



## Corporate Social Responsibility and Corporate Citizenship – Issues and Challenges

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Current trends in business are based on a number of contemporary socially and academically frequently discussed concepts, which undoubtedly include corporate social responsibility. The recently published monograph „Corporate social responsibility and corporate citizenship – issues and challenges” by Martin Lačný also helps to expand the current state of knowledge of these issues. The monograph may be helpful to students of social studies at universities with an interest in the issue of application of ethical principles in businesses, but mostly to the general professional community.

The publication provides a hitherto little-discussed dimension of social responsibility – values involved in real economy as motivational variables of economic behavior. By offering both multidisciplinary criticism and discussion of the nature of social responsibility, the author contributes to the understanding of the context of behavior of economic subjects.

The monograph contains three logically organized and coherent chapters: 1. The values in the context of economic activities, 2. Social responsibility and corporate citizenship and 3. The institutionalization and reporting of corporate social responsibility.

The first chapter „Values in the context of economic activities“ deals with the values that are often part of academic discourses which try to find the basal reasons of human behavior. The author focuses mainly on the analysis of a set of values that are essential to a market economy. He discusses them in detail from a philosophical-ethical and economic viewpoint in sub-sections. These values include *Freedom and Justice* which the author discusses using the works of well-known economist and theologian Michael Novak, and several prominent Czech and Slovak authors in the field of ethics. In the analysis of the next values – *Responsibility and Trust*, we see their interpretation and comparison by the author, as well as his own contribution to the issue based on his knowledge of modern economic concepts (works by Samuelson and Nordhaus, and Jonas) monetarism (Friedman), and the classical economic theory (Smith). The third group of values dealt with consists of *Progress, Prosperity and Rationality*. Discussion of these values is based on their interpretation by Schumpeter in „Theory of economic development”. At the end of the first chapter, the reader finds a broader context of business ethics based on summaries of other historical and contemporary economic and ethical concepts and currents.

The second chapter, „Social responsibility and corporate citizenship“ begins with a historical definition of social responsibility and its role in business and the economy itself and continues with a discussion of the two most widespread currents of social responsibility – the *Stockholders theory* based on Friedman’s concepts and the *Stakeholders theory* based on wide-ranging definition of internal and external groups. In dealing with the Stockholders

theory the author brings his own arguments and critique of Friedman's narrowing down the responsibility to the level of a mere individual. The author's discussion of a business as a responsible subject from the viewpoint of *ethics of social consequences* is an interesting and expanding view of responsibility. This view shows a new quality of responsibility quantitatively recognizing individual moral subjects and social moral subjects. These concepts are connected with corporate culture and organizational behavior in a very precise and extensive way. The following quote shows the author's input into this issue: „social responsibility stresses the roles of a collective subject from the viewpoint of his place and function in a society. As for corporate moral responsibility, the important thing is consideration of consequences of actions from the viewpoint of justice, and an honorable and fair dealing with all stakeholders.” The next part – *Economic, social and environmental area of corporate social responsibility* focuses on the three pillars of responsibility and is meant to create a complex view of the concept of CSR. At the end of this chapter, readers find a definition and an ethical justification of *corporate citizenship* via concepts of Slovak and foreign authors, including M. Lačný's one.

The last chapter „The institutionalization and reporting of corporate social responsibility“ discusses approaches to evaluation and reporting of CSR activities. It is based on the concept of *Triple Bottom Line* which aims to assess and measure the performance of companies in the field of social and environmental responsibility. The list of indicators which are used for measuring and assessing may be very helpful. The final section summarizes two more very useful approaches for reporting of activities – *Global Reporting Initiative* and *CSR integrated model*. The author discusses these models, evaluates their functionality and sets conditions for their further development.

The overall impression of this book is very good, as it objectively and in non-standard terms elaborates the theme of social responsibility which is frequently mentioned in the context of business ethics, but many times the fundamentals and values of responsibility are being overlooked. Very often the talk in the area of social responsibility is only about WHAT to do and HOW to do it, but no one tries to think more about WHY to do it. Analysis of the term responsibility and its usage in various economic theories, as well as author's own thoughts and arguments about the issue contribute positively to the quality of the publication. The work is another valuable part in the mosaic called social responsibility that is one of the central themes of international academic discussions. It definitely presents several starting points for the next public or academic debate.

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