

# **The Social Responsibility of Organizations And Stable Development**

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**Abstract:-** Huge industrial centers and organizations by their actions in addition to provide services for societies, caused to: water, air, soil pollution; soil destroying, surplus and waste distributions which have threatened human life. The issue of changing unstable development to stable development is changed the subject of social responsibility to a serious one so that social responsibility of companies is defined as commercial cooperation, business for existence, resistance and stability. Sometimes the concept of company social responsibility and stability use with similar interpretation so, it is a conception that companies combine environmental and social issues with commercial operation and communication with their participants. However, the nature of stable development is an expanded issue which cannot be achieved by social responsibility of companies only. For instance, the stable development take action more than voluntary strategies and it includes decision and operation which are supplied by governments and middle parts of governments.

**Keywords:-** Social responsibility, Stable development, Stability, Environment

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## **I. INTRODUCTION**

Organizations are middle layers and rings between persons and societies, so that the organizations are important basic part of social structure for today humans. Indeed, due to the human's needs and requests these organizations will perform multidirectional duties to achieve balanced and suitable global structure. Moreover they should preserve their existence but they should consider their effect and consequences on the societies. They should response to the needs and requests of the society by a strategic and comprehensive management also they can reinforce their responsibility by using of scientific and dynamic global network. But carelessness about organizations and agencies will lead to distorted movement of human culture and the organizations confront with different challenges also their existence becomes shaky and unstable. Former times, there was an idea that organizations and producers just are responsible for their shareholders and staffs or they must produce a consumable product with low price and any attention to the effect and consequences of them on the consumers. But intensive competence, increase of population, scarcity of natural resources and pollution of environment was leaded to modern thinking about organizations and their management so that liability and responsibility in the organizations was performed. In fact, the appearance of this responsibility is an answer to environment needs and challenges (1).

Beside due to different ups and downs of industrial systems, evaluation the consequences of monopole development, about two decades it is concluded that a stable development is a process which all problems of biological environment, social cultural commercial issues should be consider in it. In recent years, many organizations pay attention to the social responsibilities such as united nation as a global organization try to facilitate the presence of none governmental organizations in the process of stable development by redefining the roles of governments, companies and people based agencies. Also the relationship between the role of organizations and social responsibilities is stronger than past times so that one of important liability refers to organization commitment about environmental issues as a modern point of view for pioneer organizations. The stable development can be determine as a process which preparation welfare for today generation will not decrease the welfare of future generation therefore preparing this goal refer to prevent prodigal consumption that will empty the natural resources and it destroy the biologic environment(2).

The operation of three different group lead to natural resource decrease: government, commercial organizations and the citizens. Moreover the role of government is colorful because of mass media ownership is in the hand of government but the role of commercial organizations is important than other pars in the stable development (3).

As "Bertrand Climb" the chief of world business council for stable development is said; just the commercial can find a resolve for stable development since government does not produce good (4).

Commercial operations can effect on the natural resources by two was; first one is direct effect which refer to use of natural resources as row material or inputs for producing commercial goods. The second method is an indirect way so that the commercial units can effect on the consumption style of society and they can decrease or increase the consumption of natural resources. Beside governments or citizens commercial units are responsible for the society consumption style and they play important role in order to increase stability.

Stable development is not a formed conception, but it will define transformational relationship between social, economical and cultural systems. The subject of stale development refers to promotions of human s welfare along the time. In practice, stability is an equation between environmental necessities and needs of development. The existense literatures commonly agree with three dimensions of stability:

1. Commercial dimension;
2. Social dimension;
3. Environmental dimension;

Stable development subject is one of challenges which are in front of developing countries. Until now, commercial development have considered as important criteria for success of commercial systems to achieve economic welfare. To achieve economic growth using of production components such as human source, investment and natural sources are inevitable. Thus such growth and development will consume the not renewable sources without consideration of next generation needs. Although, most consideration of development in developing countries is focused on commercial, social improvement such as; decreasing poverty, availability of health care and educational equipments and economic development. The consideration of advanced countries is focused on environmental aspects of economic improvement (5).

Social and environmental dimension of stable development in compare with economical are intangible and their measurement are more difficult than economical dimension (6).

