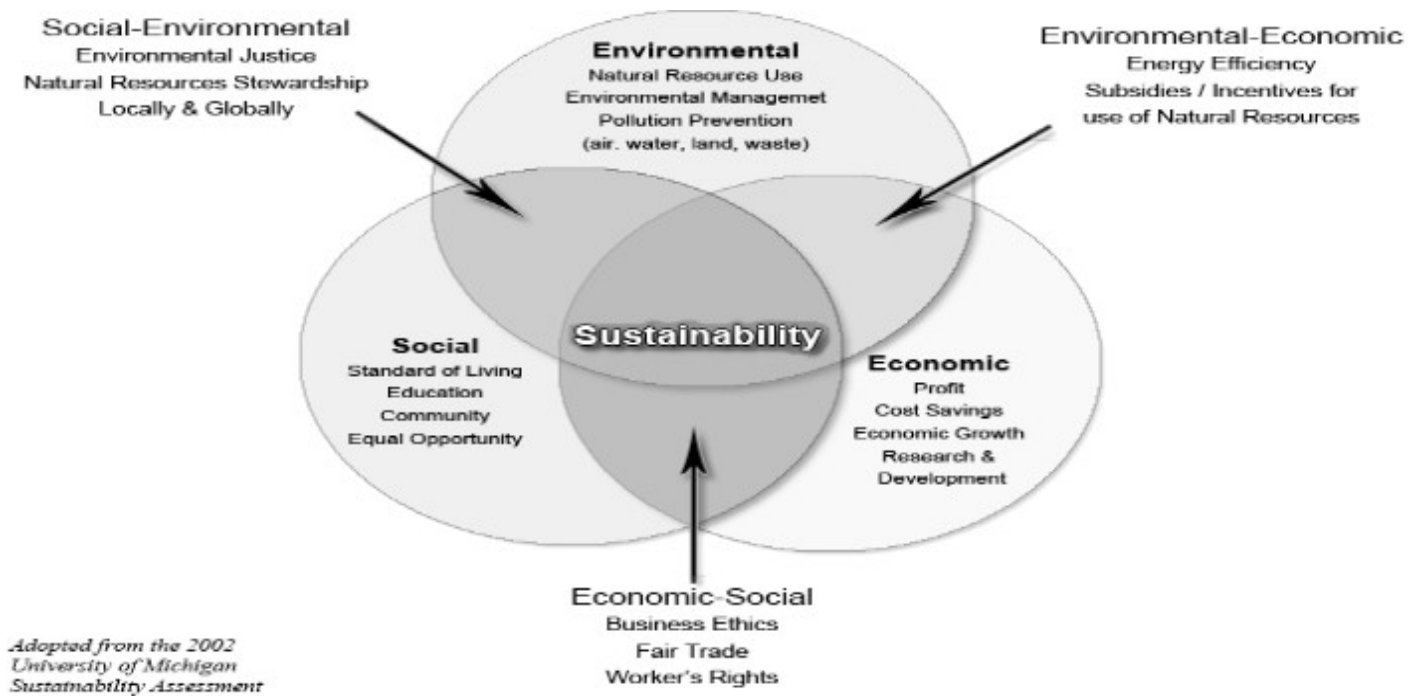


Fig. 1: Triple Bottomline (Source: Sustainability Assessment and Reporting for the University of Michigan’s, 2002, p.8).

a 1996 Sustainability report Engaging Stakeholders. TBL works on three areas: social, ecological, and economic.

TBL needs stakeholders to accept responsibility rather than shareholders in order to increase the firm’s worth. This also includes its social, human, and environmental capital, as well as its profitability and shareholder values. Since TBL is a difficult approach, many firms are still learning about the full implications of using it. Additionally, it discusses social equity, environmental responsibility, and economic performance all at once. Some companies believe that by putting the TBL concept into practice, they will be able to solve social concerns, uncover new commercial opportunities, manage business risks more sustainably, and foresee possible obstacles. (Richardson & Henriques, 2004). As seen in Fig. 1, TBL is mostly separated into three spheres that are also connected to one another.

Conclusion

Businesses can have organized talks to determine the implications of this program for their sector. It is beneficial if they have conducted preliminary benchmarking against industry peers and competitors. It is necessary to consider the “voice of the client” as well as the voices of the company’s stakeholders. Additionally, the standard for stakeholder engagement will define the word. There shouldn’t be a single definition that applies to all situations, but by considering worldwide standards and publications like

ISO 26000 and the UN worldwide Compact, one level of definition might be achieved. We have to go “beyond reporting,” particularly in cases when the reports merely provide findings as trailing indications. It is necessary to create leading indicators using performance frameworks (such the EFQM “Framework for CSR”).

On a broad scale, CSR encompasses ideas Businesses that truly practice corporate social responsibility are those that fully embrace environmental and social issues. For a company Given the challenges of quickly changing and integrating CSR, the business should be transparent about its existing state of affairs and disclose its three- to five-year objective. Eventually, company planning and evaluation would completely incorporate CSR. Broadly speaking, CSR includes concepts like as sustainable development, stakeholder theories, the triple bottom line (TBL), and the CSR pyramid. Because of these ramifications, the organizations may behave responsibly when it comes to sustainable business practices.

Such as sustainable development, stakeholder theories, the CSR Pyramid, and the triple bottom line (TBL). Because of these ramifications, the organizations may behave responsibly when it comes to sustainable business practices. Establishing and understanding sustainable business practises and incorporating them into day-to-day operations is crucial for organisations. In addition to the firm’s economic perspective, organizations also need to consider two other critical factors: social responsibility

and environmental responsibility. Organizations' capacity to satisfy consumers by providing them with value—which may be collaboratively generated by involving them in the service development process via the use of CSR tactics—will determine how successful they are.

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