

Corporate Social Responsibility: Principles And Philosophies

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Abstract: The current concern of corporate social responsibility (CSR) focuses on to save the planet and brand money, fine in business by doing good and fair-trade and carbon neutralizing at the same time. The sustainability of national and global economies depends on sustainable CSR in the competitive era. Researchers have enunciated several principles of CSR drawn mostly from managerial philosophies and sociological theories, and primarily, to justify and advocate CSR among business executives. In this paper, attempt has been made to study various principles and philosophies of CSR with reference to legal procedures. The paper concluded that major moral philosophers obtained a subterranean considerate of corporate social responsibility as commitment over and above accountability.

Index Terms: Accountability, CSR, Philosophies, Principles, Sustainability.

1. INTRODUCTION

The Internet has expressively helped social activists to analyze corporate behavior around the globe. Hence, an establishment needs to be, or at least appear to be, "virtuous" in order to dangle on its patrons and recruit ingenious people. A trade deprived name has hardly ever been more affluent, when, presently, there is a conflict for decent talent and patrons can view your supply cable in Vietnam on You-Tube. Thus, diverse companies as Nike in fashion, GlaxoSmithKline in medications and Wal-Mart in retail trading have had to amend their ethnicities hastily to elude user or regulatory repercussions. Toyota stole a march on other carmakers by seeming greener. European power companies that have abetted to set up the landform's carbon-trading system gained world notoriety for it (The Economist, January 19, 2008, 12-13). While in the corporate world CSR gained momentum, in academic world of management, last four eras have witnessed an increasing interest in the concept and strategy of corporate social responsibility (CSR). For over five decades, management scholars have been seriously searching for a proper definition and domain of corporate social responsibility (CSR). The search has stirred several controversies and reached no common agreement (Davis, 1973). After an extensive review of this search, Davis (1973: 312) concluded: CSR is the "firm's consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm ... to accomplish social benefits along with the traditional economic gains which the firm seeks".

This definition makes five clear points:

- a) The realm of CSR matters yonder the legal, procedural and pecuniary requirements;
- b) CSR entails that the establishment should foremost contemplate these matters, and
- c) then retort to them
- d) despite the fact of puckering outmoded fiscal advances;
- e) the upshots of CSR are community reimbursements. Utmost exponents of CSR that postdate Davis (1973) have obliquely acknowledged this characterization of CSR, if not in all its opinions.

1.1. Understanding the Domain and Nature of Corporate Social Responsibility

Based on resource-dependence, networking interdependence, organizational legitimacy and stakeholder management theories, we distinguish two groups of stakeholders: primary and secondary. *Primary Backers* are entities, assemblies, or foundations (native, universal or global) an *initiative elects to oblige* lawfully or unswervingly (e.g., customers, clients, consumers and stockholders) or to be *served* formally or rightly, and henceforth tortuously and communally, would also indicate to assist (e.g., employees, major suppliers and creditors, ancillary firms, supplementary suppliers, labor unions, distributors as wholesalers, agents, brokers, intermediaries and retailers) (Freeman, 1984). The corporation has contracts (with varying notches of formality and specificity) with these markets (Lusch & Brown, 1996). *Secondary Stakeholders* are entities, communities or foundations around goal soosqs (native, international or universal) an *initiative elects to assist offhandedly or circuitously*. The enterprise has no formal or direct contracts with these customer groups other than "relational contracts" (Macneil, 1980; Williamson, 1985), but the corporation belongs to them and needs them because of its networking with them in its operations and outreach. With almost everything from markets, trade, supplies, capital, transportation, human skills, and ecological resources being globalized today (Levitt, 1983; Ohmae, 1979), the corporations cannot claim immunity from the socio-economic problems of the world. Included among the secondary stakeholders are the local, national and global communities, their resource systems (ecologies), their government institutions and advocacy groups. Thus, the local needy, poor, handicapped, illiterate, homeless and diseased, and their counterparts of global poverty, hunger, disease, illiteracy, and injustice are all part of a firm's secondary stakeholders. The basic justification of this twofold

