

F3

Vysoká škola
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CSR & Social entrepreneurship



EVROPSKÁ UNIE
Evropské strukturální a investiční fondy
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MŠMT
MINISTERSTVO ŠKOLSTVÍ,
MLÁDEŽE A TĚLOVÝCHOVY

Corporate Social Responsibility

- A form of corporate self-regulation integrated to a business model
- Goal of **CSR** activities is to create **social good** for the enterprise's stakeholders
- **Stakeholders** are generally all the people and social groups that are influenced by the company to some extent

Corporate Social Responsibility

- **Stakeholders** are
 - Directors
 - Employees
 - Owners
 - Government
 - Suppliers
 - Unions
 - Local communities

Corporate Social Responsibility

- **CSR** is also used for marketing purposes
- Example from the Czech republic:
- Consulting company **KPMG** had a Christmas campaign, where **instead of material gifts** they provided their customers with possibility to give a **hearing aid** to disabled children

Corporate Social Responsibility

- They presented themselves as a responsible company that cares about others and also helped the children
- <https://www.youtube.com/watch?v=S4RcHLnooE8>



Corporate Social Responsibility

- **Google** introduced their socially responsible activities under the name **Google Green**
- Their intention was to reduce cost by **recycling** and also to contribute to environment by use of **renewable energy**

Corporate Social Responsibility

- **Microsoft** introduced Employee Giving Campaign
- The goal was to raise funds for nonprofit organisations
- The campaign has been held every year since 1983

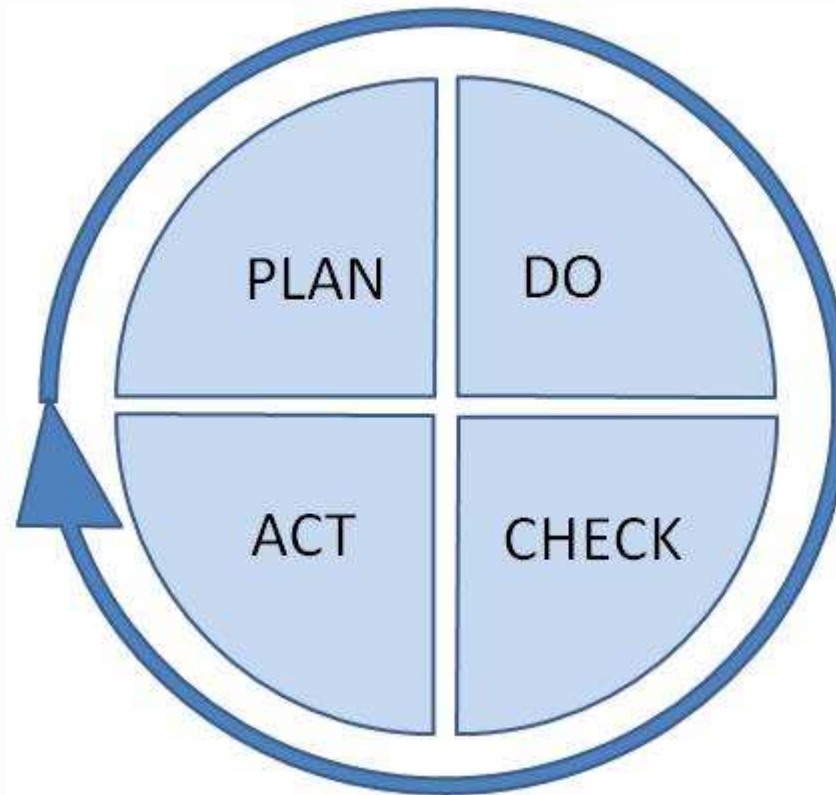
Corporate Social Responsibility

- **Disney** focuses on few areas of CSR
- Namely community, environment and volunteerism
- They provided aid during natural disasters like the earthquake in Haiti in 2010
- They also take effort to protect the environment (e.g. planting trees)

PDCA Cycle

- Often used for successful implementation of CSR activities
- **Plan:** Identifying and analyzing the problem
- **Do:** Developing and testing a potential solution
- **Check:** Measuring how effective the test solution was, and analyzing whether it could be improved in any way
- **Act:** Implementing the improved solution fully

PDCA Cycle



PDCA Cycle

- **Plan** – identify the root of the problem
- The method of **5 Whys** can be used
- **Problem: Your client is refusing to pay for the leaflets you printed for them.**
- **Why?** The delivery was late, so the leaflets couldn't be used.
- **Why?** The job took longer than we anticipated.
- **Why?** We ran out of printer ink.
- **Why?** The ink was all used up on a big, last-minute order.
- **Why?** We didn't have enough in stock, and we couldn't order it in quickly enough.

