

The Culture of Business - In Perspective

Corporate Social Responsibility in a Post-Soviet World.

By: Stephen G. Wright

How well can any organisation institute and maintain CSR under the current conditions here? Yes, I fully realize that many of you will huff and puff and say how effectively and conscientiously you apply CSR in daily operations, it is called defensive reasoning. The problem arises in how you perceive CSR in relationship to the conditions of business. In a phrase it would be "easier said than done"! This is not to suggest you cannot do it at all, only that you must have learned by now the working atmosphere does not support a comprehensive application! So – whose fault would that be??

"There is today a growing perception among enterprises that sustainable business success and shareholder value cannot be achieved solely through maximising short-term profits, but instead through market-oriented yet responsible behaviour. Companies are aware that they can contribute to sustainable development by managing the operations in such a way as to enhance economic growth and increase competitiveness whilst ensuring environmental protection and promoting social responsibility, including consumer interests."

From: The CSR Concept

Source: <http://europa.eu.int/comm/enterprise/csr/>

Why would it be hard to put CSR into action here? Simply put, we live and work in a region that plays by a different set of rules concerning the strategic interests of a business. Having spoken to various expatriates from large firms it seems obvious that what is more the case for you is "selective adaptation". By this is meant that you adjust your own personal, and national norms and values selectively to accommodate the local cultural patterns of business. Selective adaptation is then given form as situational ethics. The driving force of applied CSR becomes a bit more of a luxury rather than a must do situation. Compare and contrast the stakeholders of your firm here with those in most European locations, is your approach different?

Is corporate social responsibility a way for smart companies to achieve broader commercial objectives? That question was posed to Mike Love, vice president of European Corporate Affairs for McDonald's Corporation, who seemed to feel that that was a backward way of looking at the issue. "As a smart company, you don't use CSR to meet business objectives; you are socially responsible as part of the core of your business practice." While McDonald's is heralded in Europe for a number of its recent business decisions - selling salads and other healthier food, no genetically modified foods or ingredients, using only free-range eggs - Love noted that these steps were taken in response to customer demand, not in an effort to be seen as a socially responsible business.

Jeff Swartz, CEO of Timberland Corporation and the conference's keynote speaker, vehemently believes that delivering superior shareholder value every quarter should not be separated from good corporate citizenship. "At Timberland, doing well and doing good are inextricably linked."

What's the point of CSR? Clearly, for the U.K. and European companies represented in London last week, CSR is embraced (or, at least, accepted) as simply part of doing business in the 21st century. While business leaders, academics and analysts may not agree on specific standards and measures of corporate social responsibility, CSR is clearly not going away on the other side of the Atlantic. Contrast this with the attitude of many American companies and their leaders, who are skeptical of CSR and seem to think it's just the latest corporate fad, to be ignored until it fades away in the next year or two.

From: What's the Point of Corporate Social Responsibility?

By: Carolyn Cavicchio, 05/21/04

Source: <http://www.onphilanthropy.com/onthescene/os2004-05-/os2004-05->

As I have indicated in previous articles, so many training programs for economics, management, small business development, accounting and finance have been offered to the local population. Yet aspects of ethics and corporate responsibility seem to have been laid by the side of the road. What you see around you is no more than what you have given them to work with. How many of you can look at what is transpiring in terms of "bandit capitalism" and not see a need for putting on the brakes more strenuously is beyond me. Yes, I am also fully aware that there has been much discussion and current movement towards conferences and courses for ethics – after the trolley has left the station! If visiting government agencies, corporations and NGOs had given this their first thought instead of their second thought you may well be having a much less stressful time of it here. This region desperately needs less adaptive behaviour and more transformational and bilateral behaviour modification!

Clearly indicated in the above article excerpt, CSR has value and can be made to work for everyone's best interest. What appears to be the most salient point is in the idea that it is not a selective idea based upon the congeniality and acceptance of CSR, or the force of citizen action committees within the business culture environment you operate in. Rather it is at the very foundation of what you are in business to do. Change can be implemented when done so systematically. The frustrations of doing business here are open to adjustment when placed into a context that both you and the local population can respond to; this is known as the Law of Effect! (see last weeks article) The short form of this article is – "put up or shut up"!!

Mr. Wright has 12 years of field experience in 5 nations of the F.S.U. Some of his clients for seminars in cross-cultural relations, business communication strategies and "Understanding the U.S. Culture for Strategic Advantage" include, Gazprom, The Ministry of Transportation and Defense of Saudi Arabia, Bechtel, USDA Graduate School, and Georgetown University. Between 1996 and 2002 Mr. Wright was a member of the Associate Faculty in the MBA Program at Johns Hopkins University, School of Professional Studies in Business and Education. In the 1979 Mr. Wright received his undergraduate degree in Political Science from The American University and in 1990 he completed graduate studies in Management at Cambridge College. He is now doing research for his Ph.D.

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