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classification of stakeholders is primarily resource-dependence and networking theory. The corporation depends upon primary stakeholders: upon the end-product-users/customers for their purchase-patronage, continued loyalty and market feedback; upon suppliers, employees, and channel members for the specific skills they provide. The corporation also depends upon its secondary stakeholders for organizational legitimacy, social power, law and order (especially in relation to governments), and for other environmental supports. For instance, local communities the corporation operates in (e.g., the cities, towns, zones, counties or districts) supply land, labor, utilities, and customer patronage. The firm depends upon local, state, national and international governments for providing law and order (e.g., trade and anti-trust protection, safety and security from societal tyranny, vandalism and terrorism). An enterprise may be engaged with customers at every possible level and is branded by associations with numerous clusters and specific stakeholders, individually per the influence to mark the initiative's performance and/or a pole in the organization's recital (Freeman 1984). In numerous gears, all circumstances rub on. In fact, the enterprise is a node of customer-oriented contracts amid itself besides its investors (Jones 1995). In general, the longer and deeper the dependency upon a primary or secondary stakeholder group or subgroups, the higher is the CSR obligation to that group. CSR may diffuse or decrease as one deals with primary to secondary stakeholders. The terms, primary and secondary, should not be construed as ranking or ratings. The primary is primary because *logically* they come first in rapport of corporation's day-to-operations. The ranking of stakeholders is best judged by the salience criteria suggested by "Mitchell, Agle, and Wood (1997)", namely, stakeholder supremacy to stimuli the firm, the ethical acceptability of the backer prerogative, and the firmness of the privilege. If for instance, secondary stakeholders get to be high on all three criteria, they may virtually become primary stakeholders, and claim day-to-day first attention of the corporation. But we presume that the only way any stakeholders, primary or secondary, can stay high on all three salience criteria is if they force high resource dependence and networking interdependence upon the corporation.ⁱ

1.2 Objective of The Study

- To explore the concept of CSR in world of business.
- To identify various underlying principles and philosophy with respect to CSR for Corporate benefits.

2. MAJOR PRINCIPLES OF CORPORATE SOCIAL RESPONSIBILITY

Management scholars have enunciated several principles of CSR drawn mostly from managerial philosophies and sociological theories, and primarily, to justify and advocate CSR among business executives. These principles differ and digress considerably, and as such fail to offer business executives a comprehensive theory of CSR that would suggest meaningful CSR strategies. Further, responsibility as premised in CSR is both ethical and moral in content and motivation, and hence, needs a development from moral philosophies for a better endorsement of existing CSR principles. There have been several principles of CSR proposed in the management literature. Each principle has implicit within it a definition and domain of CSR and affirms

corporation's responsibility to society. We review these principles in the chronological order of their appearance.

2.1 THE VALUE OF CORPORATE ACCEPTABILITY

"Society grants legitimacy and power to business. In the long run, those who do not use power in a manner which society considers responsible will tend to lose it (Davis 1973:314)". In general, "legitimacy" relative to businesses refers on a social basis recognized and projected structures and deeds. Legitimacy is a "generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995:574). Thus, CSR principle assumes that social legitimacy is a desirable for the firms, and states that society legitimizes businesses as long as they serve and secure the well being of society as a whole. This principle reflects more a prohibition (of corporate power abuse) than an affirmation of corporate duty (Wood 1991). It states that corporations as societal institutions may legitimize their existence by avoiding abuse of their power by regularly engaging in self-criticism and by recognizing that one's self interests are best served by another-directed behavior. (Davis, 1973)

