

Strategy of Corporate Responsibility in the Company

Our Team:

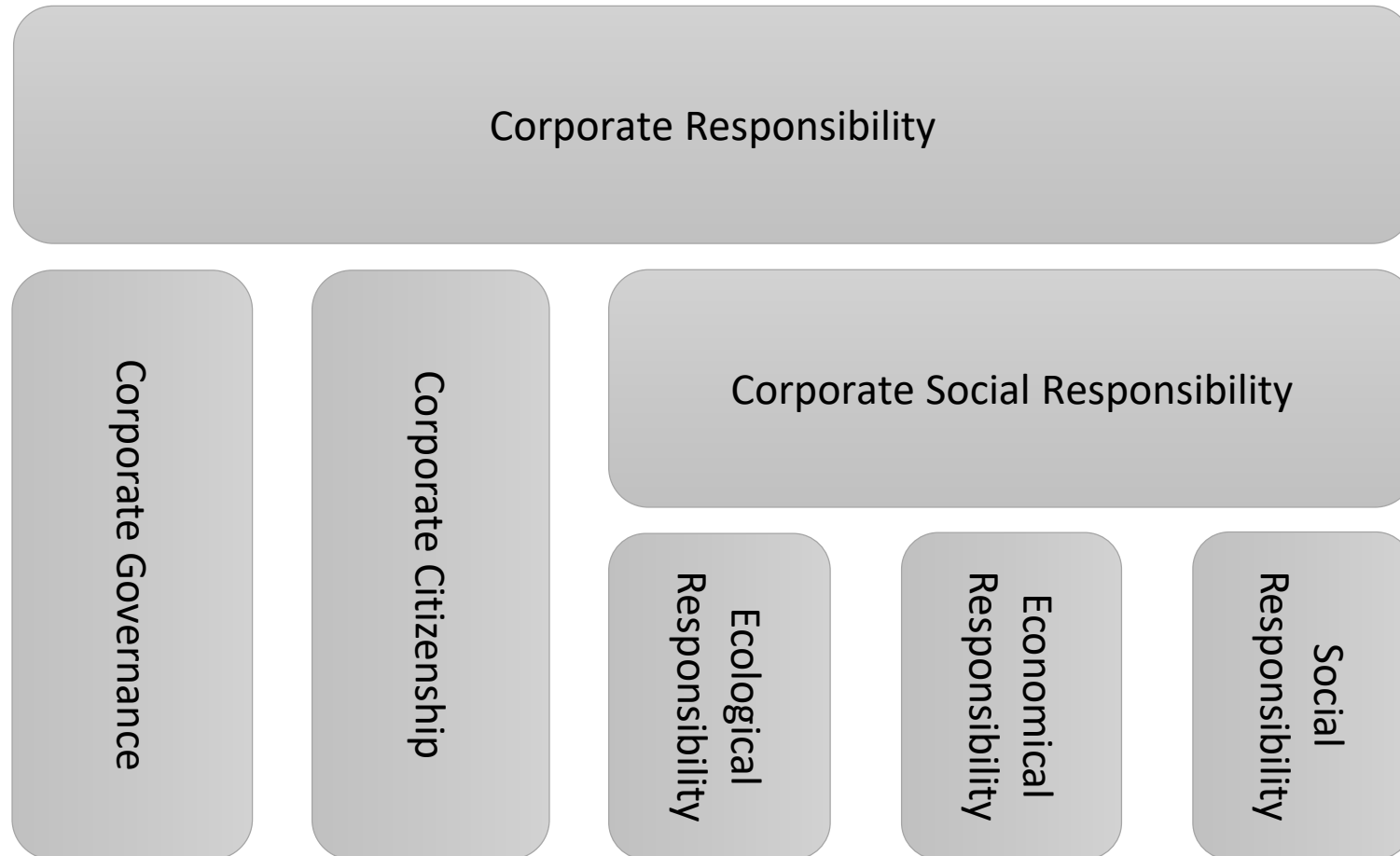


Daniel Osswald
Onat Gencer

Content of the Presentation

- 1) Introduction of the Team
- 2) Introduction of the topic
- 3) Content of the presentation
- 4) Descriptions, explanations, observations
- 5) Results
- 6) Summary
- 7) Vote of thanks

Branches of Corporate Responsibility



Corporate Responsibility

Responsibility of Corporations to groups they can affect:

- *Stakeholders*
 - *Customers, Suppliers,*
 - *Employees, Communities and*
 - *Shareholders*
 - *other Financiers*
- Society at large

Corporate Governance

Corporate governance is the system of rules, practices and processes by which a firm is directed and controlled.

