

CSR PROGRAMS: A SAGA OF LEADERSHIP STYLES AND ETHICS

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Abstract

Corporate social responsibility has been an area of deep importance because of its positive impact on business and society. But it was not an easy task to accomplish. Since a very long time several rules and codes were made to illustrate what, how and when to do but the whole thing will be impactful only then, when certain aspects will be taken into consideration. The paper is aimed to study growth and dynamics of CSR, the aspects of leadership concerned with a true leader traits and styles to achieve the performance of the company, satisfaction of society and people and ethics which have made the CSR fruitful for the business and society .

Key Words: CSR responsibilities, CSR programs, CSRs history, ethics, leadership etc

Introduction

Leaders have worldwide changed organizations by their capabilities and responsibilities, their decisions have evolved economies and societies, but the attribute ethics played a very important role in this too. The role of leaders is very complicated in business organizations. They bring unique set of skills, competencies, responsibilities and change the image, strategy and style of business globally. As they contribute lot to the strategies of the company they may change its focus and affect the society too by motivating it to be a socially oriented organization. In the process of business the perception has changed from process to people.

CSRs History

Rhys Jenkins debated the relationship between business and society' (Jenkins 2005). And it has continued since the late nineteenth century. Earlier there was the development of the anti-trust movement and as a response, corporations emphasized on corporate responsibility and philanthropy in order to prove that government regulation was unnecessary (Richter 2001). the Great Depression of 1930

revolved around Labor government, In the late 1960s and 1970s a new wave of concern about the growing social and environmental impact, The International Chamber of Commerce, launched its Guidelines for International Investment in 1972, and a number of other multilateral agreements also emerged in the 1970s sponsored by the ILO, the UN, the OECD and other international organizations.. There were various periods sometimes the organizations over powered the corporations ideologies and other times the ethical norms won the case, but all these attempts in the past have put the current CSR programs for us which are voluntarily accepted by the companies to give us latest CSR style strategies.

In the 1980s it was becoming clear that the various multilateral initiatives and agreements are addressing issues about corporate power. A decade later the criticism increased and several new ideologies came up to neutralize them in the following years. However we have to address several other remaining old issues and new issues which were left out. About the submission to the Australian Parliamentary Inquiry on CSR Ken Coghill (2005) argued that there are three potential drivers of CSR in existence: CSR as a business strategy designed either to avoid risks that threaten the company's shareholders' interests or to promote innovation that benefits the company's interests; CSR as a policy based upon ethical and moral values; and CSR as a means for achieving social 'sustainability'.

A leader will affect the various aspects of business and as he/she has most of the power so they contribute a lot and the potential drivers which were mentioned above will also be affected by them. Hanson & Middleton in 2000 advocated that the transformational leader is able to communicate so enthusiastically that the result is pulling people to commit to the vision of the leader on sustainability.

CSR and Organizations: To mix CSR in business

sounds rather easy but it is a very tough task as it is affected by various things. The whole idea however draws a very beautiful picture but it is operationally rather handful. It requires an indepth knowledge of many things and it takes a lot of time, money and people. Every act brings more questions into view. To ease the task several studies have classified it into several categories to ease the task. Four areas were identified which should be addressed for CSR questions:

- ❖ The meaning of CSR for developing countries
- ❖ Its relationship to international governance,
- ❖ The consequence of thinking in terms of the business case for CSR,
- ❖ Its analytical limitations.

Organizations and Leadership

The connection between top managers and firm outcomes depends to a large extent on the managers' charismatic leadership under conditions of perceived environmental uncertainty (Waldman, Ramirez, House, & Puranam, 2001). These sorts of events become more likely when the firm becomes related with corporate social responsibility. Leaders were considered as people of skill, competency and deep understanding, who are capable of evolving a company in different paths. According to Giampalmi (2004) -A leader should be remembered as a person who designed a society that is educated, environmentally friendly, safe, and economically sustainable. The Responsible leaders are defined as people of the highest integrity and deep understanding of difficult concepts such as sustainable development, committed to building enduring organizations in association with others, leaders who have a deep sense of purpose and are true to their core values (Roome & Bergin, 2006). The most charismatic leadership style comes from the leaders of socially responsible organizations as it includes innovative vision, energy, and a strange sort of empowerment (Bossink, 2007). Other leadership attributes are related to sustainable social success (Waddock, 2007; Waldman, Siegel, & Javidan, 2006), and the leaders' values - integrity, teamwork, respect, and professionalism are a part of responsible leadership (van de Loo, 2006). The success is attributed to leaders' relentless focus on clients, continuous communication of values and beliefs, a large amount of engaging with others, accountability, and reliability (van de Loo, 2006), as well as a long-term perspective.

