International Frameworks and Practics of Corporate Social Resposibility

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ABSTRACT

Recent years the concept of CSR has changed its outlook from mere charity to an undivided part of modern business era. The idea has gone through both theoretical and practical fluctuations and moulded as a modern business tool. In the post-World War II period, the standard rules of statehood and international relations faced an upheaval in the face of the emergence of new countries, with complex political cultures, and the consequent political and economic conflict zones. To solve these nuanced and nascent issues, international frameworks for the socially responsible behaviour of large multi-national corporations were created. They aimed to ease and guide economic trade across the world in this volatile scenario. These principles remain relevant even today as faith and sureness withstand free markets and moral commercial procedures deliver such kind of trust and confidence. As the era of globalization [1] proceeded aggressively it produced concurrently adverse consequences for the environment and society. The damage to natural resources was colossal and irreversible. The World Commission on Environments provided a kick-start to the then evolving public policy, which acknowledged the need for policy prescriptions and the need for a global consensus on sustainability. It was only after the formation of the WTO in 1995 that the subsequent rounds of negotiations included a specific agenda of sustainability, new tools have been developed and existing ones updated and enhanced

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1.   Introduction

CSR is a residual concept evolved as a part of greater revolution in the interconnection between management, commercial, and community. The business become customer centric and the competition in the market shrined the profitability. Modern perception of CSR [2] endorse that socially responsible business models will accelerate and enhance the bottom line.   The proposition is that economic decisions should be screened for their communal and ecological influence because they do have a cost. Economic, social and environmental returns need not be confined in inaccessible units because companies that successfully follow an approach of finding revenues while fulfilling their social commitments and mindful of environmental consequences will be more successful in ensuring   increased satisfaction level of their employee's customers, government, media and other stakeholders. This in turn, improve the profitability of the companies' shareholders. In 2011, guiding principles by OECD on global enterprises and UN ideologies on corporate and human civil rights came in existence over and above the ISO 26000 philosophies.

International frameworks
Some of the global mechanisms for corporate social responsibility are as follows:

A.   OECD Guidelines for Multinational Enterprises
The OECD [3] is an exclusive forum with member strength of 30 democratic, working for finding and addressing the challenges related to financial, communal and ecological challenges of globalisation [4]. Further the OECD is also working as an advisory to governments on areas like corporate ascendancy, information economy and the challenges related to demographic dividend. The Organisation empowers the governments to have a comparation on strategy practices, pursue

responses to common issues, categorize good exercises and work to synchronize internal and global guidelines. The OECD associated nations are: Mexico, Australia, Italy, Austria, Spain, Belgium, Luxembourg, Canada, Japan, the Czech Republic, Hungary, Denmark, Finland, Sweden, Poland, France, Germany, Greece, Iceland, Portugal, Ireland, Korea, the Netherlands, Switzerland, New Zealand, United Kingdom, Norway, the Slovak Republic, Turkey, and the United States. The general principles of the OECD are:

Principle 1	Contribute to financial, communal and ecological progress to achieving sustainable development.
Principle 2	Respect the anthropological rights
Principle 3	Encourage local community empowerment
Principle 4	Generating employment prospects and extending knowledge upgradation programs for employees.
Principle 5	No exemptions on governing framework associated to ecological, wellbeing, security, labour, assessment, financial enticements, or other matters.
Principle 6	Support respectable corporate governance moralities and practices.
Principle 7	In order to strengthen a robust relationship and trust among corporate and society in which they operate, an active self-regulatory platform needs to be entertained.
Principle 8	Corporate needs to give importance for promoting knowledge enrichment programmes and policy awareness platforms for their employees.
Principle 9	Refrain from inequitable or corrective measures against employees who make representations to the competent public establishments, on actions that breach the regulation, the guidelines or the corporate's strategies.
Principle 10	Wherever possible, business partners need to be encouraged to apply philosophies of corporate regulations likeminded with the guidelines.
Principle 11	Withdraw from any inappropriate engrossment in local political events.