PDCA Cycle

- **Do**
 - Generate possible solutions
 - Select the best of these solutions
 - Implement the project

PDCA Cycle

- **Check**
 - What measures do we control?
 - Was the pilot project successful?
 - Can any changes or improvements be done?
- **Act**
 - Implement the solution fully

Social entrepreneurship

- Underlying drive for social entrepreneurship is to create **social value**
- Rather than **personal** and **shareholder wealth**
- And the activity is characterized by innovation, or creation of something new
- Rather than the replication of existing enterprises

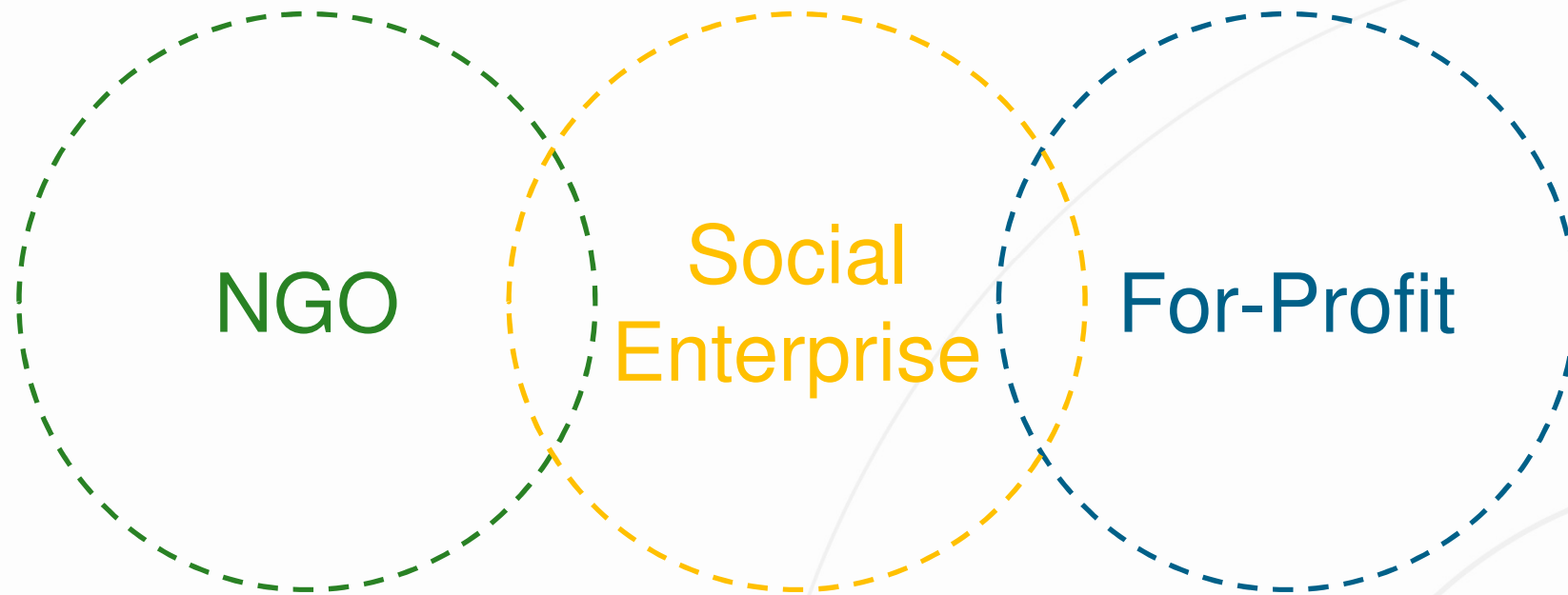
Social entrepreneurship

- Social enterprises are usually **cause-** or **mission-driven**
- The cause or mission they pursue is to create social value
- However, they also generate revenues
- They act 'entrepreneurial' in the sense of adopting innovative business models, products, services or processes

