

CORPORATE RESPONSIBILITY IN PRACTICE



Corporate responsibility : DEFINITION

- Corporations have a responsibility to those groups and individuals that they can affect, its stakeholder and society at large. It includes being consistent with ETHICAL principles and conduct such as honesty, integrity and respect for others.

ETHICAL DELEMNAS OF THE INTERNATIONAL CORPORATE IN THE RELATION HEADQUARTER AND SUBSIDIARIES IN DIFFERENT COUNTRIES



CONTENT

I- Business International and Business Ethics goals. Friend or Enemy ?

II- Consequences of ethic development and solutions to adapt to this new trend

III- Instances



I- Business International and Business Ethics goals. Friend or Enemy ?



Profit
Advantage
Market share
Added Value
To be competitive
Growth
Subsidiary
Direct foreign Invest
Decrease these production cost
Communication
Export
Import



So where is Environment, Human being, Rights, quality of life or the well being of the population in there ? This is where the notion Business Ethics comes in.



I- Business International and Business Ethics goals. Friend or Enemy ?

Refers to accepted principles of right or wrong that govern the conduct of a person, the members of a profession, or the actions of an organization.

Principle of ethics are different depending on the country

What is the meaning of ethics in business ?

- Companies behavior guide
- To distinguish between “right” and “wrong”
- It is not always easy for companies to implement of good ethical practice and more over it's not always profitable
- Socials Responsibilities

Business Ethics create some dilemmas

**IS “BUSINESS ETHICS”
AN OXYMORON**



I- Business International and Business Ethics goals. Friend or Enemy ?

Ethical dilemmas engendered

Corporate social responsibility take into account several ethical issues that involves:

- Employment practices
- Human rights
- Environmental regulation
- Bribery



I- Business International and Business Ethics goals. Friend or Enemy ?

→ Employment practice

When work conditions in a host nation are clearly inferior than those practiced in the the home nation

→ Human rights

Rights that we take for deserved and normal in developed countries are by no means universally accepted

The dilemmas is that maybe it's more profitable for the company to use host nation practices / rights instead of those used in their own nation and inversely.



I- Business International and Business Ethics goals. Friend or Enemy ?



→ Environmental regulation

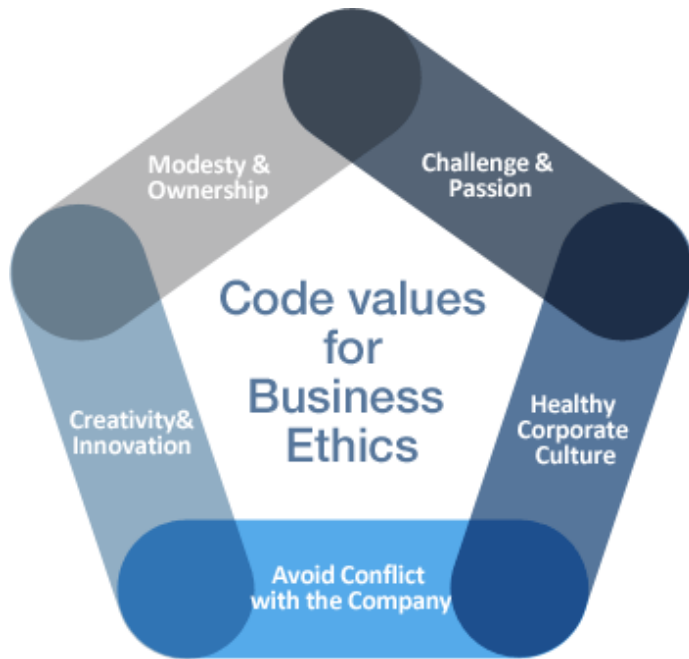
Should a corporate feel free to pollute in a developing nation ? Who have to give penalties to companies that pollute to much ? the host country or the home nation.

→ Bribery

Bribery has been a problem in almost every society in history, and it continues to be one today.



II- Consequences of ethic development and solutions to adapt to this new trend



- Importance of the respect of some norms and values in the production process (child labor, earth pollution, bribery ...)
- prevent scandals which have a negative impact on stock prices and market shares

Spanghero scandal



Examples of ethical solutions

- It is a tax that increases revenue without significantly altering the economy while simultaneously promoting objectives of climate change policy.



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- alternative approach to conventional trade and is based on a partnership between producers and consumers

III- Instances



Caterpillar

- Reducing the loss of profit
- Shut down of a plant
- Collateral victims
- 6000 loss of jobs



Monsanto during the war

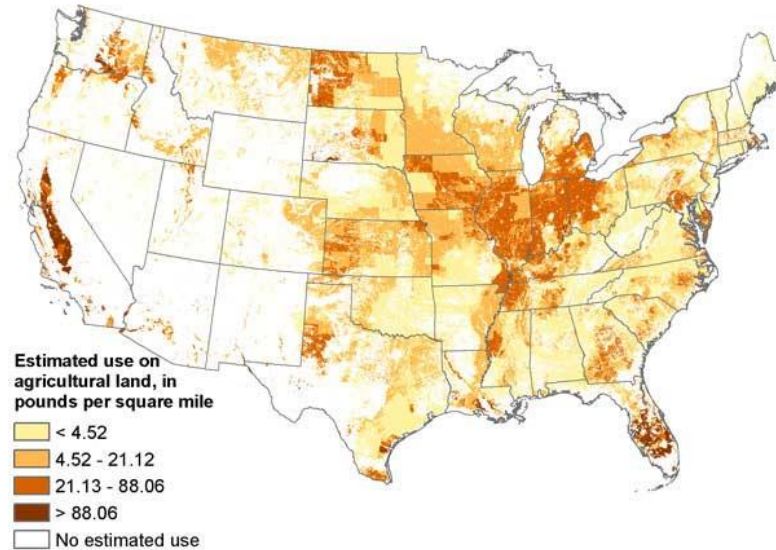
- Specialized in biotechnologies
- Vietnam war and agent orange
- Investors and government interests
- Caused cancer to people



Monsanto 1990-now

- ▶ Farming and roundup
- ▶ Bad impact on earth and people
- ▶ Judged by an international court

Estimated Agricultural Use for Glyphosate, 1994



CONCLUSION





THANK YOU

FOR YOUR ATTENTION

Sources

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