**Reading Response 2**

Corporate social responsibility refers to framework/ business approach where an organization is encouraged to be more alert of the impacts that their business operations are likely to cause to the larger societies, including its own stakeholders and the environment. Corporate social responsibility is a very sensitive issue for any organization and if not taken into consideration it may result in losses in the business as well as its failures. In the past, businesses were more concerned about making profits in spite of the harm that they would cause to the environment or the other stakeholders apart from the shareholders. Managers had the fiduciary duty of maximizing shareholders wealth.

Friedman view on CSR is that it is the social responsibility of a business is to increase profits and managers have a primary responsibility of increasing the wealth of its shareholders and if they act socially responsible that reduces the wealth of the shareholders they will be violating this duty. Rodgers is in support of the Friedman view. Mackey has a different view from Friedman. He views CSR as the responsibility of a business to the other stakeholders apart from shareholders. According to Mackay a business should not only be after profit maximization but should also take the other stakeholders into consideration while maximizing profits. He argues that a business should treat their suppliers well, ensure that employees are well paid among others in order to for it to be socially responsible. Social responsibility in business refers to organizations and people behaving and conducting business ethically and with sensitivity towards cultural, social and environmental issues.

Companies should pursue a greater purpose that is beyond maximizing the profits. The ethical principles that apply to CSR are; one corporate social responsibility should be carried out for the good of every stakeholder and there is no harm that is involved. The other principle is the rule of law where an organization while practicing CSR, it should ensure that it follows on the laws that are there so as to avoid infringing on the rights of an individual as well as being ethical. The other ethical principle is that CSR should be an individual initiative and not forced. Organizations should voluntarily practice it so as to see the results and not feel the burden. For example, if an organization is forced to increase the salary of the employees they may do so but they may not pay it on time.

In conclusion, the corporate social responsibility practiced by our company is acceptable because it not only focuses on maximizing the wealth of the company but it also looks at the well-being of the employees. The company ensures that the needs of consumers are satisfied and they are the center of focus. It is important to note that CSR is beneficial to the organization and in as much as it may reduce the profits of an organization when it is first implemented; it would be beneficial and may also result to increase in profits. CSR promotes good rapport for the organization with the outside society and hence this improves its operations.

**References**

* Rae, Scott B. & Wong, Kenman L., *Beyond Integrity*, third edition, Zondervan.