2.2 The Responsibility of Social Power

The need for CSR on the part of establishments is a foreseeable consequence of their swelling dimensions and impact in American civilization. The firms also regulate the media and most academia over proprietorship, funding, or unintended burden (Soley, 1995). Guidance of the radical structure has aided firms to hoard unparalleled supremacy and political impact (Korten, 1995). Corporations have become so hefty and influential that market navies and government parameters cannot effectually control them, as Adam Smith's "invisible hand" doctrine assumes. Adam Smith's "self-interest" doctrine and the "invisible hand" assumed of minor possessor-worked homesteads and skill shops that provided a breathing revenue for the proprietors to their folks – a extensive exclamation on or after current-day multimillion-dollar chief executive wages (Korten, 1995). Hence, some self-inflicted charitable restraint in the form of superior community obligation is essential for the large corporations to shelter civic wellbeing. Corporations essentials should be yoked to a grander communal good if they are not to convert dictatorial (Mason, 1974). That is, "social responsibility arises from social power" (Keith 1975:20). This is the "iron law" of CSR (Keith & Blomstrom, 1975). If the corporations fail to use this power to be socially responsible, then by the principle of corporate legitimacy, they will tend to lose it (Davis, 1973). Also, if CSR is inefficient to humanize the economy in a global market ruled by giant corporations, before the delinquent and result lie in altering establishments, not the break of the society (Korten, 1995). (Keith, 1975; Keith & Blomstrom, 1975)

2.3 THE PRINCIPLE OF PUBLIC RESPONSIBILITY

As codependent civic foundations, trades are accountable for the humanity. They are not responsible for unravelling very societal glitches, but at minimum those they generate (primary areas of responsibility) and for serving to unravel those linked to their commercial procedures and welfares (secondary areas of responsibility). Over against a *neoclassical functional* (division of labor) theory of specialization which assigns specific social tasks to specialized institutions (e.g., family for

reproduction, school for education, administration for public welfare, business for possessions and amenities), this principle emphasizes the interdependence of social institutions focusing on the concept and domain of a *shared environment*. Community obligation states as "the functions of organizational management within specific context of public policy" (Preston & Post 1975:10). This principle implies that the establishment is not just a cloistered assets of the investors but is also a public institution (where employees, suppliers, consumers and neighboring communities have a stake) endorsed by the state for societal virtuous (Allen, 1992).ⁱⁱ The precise to "integrate" a firm is a honor approved by the state, and hence the commercial possessions has an intrinsic social characteristic and public dimension (Boatright, 2000). (Preston & Post, 1975)

2.4 THE CODE OF EXECUTIVE DISCRETION

Executives are ethical thespians. Inside each sphere of CSR, managers are gratified to exercise such discretion as is accessible to them in the direction of socially accountable upshots. The "social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll, 1979: 500). A firm's *mandatory* errands are those expanses of intended societal engrossment not explicitly banned to or necessitated of corporations because of their pecuniary, lawful, or ethical compulsions (Carroll, 1979). A company's CSR is not met by an abstract organization, but by individual (moral) actors that function within it and who make big and small decisions that can have great social consequences (Wood, 1990). Ackerman (1975) also spoke of CSR as "the management of discretion", denoting not to trade charity or occasional public engrossment agendas, but the choice existing in total dominion of executive movements and adoptions. The discretion code of CSR suggests that because executives have choice, they are generally responsible for working out it, and therefore cannot evade accountability over orientation to rules, strategies, or dealings (Berthoin Antal, 1990). The principle of managerial discretion also implies that an entity's privileges and accountability to adopt and act are avowed in the constraints of pecuniary, lawful, and principled constraints. Discretion supposes that the firm can determine where to obtain the resources it needs and determine the ways it can use these resources; that is, the firm's manipulation of its resources is considered as option over source distribution and discretion over resource use (Pfeffer, 1992; Pfeffer & Salancik, 1978). CSR is a function of this discretion. (Carroll, 1979; Wood 1990)

