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# Corporate Social Responsibility

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11-14 minutes

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## What is 'Corporate Social Responsibility (CSR)'

Corporate social responsibility (CSR) is a self-regulating business model that helps a company be socially accountable — to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called [corporate citizenship](#), companies can be conscious of the kind of impact they are having on all aspects of society including economic, social, and environmental. To engage in CSR means that, in the normal course of business, a company is operating in ways that enhances society and the environment, instead of contributing negatively to it.

## Breaking Down 'Corporate Social Responsibility (CSR)'

Corporate social responsibility is a broad concept that can take many forms depending on the company and industry. Through CSR programs, philanthropy, and volunteer efforts businesses can benefit society while boosting their own brands. As important as CSR is for the community, it is equally valuable for a company. CSR activities can help forge a stronger bond between employee and

corporation; they can boost morale; and can help both employees and employers feel more connected with the world around them.

In order for a company to be socially responsible, it first needs to be responsible to itself and its [shareholders](#). Often, companies that adopt CSR programs have grown their business to the point where they can, and want, to give back to society. Thus, CSR is primarily a strategy of large corporations. Also, the more visible and successful a corporation is, the more responsibility it has to set standards of ethical behavior for its peers, competition, and industry.

## CSR in Action — Starbucks

Long before its [initial public offering](#) (IPO) in 1992, [Starbucks](#) was known for its keen sense of corporate social responsibility, and commitment to sustainability and community welfare. Starbucks has achieved CSR milestones such as reaching 99 percent ethically sourced coffee; creating a global network of farmers; pioneering green building throughout its stores; contributing millions of hours of community service; and creating a groundbreaking college program for its partner/employees. Going forward, Starbucks's goals include hiring 10,000 refugees across 75 countries; reducing the environmental impact of its cups; and engaging its employees in environmental leadership.

## Published Standards for CSR

In 2010, the [International Organization for Standardization](#) (ISO) released a set of voluntary standards meant to help companies implement corporate social responsibility. Unlike other ISO

standards, [ISO 26000](#) provides guidance rather than requirements because the nature of CSR is more qualitative than quantitative, and its standards cannot be certified. Instead, ISO 26000 clarifies what social responsibility is and helps organizations translate CSR principles into effective actions. The standard is aimed at all types of organizations regardless of their activity, size, or location. And, because many key stakeholders from around the world contributed to developing ISO 26000, this standard represents an international consensus.

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