Leaders focus on profit making, expansion, creation, co-operation and connect it with the interest

with stakeholders. To increase investment and building alliances they generally focus on three strategies:

- ❖ Capacity-building initiatives
- ❖ Package dissemination initiatives
- ❖ Movement-building initiatives

A certain balance has to be established to between CSR and business practices to achieve performance and image. It is very difficult to achieve a complete package with CSR but a true leader could make it happen to do so he/she has to focus on many things. The issues appear when leaders try to merge the principles of CSR:

- ❖ To balance it's social and environmental responsibilities with its and clearly defined economic responsibility to earn a profit
- ❖ Evolving norms and rules determine what constitutes acceptable and corporate behavior
- ❖ CSR's glass ceiling is merely a reflection of society's expectations
- ❖ Corporations are beginning to see a strategic value in CSR and improved public relations or the short-term bottom line

We live the dynamic environment with multiple demands from shareholders and when we discuss the CSR concept the issue is sustainability with a big S and more about leadership with a big L (Jayne, 2004).

A leader will have to do that solve issues like solving social issues, help to build local capacities so that local issues can be resolved, organizing and supporting local events and movements.

Leaders and Ethics

The employees of a company desire different things from the company and leader, such a variance of desire is observed from stakeholders, government, people and society. If a leader wishes to make the relation between the business and society strong than he/ she needs to focus on the progress of these four important areas:

- ❖ Challenging the short-term perspective of the capital markets
- ❖ Understanding the respective roles of business and government in public policy
- ❖ Creating a soft landing to globalization
- ❖ Encouraging courageous leadership

The ethical education given to the leaders in business schools and the values and morals which are imbibed by those from their family and society also affect their ethical needle and their decisions. In order to do so the leaders evaluate their decisions for the strategic and moral calculations and bring out

a stable, ethical and enhanced judgment. This can be reflected by:

- ❖ Environmental initiatives
- ❖ Corporate accountability
- ❖ Corporate reporting

To satisfy their different desires and views on society leaders of the companies come up with different ideas to make an ethically stable organization.

It is observed in time that in many countries CSR has removed poverty a bit and developed many new goals with the emerging business that too voluntarily. Blowfield and Frynas set the tone for a new direction in CSR. The authors identify CSR as an umbrella term for a variety of theories and practices that recognize the following:

- ❖ That companies have a responsibility for their impact on society and on the natural environment, sometimes beyond legal compliance and the liability of individuals
- ❖ That companies have a responsibility for the behavior of others with whom they do business (e.g., within supply chains)
- ❖ That business needs to manage its relationship with wider society, on whether for reasons of commercial viability or to add value to society

Thus integration of leader and ethics depends on many things but ultimately the main thing is if a leader wishes to do so he must have an understanding of the business as well as the society in which he/she and the company exists. The achievements will be proportional to the kind of blending between the leader and the ethics.

Conclusion

The several decades of CSR have transformed the CSR programs in the Business World. The business is constantly expanding with globalization and the new codes and guidelines have given the business leaders new perspectives. They have evolved themselves and along with them so have the leadership style to accommodate and incorporate the various desires of government, company, society and people. The ethical nature of the leader will give a new look to the CSR and add more to its transparency and clarity.

The leaders and their ethical values will affect the decision making, thus affecting the strategies and programs of the business. Carefully considering them to make better leaders will eventually lead us for the betterment of the CSR programs and CSR. However, there are still several bottleneck and carefully designed indepth studies should be done to eventually identify and resolve them and issues concerned with them.

A carefully chosen set of guidelines will get us desired outcomes from CSR with the right leadership and adequate norms. Eventually the leadership styles and ethics will be an add on and they will ensure the success of CSR and business and society.

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