Stable development divided to weak stability and strong stability:

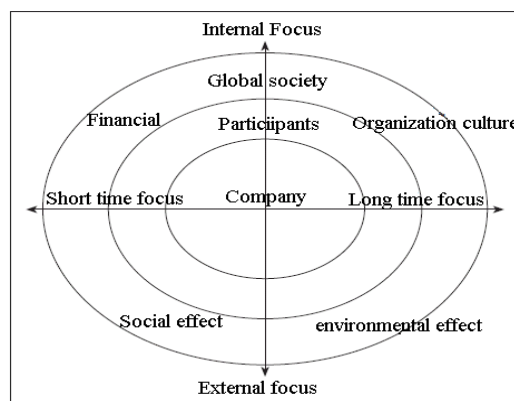
- Weak stability means even the quantity of natural investment by human made production decrease; total remained investment can be enough to achieve the criteria of stability.

- strong stability, is more exaction and it is express that natural capital cannot substitute by human made investment, therefore they may suffer from irretrievable damages. Consequently, preservation of total investment, available natural investment is necessary (7, 8).

In recent century, due to changes of commercial environment and organizations, main consideration is focused on the competitive advantages of companies and less attention is pay on the view of stable development. The standards of stability development in modern economy are more different than common financial standards with emphasis on shareholders and participants. This strategy beside the relationship between the company and their shareholders will focus on social and environmental dimensions on the future. Generally, in the stable development view simultaneous attention on three dimensions are important; economic, social and environmental (9). Four aspects of stability which should be recognized and analyzed are as fallow:

- 1- Socially effect; an affection rate which the society place on the company. According to social agreements and participation influences;
- 2- Environmental effect, the influence of company measures on social environment;
- 3- The culture of organization, the relationship between the company and their internal participants, specially, employees and all aspects of mentioned relationship;
- 4-Financial; enough efficiency for accepted risk level;

The following figure shows the model of stability development:



**Figure1-** The model of stable development (10)

There are two common hypotheses about stable development: First, stability is a synonym of stable development. Second, stability can be achieved only by paying attention to environmental and social issues in strategic plans (10).

The determiner factors of company stability are included;

-internal determining factors of company stability; internal factors for using of stable strategy in company measurement includes:

- managing factors includes; Evaluation of all organization internal structures and management process ; development and establishment of engorging strategies to improve the stability innovations and increasing performance for companies stability, on time recognizing potential commercial opportunities, Knowing expected risk, potential threats, management deficiency, suitable risk management, decreasing risk levels, optimizing employee's safety, employment quality and preservation of human resources.

- Operational agents includes; recognizing environmental problems; minimizing peripheral effects, decreasing of input raw materials, achieving to efficiency of energy (efficiency compatible to environment), and operation justifications.

-economic agents includes; new market opportunities, saving in costs, innovations in technology;

-external determining factors of firm stability; it refers to external factors of organization that encourage managers to work with special way or answering to the society and expectation. They are as follow;

-market agents; separating of the products, consumers values,(for instance consideration of consumers and human rights);availability to new markets ;industrial competitions; more competitive labor markets, increasing consumer interests to responsible, commercial ethical and social behavior; social investments; grading of organizations; optimizing company reputation and credibility.

- Governmental agents: increasing of regulation interferences axes of operation.

- The expectation of participants: full clarity and information availability, decreasing of requests for raw materials, accepting global rights about job and providing clear reports for investors and governmental organizations (11).

## II. SOCIAL RESPONSIBILITY IN ORGANIZATION

If the measurements and policies of an organization define due to society values, individual needs reasonably, the social purposes will achieve. The source of human needs, paying attention to social needs and superior needs refer to his wisdom power. Because man is a gregarious creature so he lives in small or big groups that is called "society". This society is very respectable for who lives in it so he should accommodate his behavior and manner to interests of the society. In fact, equality thought, inherent identity in the human mind will create social responsibility sense (12).

Stuart and Salmon defined the social responsibility as follows:

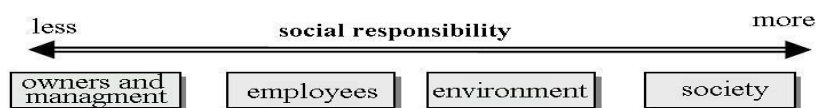
It is a method of management which due to it, organizations can perform some activities that will have positive effect on the society and pubic development. Truly, Stuart and salmon was tried to eliminate the negative effects of organization on society also they tried to change consumer s view and manner (13).