2.5 THE PRINCIPLE OF OBLIGATION

The essential awareness of CSR states "that business corporations due an obligation to work for social betterment". This is a liberal and operational code (Wood, 1991), concentrating on trade's requirements as a societal foundation, and infers that the world has obtainable consents that could use when these compulsions are extinct. This obligation also reaffirms the opinion of community concern: it is the firm's obligation to act favorably for communal well-being. The content and obligation of CSR may vary from company to company, depending upon primary and secondary areas of social involvement. However, corporations do not have obligations to resolve all social problems of the nation or state or local communities. Obviously, if the corporations have

created these social problems, directly or indirectly, then they have a clear legal and ethical obligation to resolve them. Even if the corporations have not created them, they may have a moral obligation to address them based on the following criteria (Simon, Powers, and Gunnemann, 1972): a) The urgency of the problem as measured by its substantial threats to a hefty figure of individuals; b) The proximity of corporation to the problem as judged by its location and nature of activity relative to the problem; c) The capability (resources and expertise) of the establishment to retort effectively, and d) the probability of the problem will persist unless the establishment acts. It was discussed by (Frederick, 1986)

2.6 The Principle of Stewardship Accountability

A steward's behavior is organization-centered, and places advanced efficacy on collectivistic activities that aid the society than on individualistic or devious self-serving actions. When the interests of the principals (or owners) do not match those of the agents (or executives), the latter may not indulge in self-serving behavior or opportunism (as in agency theory), but instead place higher value in cooperation that aligns principal-agent objectives, and act in the best welfares of the principals. This behavior results because stewards perceive superior utility in supportive behavior than in individualistic behavior and believe that their own personal needs are met by working toward organizational or collective ends. Stewards ought to be inspired by higher-order than lower-order requirements, by fundamental (e.g., pledge, virtue of altruism, moral veracity) than extrinsic (e.g., remuneration rises, preferences, stock options) aspects. Stewards, in general, exhibit high credentials thru their organization and are in height for commitment (David, Schoorman, & Donaldson, 1997). (Donaldson & Davis, 1991, 1994; David, Schoorman & Donaldson, 1997; Fox & Hamilton, 1994)

2.7 THE PRINCIPLE OF SOCIAL CONTRACTS

Establishments are communally accountable to society because of their social convention of righteousness comportment with the world; they must coerce self-enhancement to permit humanity to act and cultivate cooperatively. Donaldson (1982) was the first to use the social indenture concept to start the ethical footing of corporations. Since individual production of goods and services (common under an older agrarian economy) is no more economical, society has entrusted this work to modern corporations with an implicit or "hypothetical" social indenture whereby the firm bids rewards to civilization in the form of employment, possessions and services in conversation for the accurate to happen and even thrive (Donaldson, 1982). This principle reiterates Davis's (1973) principle of social legitimacy, as well Lerner's (1977) principle of *Socialization*. The latter teaches us that if we treat others fairly, we will also be treated fairly. Basically, a contract states relationship between an enterprise and its stakeholders (Eisenhardt, 1989). Any contract, explicit or implicit, reflects shared expectations between the contracting partners (Macneil, 1980). A contract can take various forms such as exchanges, dealings, or the allocation of the policymaking specialist, as well as formal permissible forms. Social contracts or shared social expectations are implied under all these forms. (Donaldson & Dunfee, 1994, 1995,1999):