B.   The UN Global Compact:

"The Global Compact is a charitable global [5] commercial citizenship grid originated to ensure the involvement of private segment and other social actors to advance accountable corporate citizenship and general communal and ecological values to meet the challenges of globalization." The Compact was introduced in 1999 by the then Secretary General of the UN. It covers such areas as human constitutional freedom, labour, milieu and exploitation through principles mentioned in the table

Human Rights	
Principle1	Businesses should encourage and admire the safety of internationally acknowledged anthropological rights
Principle 2	Safeguard that they are not complicit in constitutional rights exploitations.
Labour Standards	
Principle 3	Businesses should support the liberty of conglomerate as well as actual gratitude
Right to cooperative negotiating	
Principle 4	The removal of all procedures of compulsory and mandatory work
Principle 5	Abolition of child labour
Principle 6	Removal of discernment with related to designation, work and profession.
Environment	
Principle 7	Industries must sustenance a preventive method to conservational tests
Principle 8	Undertake creativities to encourage superior ecological Accountability
Principle 9	Inspire the growth and dissemination of biologically responsive skills.
Anti – Corruption	
Principle 10	Trades must work discourage exploitation.

The Compact is a multi-stakeholder initiative and is voluntary in nature. It advocates corporate citizenship. Business associations and industry leaders alike responded to the UN call for corporate citizenship It promotes leadership, dialogue and extensive networking among business globally. The business should adopt these principles as a part of their corporate strategy; in fact, already many large corporations worldwide have adopted the Compact. The Compact is not a regulatory mechanism.

C. ISO 14001 Standards
This standard was designed for environmental performance improvement with a view to confer on the firm efficiency and competitive advantages. Some experts however, contend that this standard is just an impression management exercise. The standard aims at enhancements in worker responsiveness, effective competence, supervisory consciousness and operative efficiency. ISO 14000 was introduced in 1996. This was expected to develop firm level environmental management system. Despite the likely benefits not much evidence is available from the firms on why and how this system affects firm performance and whether certification under ISO 14001 really improves operational efficiency. Europe and Japan had the highest number of companies availing registration, followed by the USA. When companies adopt ISO 14001, they can manage business risks better and moderate the liabilities arising out of environmental ligations.

D. The CAUX Principles of Business (1994)
The Caux Round Table's [6] method to accountable commercial comprises of seven essential ideologies as mentioned below. The principles [7] diagnose that while regulations and marketplace intensity are essential

PRINCIPLE 1	
Esteem investors beyond shareholders	An accountable corporate recognizes its responsibility towards the society by making use of profit, job opportunity it generates and goods & facilities delivers to customers.
PRINCIPLE 2	
Contribute to economic, social and environmental development	A responsible firm distinguishes that it cannot feasibly thrive in communities that are deteriorating to contributes to the monetary, communal and ecological growth of the societies in which it operates.
PRINCIPLE 3	
Acquire faith by giving importance to become practical by going outside of the preview of the law when needed	A responsible company distinguishes some commercial attitudes, though legal, may end up with contrary significances to investors, an accountable corporate will give priority to understand and follow the emotion and intent of the rule, that goes beyond tiniest legal compulsions.
PRINCIPLE 4	
Admire instructions and resolutions	A liable corporate compliment the regional philosophies and ethnicities where they function, reliable with essential ideologies of justice and equivalence.
PRINCIPLE 5	
Assist accountable development	An answerable always give priority to loyal and impartial multidimensional skill, and supports restructuring of local directions and guidelines where they irrationally hamper universal trade.
PRINCIPLE 6	
Reverence the environment	An accountable corporate shelter and protects atmosphere, and circumvents uneconomical usage of capitals, and thus safeguards that its procedures fulfil with top ecological supervision activities reliable with correlation the present requirements without negotiating the desires of forthcoming compeers
PRINCIPLE 7	
Never support illegal actions	A liable commercial should not partake in unethical performs, corruption, currency valeting and similar illegal actions, does not contribute to terrorist happenings, medication trading or similar unlawful actions. It should actively work for decreasing and preclusion of entire prohibited and illegitimate happenings.