Corporate Citizenship

Corporate citizenship involves the social responsibility of business, and the extent to which they meet legal, ethical and economic responsibilities, as established by shareholders.

Corporate Social Responsibility

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable — to itself, its stakeholders, and the public.

Why are Strategies important?

A company's plan for how it will match its internal strengths and weaknesses with the external opportunities and threats in order to maintain a competitive advantage.

Why to introduce CSR model?

Mobilizing the strategic CSR model developed by McWilliams and Siegel (2001), we first look at the market conditions for a profitable management of externalities and propose three necessary conditions: stakeholders' willingness to pay, low transaction costs, and a sufficient social acceptability of the transactions.

The four steps to create a Strategy (explanations)

1. Mission Statement
2. Identify social and ecological issues
3. Adaption of existing strategies from foundations
4. Concretization of the Strategies

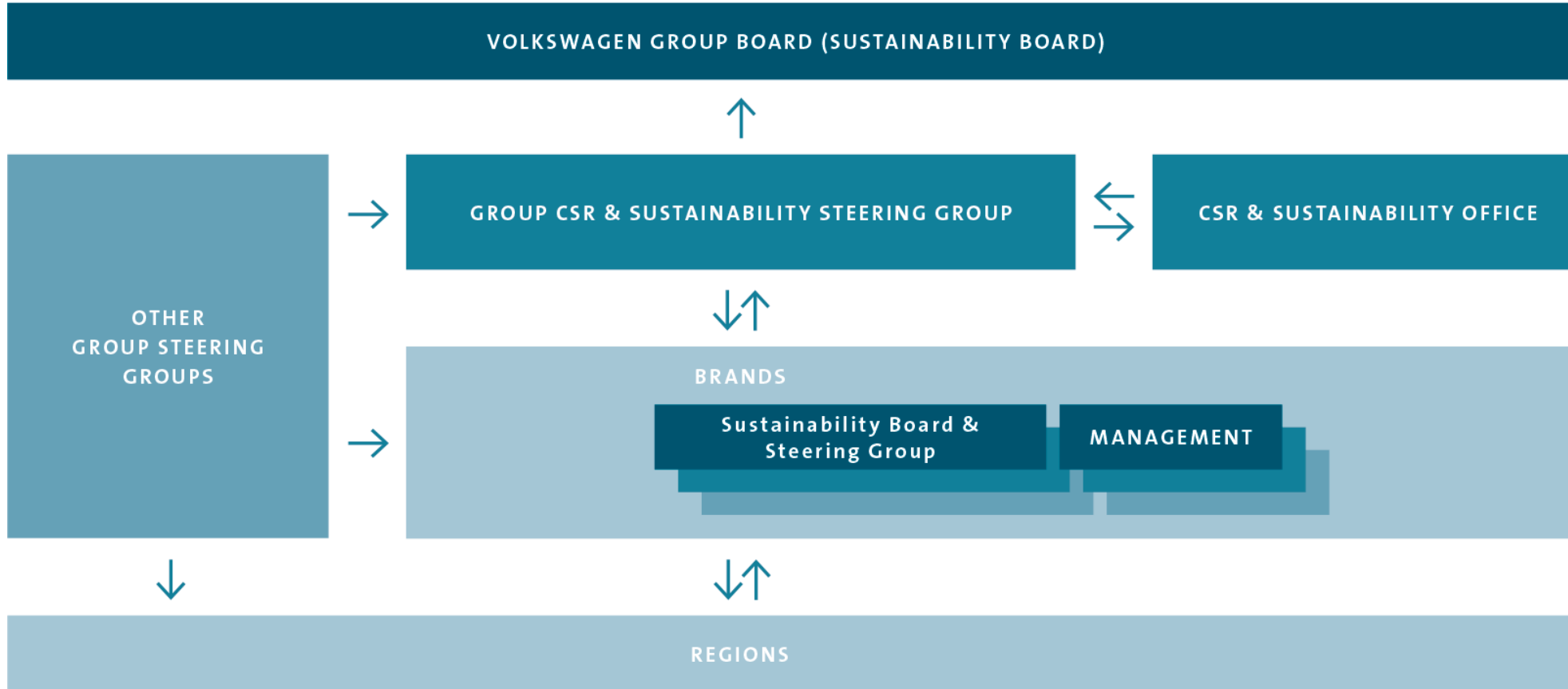
Example of each stakeholder management



Source: Issues PR, 2011.