2.8 A Content Analysis of the Principles of CSR

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3. SOCIAL RESPONSIBILITY AS UNDERSTOOD BY MORAL PHILOSOPHERS

As its etymology proposes ("to answer"), the utmost apparent connotation of accountability is responsibility, being accountable to one's conduct. As accountability, obligation means to be liable for one's actions, to take possession of one's movements, their good and bad consequences, to accept praise for the good and blame for the bad penalties, and to be ready to reimburse for the damage, if any, consequential from the bad significances. As accountability, the term "responsibility" has other synonyms: answerability, liability, duty, and obligation. Long before the word was introduced into philosophical ethics, philosophers spoke about it when they argued about the way a person could be considered the author of one's own actions. Presently, the term responsibility is applied to persons, institutions and opinions. Thus, one speaks about responsible people, responsible governments or societies, responsible corporations and institutions, and even, responsible economic views or estimates. However, a subterranean etymology unravels additional dimension of responsibility: within the term for retort is hidden the Greek term for "promise" that invites people to reliably perform one's part in a common task or to perform one's promised part in a solemn engagement. Thus, "responsible persons are not only those who are un-coerced and aware of the nature of their action and its consequences; they are also persons who demonstrate certain stable or habitual attitudes to their relationships with other persons. In this sense, responsibility describes the character of a person" (Jonsen 1986:547). This latter notion of responsibility as commitment bears much potential for refining the notion of CSR. Hence, we review major moral philosophers that deal on this subject to obtain a subterranean considerate of corporate social responsibility (CSR) as commitment over and above accountability.

3.1 RESPONSIBILITY AS UNDERSTOOD BY ARISTOTLE

In early moral philosophy, responsibility featured primarily as accountability. For instance, in Aristotle's *Nicomachean Ethics* (1984), the topic of responsibility has regularly surfaced under the question of necessary and enough conditions that must exist if one is to be truly declared author of one's actions, and thereby to be justly praised or blamed. According to Aristotle (1984), human responsibility is a function of *voluntary and instinctive movements*. As most business executive verdicts are a blend of voluntary and instinctive movements, Aristotle's theory is particularly helpful in understanding the "discretionary" (Carroll, 1979) dynamism of CSR. Aristotle claimed that what makes actions voluntary or involuntary is the role factors such as "constraints", "duress", and "ignorance" (or knowledge) play in formulating and implementing actions. A *restraint* is a carnal or spiritual force fetched to tolerate on the mediator. A turn completed under force or restraint is one in which the initiative or source of motion comes from without and to which "the agent or victim contributes nothing" (Aristotle, 1985:53). Some involuntary actions arise from force or violence; some arise from ignorance. On the contrary, voluntary actions are those "that originate within the agent who has knowledge of the circumstances of the action" (Aristotle, 1985:58). Thus, voluntary actions are freely done, the choice is end-driven, and the end itself is also willed; involuntary actions are a privation of the voluntary; hence they do not merit praise or blame. Movements *under coercion* are commenced because of distress of greater evils, or because of something better. Aristotle does not detail too much about the second source of involuntary actions, which is ignorance. *Ignorance*, according to Aristotle (1985:56-7), is a *dearth of cognizance of the make up the condition in which the mediator is interim*. *Knowledge* is the converse of ignorance: it is conscious cognizance of the facts that make up the circumstances in which the mediator is acting. As opposed to involuntary actions and actions under threat, a intended act is one which the inventiveness deceits with the mediator who identifies the explicit circumstances in which the deed is to be accomplished. Charitable movements indicate taking initiatives; they imply deliberation. "Since, then, what is involuntary is what is forced or is caused by ignorance, that which is voluntary seems to be what has its origin in the agent himself when he knows the particulars that the action consists in" (Aristotle, 1985:58). Decisions are voluntary, but not all voluntary actions are decisions. Decisions imply deliberation over means conducive to ends. From a corporate executive's perspective, decisions and strategies that relate to CSR are "voluntary" when the executive: a) *Initiates* the action, individually or in partnership; b) Is *cognizant* of the action-circumstances; c) *Deliberates over the means* (or various processes or alternatives) of the action, and d) *Deliberates over the ends* (or various outcomes) of the action. For instance, innovating and marketing energy-saving, user-safe and ecologically saving products, especially in the developing countries, is technological efficiency from an economic viewpoint, it is *voluntary CSR* from an ethical and moral perspective.