E. The Global Reporting Initiative (GRI)

GRI [8] is a non-profitable body which constituted to support the financial sustainability. It represents the ecosphere's furthermost predominant values for sustainability broadcasting — also branded as environmental footmark broadcasting, environmental [9] social governance (ESG) reporting, triple bottom line (TBL) reporting, and CSR reporting.

F.Sullivan principles of Corporate Social Responsibility

The universal Sullivan Principles denote the sustenance for worldwide anthropological rights, identical prospects, reverence for liberty of connotation, stages of operative recompense, exercise, well-being and security, maintainable growth, reasonable struggle and employed in business to improvement brilliance of lifecycle. A business desiring to be related with the ideologies is predictable to deliver evidence, which widely validates its obligation to them. The philosophies intent to be valid to corporations of any magnitude, functioning in any part of the biosphere. They have been permitted and executed by a number of corporate bodies, demonstration of non-governmental establishments, resident institutions, businesses and illustrative corporates.

G.The International Labour Organization(ILO)

Governments are called upon to edifice their countrywide legislature to replicate the moralities set forth in the ILO treaties. Trades need to perceive all guidelines of countrywide labour rule, global institutional rights treaties and the essential ILO provisions [10]. The key emphasis is on creativities that work in more than one nation. The provision enforces the need and importance of right to engage in collective bargaining, industrial relations, secure employment and standard living and working conditions.

F. The SA8000 standard

The SA8000 is one of the ecosphere's primary quittable communal accreditation ethics for proper workrooms, among all manufacturing segments. It is built on agreements of the ILO, UN and countrywide law, and extents trade and business codes to generate a mutual linguistic to quantity communal acquiescence. It takes an organization systems method by setting out the assemblies and events that businesses must adopt in order to safeguard that acquiescence with the standard is continuously reviewed. Below are the nine elements in the SA8000 Standard:

i. Child labour
ii. Involuntary & obligatory job
iii. Well-being & protection
iv. Liberty of connotation & communal negotiating
v. Discernment
vi. Corrective performs
vii. Employed times
viii. Salary
ix. Organization schemes

G. United Nations Global Compact

UNGC proposals an outline to CSR matters and aids as an interacting and erudition dais.With a strength of having beyond 10,000 active creativities and organisations, UNGC at present the major system in the ecosphere for accountable commercial behaviour. The UNGC is a multi-stakeholder stand whose key goalmouth is to ease discussion between the separate awareness

clusters employed composed to tool the philosophies. Active initiatives are gratified to issue a declaration on the enhancement they have made in performing the viewpoints each year. The state administration provisions the Global Compact Network Switzerland by means of a enterprise.

H.   ISO 26000 Guidance on Social Responsibility

The ISO 26000 direction on communal accountability was explained as part of a broad-based global procedure among commerce and emerging [11] nations, creativities, and workers', buyers' and non-governmental organisations. Its benefits originalities and organisations revenue a tactical method to their corporate procedures in agreement with accountable business behaviour ethics. Although ISO 26000 offers a complete take on communal obligation, it is not demonstrable like other ISO values.

2.   Conclusions

The above frameworks highlight that CSR develops a very significant component of the maintainable business. It usually mentions to communal, commercial, ecological and stakeholder responsibilities that business establishments should assume in their activities. CSR has to be understood as an "integral element of business strategy" in attaining a balance between following profits and the execution of their public responsibility. Thus, it institutes a progression in the business method in which organizations have a realistic response to their stakeholders. CSR executes business administrations to deliberate the communal, conservational, and economic influences of their activities. All these fluctuations in the CSR drive are focused on the reassessment of the insights of managers obligations.

Conflict of Interest

The authors declare that they have no conflict of interests in this manuscript. This manuscript has not been submitted to, nor is under review in another journal/conference or other publishers.

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