

The conceptual provisions for developing of socially responsible supply chain management in companies

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Abstract

The article considers the key principles of formation of conceptual provision for developing of socially responsible supply chain management in companies

Keywords: social responsibility, supply chain, global supply chains, global value chains

Corporate social responsibility is understood to mean such type of a company's management and functioning when all its activities are permeated by social obligations (most often voluntary) to all internal and external counterparties: employees, partners, the government, civil society institutions. The most general definitions for CSR mean the responsibility for decision makers to those whom these decisions concern; this is a corporation's rational response to the conflicting expectations of all participants (stakeholders) aimed at the company's stable development; it is the implementation of voluntary social obligations to employees, partners, the government, civil society institutions and society as a whole within the corporate governance system.

The origins of the CSR concept, theoretical foundations of entrepreneurship, business activities, understanding of the entrepreneurship's mission based on the social responsibility principles are presented in the works by M. Allais, A. Berle, H. Bowen, M. Weber, P. Drucker, R. Cantillon, B. Karloff, D. Carnegie, Ph. Kotler, K. Marx, A. Smith, D. Ricardo, J. Schumpeter and other scientists

Various models of social responsibility actively emerged and had began implementation in the world business practice at the end of the XIX - beginning of the XX century. This occurred because of several reasons:

- 1) the aggravation of social and labour relations that previously were formed exclusively in the employers' interest;
- 2) the transformation of social, cultural, moral values, traditions, and customs, which for many centuries have determined the society development;
- 3) the formation of a large corporate sector and its positive image in the public minds;
- 4) the development of democracy in all aspects of society's life;
- 5) understanding the importance of human resources and their role in the modern economy.

Further formation of the foundations of the corporate social responsibility concept, its rapid development, serious discussions among the public regarding the nature and significance of the CSR phenomenon had a place in the 30-50s of the twentieth century. The 60s of the twentieth century became a developing period for the corporate social responsibility concept, deepening the CSR definition. In 70s of the twentieth century, the number of alternative views

on the interpretation of the social responsibility phenomenon increased. More profound research was held in the 80-90s of the twentieth century, which caused the CSR thematic framework to expand and more alternative concepts to emerge.

At the end of the twentieth century, the processes of globalization, expansion of information technology, and greening the economy, were accelerating. Finally, in the 2000s, the socially responsible business finally became a non-alternative way of development. The idea of sustainable development had become popular in science and practice, and reporting systems taking into account environmental standards emerged. An integration of the social responsibility principles in the companies' strategic management occurred.

An important stage in the spread of the social responsibility concept was the emergence of the ISO-26000 standard "Guidelines on Social Responsibility" in 2010. In this standard, "social responsibility" is considered as the responsibility of the enterprise for the consequences of its decisions and activities on the society and the environment through transparent and ethical behaviour, which contributes to the sustainable development, health and well-being of the population; takes into account the stakeholders' expectations; complies with existing legislation and is consistent with the international rules of conduct; integrated into the entire enterprise's activities and is implemented in the practice of relationships" [1].

Since the beginning of the XXI century and until the present time, the CSR concept is being developed further. The conceptual aspects of social responsibility, various issues of social responsibility in labour relations, the environmental responsibility of enterprises, development of corporate culture based on social responsibility, as well as other fundamental issues in the field of social responsibility were studied by H. Bowen [2], W. Buffet [3], K. Davis [4], A. Carroll [5], W.B. Werther [6], C. Walton [7], et al.

The evolution that the corporate social responsibility concept passed can be represented from a timing perspective as follows:

- the economic responsibility concept - the social responsibility of business was understood as a company's economic responsibility for business operations and maintaining profitability;
- the basic business strategy concept provides that a

business cannot move forward if the society in that it operates does not function well;

- the concept of responsibilities - a company should fulfil the following responsibilities: economic (to earn sufficient profit on its own equity in order to satisfy shareholders, provide products to consumers, create new jobs and new material values for its business), legal (to comply with the law), ethical (to be moral, honest, fair, respect human rights, avoid harm or social oppression, prevent harm to other participants), philanthropic (to pay for activities useful or beneficial to the society);

- the “stakeholders” concept highlights the presence of a company’s “corporate consciousness”, which involves a constant understanding by the company’s management of the company’s responsibility in relations to the civil society;

- the corporate accountability concept – the companies are in a certain way responsible for the consequences of their actions and should become more accountable to the public;

- voluntary concept - the companies obligations to strive

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(on a voluntary) basis to achieve long-term goals that are useful to the society;

- the proactivity concept involves a “proactive” (strategic) approach to doing business, thus systematically expanding the company’s management capabilities for sustainable development.

As a result of the evolution of the corporate social responsibility concept, many interpretations of this concept have arisen. In the scientific studies devoted to disclosing the nature and structure of social responsibility, we can find different definitions, such as: “social responsibility of business”, “corporate social responsibility”, “corporate citizenship”, “corporate social activity”, “business ethics”, etc. The given definitions are related to different types of social responsibility, but the essence remains the same. In common understanding, the corporate social responsibility is defined as a business managing with consideration of needs of local communities, the own personnel, and the environment.