3.2 Immanuel Kant: Responsibility as Moral Worth

By addressing the problem of responsibility negatively through the excuse of constraints, duress and ignorance Aristotle did not describe the intrinsic quality of voluntary actions. *Immanuel Kant* does just this. Briefly, for Kant (1964),

responsibility or moral worth stems from the underlying principle of the *will* than from the purposes or ends or excuses that precede the action or from the consequences that follow it. The "moral worth can be found nowhere but in the principle of the will, irrespective of the ends which can be brought about by such action"(1964: 68). The will is determined either by the underlying *duty-principle* that makes an achievement a *definite authoritative*, or by the underlying *purpose* that makes an action a *theoretical authoritative*. A definite authoritative "declares an action to be objectively necessary in itself without reference to some purpose - that is, even without any further end" (1964:82). On the supplementary needle, hypothetical imperatives imply that "an action is good for some purpose or other" (1964:82); they declare an action is necessary "as a means to the attainment of something else that one wills" (1964:82). Although Kant does not directly connect categorical and hypothetical imperatives to responsibility, yet one can deduce the following relationship: categorical imperatives generate absolute, categorical or unconditional accountability; theoretical necessities produce relative, theoretical or conditional accountability, conditioned by moral mediator's trimmings, determinations, and environments. Thus, Immanuel Kant enlightens our understanding of CSR by the following insights:

- a) CSR actions are most often driven by ends, objects and determinations, and are therefore, hypothetical imperatives, and not necessarily, categorical imperatives;
- b) Theoretical necessities generate imaginary or provisional responsibility that may be exonerated;
- c) Categorical imperatives ground absolute or unconditional responsibility that cannot be exonerated, and
- d) Most executive duties that directly deal with customers are categorical; that is, marketers cannot use consumers as means to their own ends, but as ends-in-themselves.

3.3 Responsibility as Engagement, Amendment and Commitment

Max Weber (1958) disparities an "*ethic of responsibility*" thru an "*ethic of ultimate ends*". The latter contains complete rulings and vetoes any custom of resources that would negotiate these principles. Following Kant (1964), the principle of ultimate ends strives for a moral purity of intention, and also prescribes withdrawal from the contamination and ambiguities of the world for a better discernment and living of the ethical absolutes. Contrasted to the ethic of ultimate ends, the tenet of obligation *involves* oneself in a quest for the finest obtainable resources within a vastly deficient world. It is principally concerned with the consequences of action, and with those actions that balance evil with good in every decision. "No integrities in the world can dodge the fact that in numerous instances the attainment of *good* ends is bound to the fact that one must be willing to pay the price of using morally dubious means or at least dangerous ones - and facing the possibility or even the probability of evil ramifications" (Weber, 1958:121). Thus, the vocation and commitment of responsible executives should involve "trained relentlessness" for viewing realities of life squarely and facing them boldly and "measuring up to them inwardly" - responsibility is *engagement* with one's environment (Weber, 1958:127). Responsibility is amendment, said *John Dewey* (1925: 170): "One is held responsible that he might become responsible, that is, responsive to the needs and claims of

others, to the obligations implicit in his position". Responsible ascription of tribute and culpability is envisioned to so adapt charisma that an mediator takes into version the significances that one has futile to ponder in what one has done. *Jean-Paul Sartre* (1956) goes a step further. Responsibility is *commitment*. An ethical mediator not only decide on a passage of action from among contending substitutes, he or she "elects" it (1956). *Election* implies the adoption and appropriation of a course of action: one surrenders oneself to that course of action one elects and identifies oneself with. One proceeds not only to try and understand the alternatives; not merely to assess them in terms of their consequences to others; but one asks the further question: to what will my choice of the alternatives lead? What does the choice and its consequences mean for my life, my work, and my relation to others? In other words, according to Sartre (1956), moral agency goes beyond intention, motivation, deliberation and character; it proceeds to "*consideration*". That is, thinking through the action and the consequences, planning them, and owning them in such way that they become you, and thereby part of history and universal law. All persons are ends in themselves. They make or mar themselves. They are unique. Their responsibility is unique. From Weber, Dewey and Sartre, we derive the following insights on executive responsibility: a) The *ethic of ultimate ends* beckons executives to transcend, as much as is possible, the market and economic forces, and formulate and follow absolute moral injunctions, search out the best available means for achieving corporate goals, and foresee as many evil ramifications of consequences before acting. b) The *ethic of responsibility* invites and engages executives to function in a highly deficient world of morally dubious means and ends often accompanied with dangerous consequences. c) It also invites executives do some *value-balancing* - that is, balancing evil with good in every corporate decision or strategy, such that more good is generated than evil to the greatest number of stakeholders. d) Executive responsibility is a prospective amendment or modification of one's life to do better in the future; that is, executives are detained accountable that they might turn out to be accountable by being responsive to the needs and claims of all stakeholders affected. e) Responsible ascription of acclaim and blame is envisioned to so amend one's atmosphere that an mediator takes into justification the significances that one has botched to contemplate in what one has done.