Management of CSR

(Example: Volkswagen Chart of organisation)



Management of CSR

(Written explanation and additional information to previous slide (for your Information))

- Highest committee is the management board of the concern
 - Also, functioned as sustainability board
 - Is regularly briefed by Group Sustainability on related topics (sustainability and corporate responsibility)
 - In this group are executives from business branches, of the management boards, employee representatives and representatives of the brands
 - Their main task includes identifying key action areas, making decisions (based on their goals)
- There is also a sustainability office to support the sustainability board
 - Their task is to coordinate all sustainability activities
 - Is responsible for the dialogs with the stakeholders
- The two groups meet twice a week
- *There is also a sustainability council mad up pf experts, politics and society.*
 - *Is has its independent working methods and consult the representatives regularly for exchanging information.*

Organization

Corporate Social Responsibility is a concept practised by companies to create a sustainable business, where companies in turn are organisations created upon people. An organisation is formed to reach goals, which are only reachable by the mean of combined work. Combined work needs motivated people and a supportive culture.

Culture and Motivation

- The culture present in an organisation has a great influence on how work is performed and is not independent from structural issues. Work should be structured so to make the employees to work towards the same goal as the organisation.

Organizational Culture

- A senior manager is managing culture, implying what is important and what is less important and so framing how the organisation should be understood. Culture is highly significant for how companies and other organisations function: from strategic change, to everyday leadership and how managers and employees relate to and interact with customers as well as to how knowledge is created, shared, maintained and utilized.

Employee Motivation

- The organisation needs to communicate its vision, mission and values to all members. The vision, mission and values should be communicated in such a way that each employee knows how they influence each individual employees work. Without a clear vision of where the company is heading the motivation level will be low.

Organizational Social Structure

- The definition points to the suitability of using social structure in this thesis as it concerns the people in the organisation and their relationships, in comparison to for example organisational physical structure that among other things are about furnishing and office design.

Dimension of Organizational Structure

Centralization

- Centralised decisionmaking makes the coordination task easier, it also enables for the top management to have a better view of what is going on and to make sure that the organisation moves in the preplanned direction. Centralisation further allows for quicker decision-making processes and it makes sure that top management, likely to have been in the organisation a long time, are the ones taking the decisions.

Decentralization

- In a decentralised organisation, the member closest to the situation takes the decisions and such organisation relies heavily on the participation of many members in the organisation. In a decentralised organisation there is usually more communication and involvement. Another reason to have a decentralised organisation is the important aspect of employees' satisfaction.

Formalisation

- Formalisation is discussed around to what extent rules, regulations, policies and procedures govern the activities carried out in the organisation. Things that indicate on formalisation are written policies, job descriptions, operation manuals, management systems and organisation charts. These specify how decisions should be made and work performed.

Standardisation

- Standardisation is the degree to which the activities in the organisation are governed by standard procedures, where the opposite is when more individual judgement and case-to-case problem handling govern the activities. With a high level of standardisation everybody in the organisation knows what is expected and the procedures rarely change during the work.

Differentiation and Specialization

- To be able to deal with the external environment, the organisation divide itself into different departments all with an important role in dealing with specific tasks related to the external environment.
- The different ways of differentiation can be used together, where the most commonly seen is the matrix differentiation, meaning a functional and market differentiation. It is an attempt to reap the benefits of having for example all purchasing grouped together at the same time as focusing on different geographical segment.
- When specialisation is made on an individual level, it concerns the number of tasks that are to be performed by one employee as well as how narrowly defined these tasks are. Specialization is to the extent work tasks are divided into very small parts and assigned to workers specialized on that part of the production specifically

Integration

- Integration is how the organisation manages the coordination of the different activities and departments in the organisation. Integration can for example be achieved through direct contact, networks, cross-functional teams, rules and procedures. Where networks and cross-functional teams are most likely to produce direct contact in terms of informal lines

Cultural Differences in CSR

- The term CSR came from the USA over Australia to West- and East- Europe
- In the examining of CSR were significant differences codified
 - Caused of different historical development of the countries
 - Most of them are culturally anchored (i.e. ethical norms and values)
- Since CSR is relatively new topic, there are barely any empirical results available
- Observations demonstrates that examining CSR in the context of firm strategy is both possible and increasingly necessary to developing competitive advantage in the current environment.



