

## **B2B: Forming a Corporate System of Responsible Business**

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The present-day practice of building a corporate social responsibility system leads to heated debates, numerous disputes and sometimes quite critical comments from society. This may be caused by recent CSR practice in Russia.

Any large company is responsible to society. And thus, its primary duty is to stay powerful and effective for the benefit of its employees, shareholders and clients and to make a significant contribution to the economy and the welfare of people and the country where it operates. Business voluntarily assumes most liabilities beyond a minimum defined by the law and makes additional efforts to improve the quality of life for the employees and their families, as well as for the local communities and society as a whole.

Through implementation of CSR into business-processes, companies have increasingly started to take into account the impact of their activity on customers, suppliers, employees, shareholders, local communities and other stakeholders. Today, business is becoming an equal partner of social development. The CSR market is more focused on a systematic approach to solving mutual issues of the day in state, business and society. The unity of country and competitiveness in the current economy depends on companies' willingness to assume additional responsibilities and extend liabilities to society.

First of all, CSR is based on a business philosophy and values. Principles of social responsibility should be reflected in business strategies and plans, and only in this case can the implementation of the CSR program be successful. It is very important to engage employees from the top level to ordinary managers in creating the mission and values of the company so they aren't perceived just as the owner's or CEO's position. Joint discussion of CSR principles will help involve the team in this topic and to form staff loyalty. Employees who are united by a common constructive idea will start to realize what benefit they bring to society and start to care more not only about corporate but also personal responsibility.

In a large diversified holding company, all the functional business directions (HR, marketing, product-management, business processes, etc.) should be involved into the process of building a CSR system. It helps this topic to "live" and develop not only on paper. Another significant goal is to implement in everyday life of the company different projects that are consistent with the CSR principles and are not contrary to the company's values. Through such projects it'll be much easier for the company to express its ideas to the stakeholders. CSR as a form of conducting business has a long history in Russia. Entrepreneurs' experience of the XIX- early XXth centuries is very useful for solving today's business issues related to social responsibility. In those days the Morozovs, the Ryabushinskys and the Tretyakovs not only founded and developed their enterprises but also surrounded them with working towns which included residential barracks, hospitals and childcare facilities.

It is no longer a secret that the modern capitalist model of society structure based on the idea of increasing cost by all means is outdated: The delicate balance between needs and capabilities is broken. The position "our religion is excess consumption, our church is a supermarket" is failing. Moral principles are blurred and impaired; we can sense a keen lack of values. For the sake of a better future, Russia should not blindly follow the Western models but draw upon the best from its past — spiritual values, ideas of creation, compassion and faith. This applies to our political system, business sphere, science potential, cultural formation and the life of ordinary Russians. Our conscience denies an irresponsible attitude to the poor, negligent performance of any obligations and corruption which, unfortunately, penetrates almost every aspect of our life.

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