Social entrepreneurship

- Since creating shareholder value is not the main goal
- Surpluses are typically reinvested in the enterprise
- However, some social enterprises may also pay out dividend to shareholder

Social entrepreneurship



Social entrepreneurship

- **NGO**
 - Focus on social / environmental goals, not-for-profit status
- **Social Enterprise**
 - Goals may vary from focus solely on social / environmental goals towards focus on earned income strategy
- **For-Profit**
 - Corporate Social Responsibility or exclusively economic goals (return to owners)

Social entrepreneurship

- **Mammacoffee**
 - Located in Prague
 - They are a cafeteria with fair trade concept
 - The company roasts their own coffee
 - Member of Fairtrade International



Social entrepreneurship

- **Hub Impact Praha**
 - Coworking place
 - Entrepreneurs and freelancers hire place, where they can work
 - Events and lectures are organized for the community

The logo for Impact Hub, featuring the words "IMPACT" and "HUB" in a bold, white, sans-serif font stacked vertically on a dark red square background.

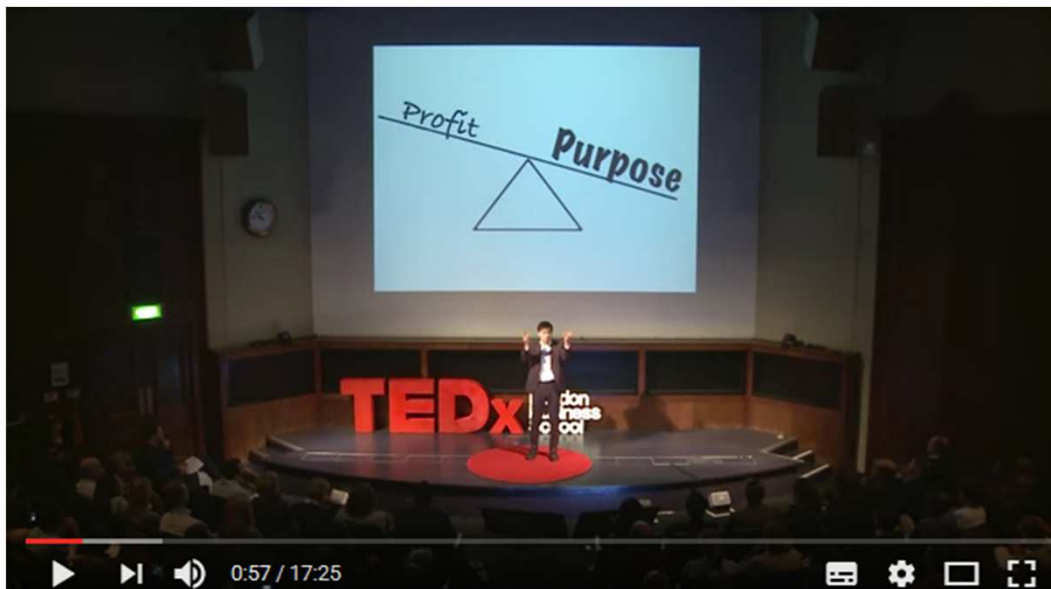
IMPACT
HUB

Motives for Social entrepreneurship

- Research has been done (Lukes & Stephan) whether non-profit leaders act in an increasingly business-like fashion
- Non-profit leaders similar personality traits like entrepreneurs yet have different motivation
- Their primary motivation stems from the meaningfulness of their work
- For-profit entrepreneurs are mainly motivated by independence (followed by income)

The social responsibility of business

- <https://www.youtube.com/watch?v=Z5KZhm19EO0>



Discussion, Q & A



Seminar

- Select an NGO that you are familiar with, ideally one that to date has little self-generated revenue and relies on state or private funds
- Present it to your group and brainstorm together about income generating activities that this NGO can develop
- Discuss possible income generating activities with regard to their:
 - Profitability (including the level of competition which is likely to be faced, investments and costs to be incurred)
 - Alignment with the NGOs mission (why they exist)

Seminar

- Develop a CSR strategy for your business project
- What activities would you do?
- Explain how stakeholders can benefit from them.