

UNIVERSITI TEKNOLOGI MARA FACULTY OF BUSINESS MANAGEMENT

CORPORATE SOCIAL RESPONSIBILITIES

STRATEGIC MANAGEMENT (MGT 658)

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INTRODUCTION

Corporate Social Responsibility (CSR) can be defined as a concept that organizations, especially the corporations, have an obligation to consider the interests of customers, employees, shareholders, communities, and ecological considerations in all aspects of their operations. This obligation is seen to extend beyond their statutory obligation to comply with legislation.

Other definition by the World Business Council for Sustainable Development states that "Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large." This holistic approach to business regards organizations as (for example) being full partners in their communities, rather than seeing them more narrowly as being primarily in business to make profits and serve the needs of their shareholders.

Below are the top ten companies for Social Responsibility and top Asian Companies

OVERALL

- 1. BP
- 2. Royal Dutch Shell
- 3. Vodafone
- 4. HSBC
- 5. Carrefour
- 6. Ford Motor
- 7. Tokyo Electric Power
- 8. Electric de France
- 9. Peugeot
- 10. Chevron

<u>ASIA</u>

- 1. Tokyo Electric Power
- 2. Matsushita Electric Industrial
- 3. Hyundai Motor
- 4. Toshiba
- 5. Toyota
- 6. Fujitsu
- 7. Sony
- 8. Hitachi
- 9. Nissan
- 10. Samsung

OTHERS

- 1. Kellogg
- 2. FedEx
- 3. Alcatel
- 4. GoodYear



Kellogg Company has a rich history of corporate social responsibility, a history that has grown and evolved to meet the complexities of today's business world and the challenges of a global society. Their founder, W.K. Kellogg, sought to "invest their money in people." That legacy continues to guide their company and their people. Social responsibility is a way of life at Kellogg. It means that investing in and enriching their communities and also encouraging the employee volunteerism. But it means much more. Their commitment to being a good corporate citizen also includes:

- Protecting the environment.
- Selling nutritious products and advocating healthy lifestyles.
- Acting with integrity and adhering to the highest ethical standards.
- Promoting diversity in the work force and partnering with diverse suppliers.
- Ensuring a safe, healthy workplace.

Their commitment to social responsibility is as strong today as it was when the company was founded. They are proud of their progress, but there is still much more they can do such as;

- Community investment (Partners and Partnerships, Employee Volunteerism, Cash and Product Donations)
- Ethics and compliance
- Workplace health and safety
- Kellogg's and the environment (Packaging, Metrics, Audits, Environmental Practices)

COMMUNITY INVESTMENT

Their founder, W.K. Kellogg, was a good businessman, but he also had a passion for community and humanity. His legacy of giving continues at Kellogg Company today. They care about their communities and believe in investing in them.

Based on their heritage and business, they have chosen to focus on three major areas:

- Helping Children and Youth Reach their Potential
- Improving Opportunities for Minorities and Women
- Strengthening Communities

They have support many different programs and endeavors. They contribute money and products to a variety of causes and encourage their employees to volunteer their time and talents to improve the communities in which they work and live. For example:

Cash and Product Donations

In 2005, Kellogg has contributed more than \$8 million in cash and \$20 million in product to various charitable organizations around the world. In fact, half of their corporate giving is based on what is important to their employees – contributions that are part of Kellogg Care, their matching-grant program, and United Way.

The food donations primarily are made through America's Second Harvest, a nationwide network of food banks and food rescue organizations that feed hungry children and families across the country.

For example, in 2005, America's Second Harvest presented Kellogg Company with its Donor of the Year award. Kellogg was recognized for its frequent donations of truckloads of product to America's Second Harvest member food banks, as well as its history of providing direct financial support to the nation's largest domestic hunger-relief organization.