Observation of the Strategies in Real Life (of DHL)

Fair working conditions

Take care of environment:

- Building + transport efficiency
- Recycling management
- Network optimization

Shared Value

Corporate Citizenship

Provide emergency logistics support in areas with natural disasters

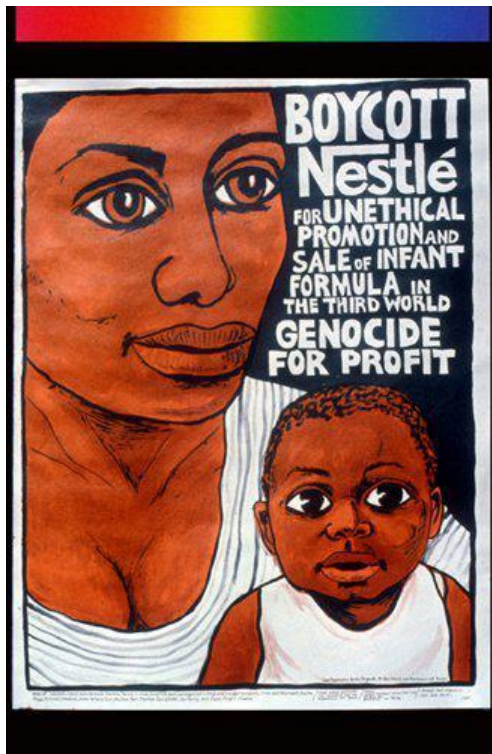
Actively involved in refugee aid

GOGREEN SERVICES

Result & Summary

- 1) well-founded mission statement
- 2) identification of relevant topics in exchange with the stakeholders
- 3) Orientation towards general standards
- 4) Strategy implementation in all departments of the company

Examples of CSR



Sincerely,

Adobe · Apple · Danfoss · Facebook · Gap, Inc.
 Google · Hewlett Packard Enterprise ·
 Ingersoll Rand · Intel Corporation ·
 Johnson Controls · Mars Incorporated · Microsoft ·
 Morgan Stanley · National Grid ·
 PG&E Corporation · Salesforce ·
 Schneider Electric · Unilever · VF Corporation

Dear President Trump,

As some of the largest companies based or operating in the United States, we strongly urge you to keep the United States in the Paris Agreement on climate change.

Climate change presents both business risks and business opportunities. Continued U.S. participation in the agreement benefits U.S. businesses and the U.S. economy in many ways:

- **Strengthening Competitiveness:** By requiring action by developed and developing countries alike, the agreement ensures a more balanced global effort, reducing the risk of competitive imbalances for U.S. companies.
- **Creating Jobs, Markets and Growth:** By expanding markets for innovative clean technologies, the agreement generates jobs and economic growth. U.S. companies are well positioned to lead in these markets. Withdrawing from the agreement will limit our access to them and could expose us to retaliatory measures.
- **Reducing Business Risks:** By strengthening global action over time, the agreement will reduce future climate impacts, including damage to business facilities and operations, declining agricultural productivity and water supplies, and disruption of global supply chains.

As businesses concerned with the well-being of our customers, our investors, our communities, and our suppliers, we are strengthening our climate resilience, and we are investing in innovative technologies that can help achieve a clean energy transition. For this transition to succeed, however, governments must lead as well.

U.S. business is best served by a stable and practical framework facilitating an effective and balanced global response. The Paris Agreement provides such a framework. As other countries invest in advanced technologies and move forward with the Paris Agreement, we believe the United States can best exercise global leadership and advance U.S. interests by remaining a full partner in this vital global effort.

Sincerely,

Adobe · Apple · Danfoss · Facebook · Gap, Inc.
 Google · Hewlett Packard Enterprise ·
 Ingersoll Rand · Intel Corporation ·
 Johnson Controls · Mars Incorporated · Microsoft ·
 Morgan Stanley · National Grid ·
 PG&E Corporation · Salesforce ·
 Schneider Electric · Unilever · VF Corporation



Vote of thanks

- Kash Rangan, Lisa A. Chase, Sohel Karim, Why Every Company Needs a CSR Strategy and How to Build It (April 5,2012)
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- <http://www.diva-portal.org/smash/get/diva2:3825/FULLTEXT01.pdfii>