3.4 Responsibility as Deputyship and Effective Freedom

For *Dietrich Bonhoeffer* (1906-1943) responsibility is not abundant response to the demand of standards, it means unrestricted obligation of to act, irrespective of what the act valor be. However, there are limits to this action: God and neighbor. Irresponsible action disregards these limits (Bonhoeffer, 1965:204). The structure of responsible life consists in a life bound both to God and to man and a life that is free. Life bound to God and mankind is *deputyship*. The datum that accountability is essentially a substance of deputyship is confirmed most clearly in those situations in which we are unswervingly gratified to act in the dwelling of others. For instance, "a father acts for the children, working for them, caring for them, interceding, fighting and suffering for them. Thus, in a real sense he is their deputy. He is not an isolated individual but combines in himself the selves of a number of human beings. Any attempt to live as though he was alone is a denial of the actual fact of his responsibility. He

cannot evade the responsibility that is laid on him with his paternity. ... No man can altogether escape responsibility, and this means that no man can avoid deputyship" (Bonhoeffer, 1965:224-5). Deputyship, and consequently also accountability, lies only in the comprehensive renunciation of one's individual life to the supplementary. Only the altruistic person lives dependably, and this means, that lone the altruistic person *lives* (Bonhoeffer, 1965:225). We must work in the world and take account of its human needs, its nature and its possibilities. In all this we should be aware that the decision that we take and the deeds we do are truly our own. We cannot seek protection of any law; we cannot take refuge in any principles that might justify our inaction or failure. The acceptance of responsibility involves the acceptance of the guilt of failure and of the evil consequences. Accountable deeds essentially decide not amid accurate and erroneous, but between correct and correct, or between incorrect and incorrect. "It is precisely in the responsible acceptance of guilt that a conscience proves its innocence ... the responsible man becomes guilty without sin" (1965: 214-6).ⁱⁱⁱ

Bernard Lonergan (1957) viewed accountability as a purpose of *operative autonomy*. He differentiates between "essential" and "effective" liberty (Lonergan, 1957/1970:595-633): "The variance amongst essential and effective freedom is the variance amongst a energetic edifice and its operative range. We are free fundamentally inasmuch as conceivable sequences of achievement are grabbed by applied vision, inspired by replication, and accomplished by conclusion. But we are free effectively to a greater or less extent inasmuch as this energetic edifice is open to grasping, motivating and executing a broad or a narrow range of otherwise possible courses of action. Thus "one may be essentially free but not effectively free to give up smoking" (619-20). Operative autonomy is not something given. It must be cultivated; it must be won. The key point is to reach a willingness to persuade oneself or to submit to the persuasion of others. One must be persuaded to genuineness and openness too. Incomplete intellectual and volitional development leads to moral impotence. From Bonhoeffer and Lonergan we derive the following: a) Acceptance of responsibility may involve the acceptance of the guilt of failure and evil consequences. b) Most executive choices may not be between good and evil or between right and wrong, but between right and right, and between wrong and wrong. The committed executive chooses the better right and the lesser wrong. c) Responsibility presupposes effective freedom: the higher the effective freedom the higher is responsibility.

3.5 Corporate Social Responsibility as Liability and Assurance

Liability signifies a rather adverse slant that explores the circumstances and eventualities under which agents act and which make them deserve praise or blame, reward or punishment for actions they committed or omitted (Aristotle, 1984).^{iv} Going yonder liability, commitment signifies a positive tactic that dashes ethical accountability to mediator's purposes, causes, empathetic, intellectual, and negotiation former to and throughout the decision-action. In measuring ethical origin or obligation Aristotle (1984) claimed that involuntary actions are triggered by restraints and illiteracy, while voluntary actions are caused by full knowledge and deliberation, even though often driven under duress. Aristotle rarely spoke of the commitment aspects of moral responsibility

(Austin, 1961; Jonsen, 1968). (Kant (1964), on the other hand, expressly wrote about the moral worth or commitment that defines moral responsibility. He did maintain, however, that de facto responsible actions are most often bound by "hypothetical imperatives" ruled by ends, goals and objectives, whereas they should be ruled by "categorical imperatives" that are based on the absolute values and rights of human beings and our absolute duties towards them. Max Weber's (1958) concept of an Ethic of Responsibility and "engagement" are basically accountability as opposed to the Ethic of Ultimate Ends that clearly belongs to the sphere of responsibility as commitment. So also, the theory of "Attribution" of John Dewey (1925) can be classified under accountability, while his notion of "amendment" clearly falls under commitment. Similarly, Sartre's (1956) concept of assessment and selection of values reflects accountability, while his notions of commitment and election pioneer the concept of commitment in moral responsibility. Dietrich Bonhoeffer's (1965) concept of response to one's existential call of values whereby one is often forced to choose not so much between right or wrong, but between two rights and/or two wrongs, characterizes accountability. But he more often stressed on the role of deputyship wherein, by our conscience, we are morally bound to God and mankind, a role we cannot avoid or escape from, and we characterize this trend as commitment. Finally, Lonergan's (1957/1970) theory of "effective Freedom" could be interpreted as accountability, as opposed to his theory of "essential freedom" which clearly connotes commitment. The former is a given because of external constraints and inner impulses, while the latter is not given, but must be learnt and earned through intellectual, volitional and moral development – real challenges to executive moral growth and corporate moral climate. These internal characteristics of commitment in responsibility, however, can be identified only on the account of the negotiator or by corollary on pragmatic conduct of the mediator. Both bases may be imperfect, defective and easily overestimated. Though legal accountability cannot evade observing into the internal environment of purposes, scheming and negotiation, it ultimately transfers onto the exterior environment of verifiable items and tangible dealings. Ethical accountability, on the other pointer, sights the atmosphere and individual veracity of the mediator. Morally accountable individuals deliberately and meticulously pledge themselves to a task and willingly admit responsibility for its achievement or fiasco.

4. CONCLUSION

The primary focus of the study is to know the existing literature support the use of CSR in current business world. No such studies explore on principle and philosophy of the corporate social responsibility. This perspective clarifies the importance of CSR from its principle and its conceptual background which strengthen its role in modern business. Different philosopher given varied dimensional thought process of CSR for modern business undertaking.

5. SCOPE FOR FURTHER STUDIES

The literature we have gone through in the paper based on conceptual study of principle and philosophy with respect to CSR. So further we must check CSR practices adopted by Corporate houses and it may also extend to check perception and practices of CSR in different Country prospect.

6. ACKNOWLEDGMENT

I convey my thanks to Dr. Duryodhan Jena, for his valuable suggestion and guidance to develop this article along with Mr. Kiran Cotha, Dr. Sitikantha Mishra, who provides valuable insight towards systematic literature review and concept development of CSR. I also recognize the contribution of Mr. Rashmi Ranjan Panigrahi. Above all I convey my special thanks SOA Deemed to be University for providing all-round support towards successful completion of the article.

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