"Derrick French" and "Henner Savournd" had written about social responsibility: the social responsibility is a duty to private institutes so that they have not negative effect on the social life. The rate of this duty was not determined clearly but it includes some parts such as; preservation of environment from pollution, fairness employment without discrimination, any unethical operations and informing the consumers about production quality. Also it is a duty which is depend on positive cooperation of society members lives (14).

"Kit Davies" believes that social responsibility is obligations which can be perform by the manager of commercial organizations and private part so that their decisions and strategies lead to development of society welfare (15).

The social responsibility of companies is interactive for governments; because they will perform their measures, programs and policies by them therefore the complementally role of government can have most efficiency in policy making of the society (16).

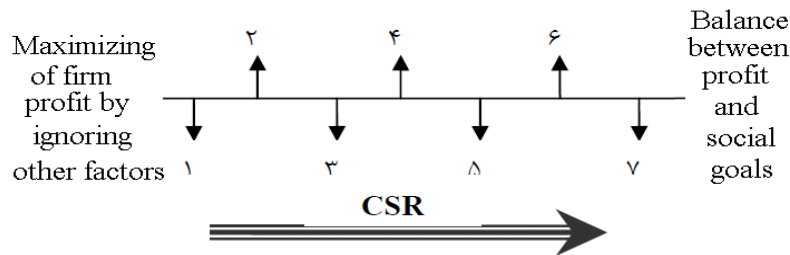
The responsibility of business is an answering method to consequence of operations which effect on the society. Also it includes all decision of participants. The participants are who effected by the decision of company. The internal participants are employees and shareholders that are under direct effect of company decision and measures. The external participants includes; citizens, customers, suppliers, competitor, government and social structures. The company should pay attention to the society benefits and the company is responsible for them (17).



As the above chart is shown with increasing of social responsibility organization more consideration will occur to satisfy the participants. Therefore, this strategy will ensure the company existence in long time and it lead to decrease expenses and it increase cooperation. However, the top leaderships of organizations should

pay attention to soil responsibility, to ensure that its important components like management system, current and future issues of the society, environmental and economical problems related to the participants are considered (18).

Also the different situations of company operation approach for both observance and non-observance of society issues are shown in the following chart. In the start point, the goal of company without social liability just refers to maximize company profits. In other stages, the concept of responsibility is shown as the equilibrium between company benefits and social values. In other words, it reflect the social responsibility in the accepted principles of organization which include; respecting to human right, fairly reaction to employees, customers and suppliers, citizens of society, environment preservation and etc.



Social responsibility chart (19)

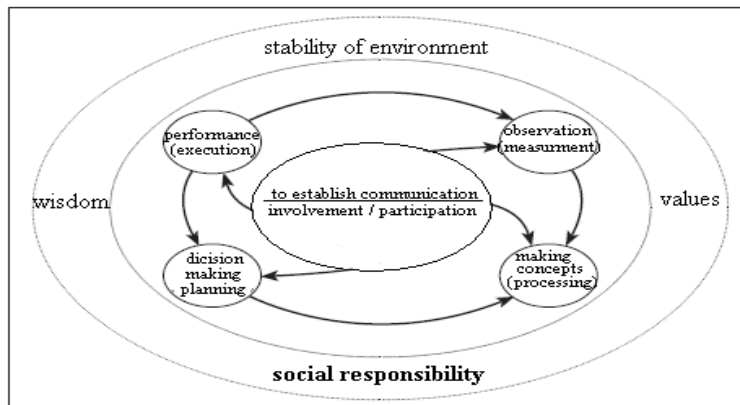
- At start point (lack of responsibly): just paying attention to maximize profits.
- Explanation 1- organization performs profitable operations without social issues consideration just by regard to profits.
- Explanation 2- conflicts and dispute to establish social liability.
- Explanation 3- organization should agreement with legal requirements.
- Explanation 4- organization works more than its need. For example; it performs philanthropic actions voluntarily.
- Explanation 5- it gathers aims of social values.
- Explanation 6- it will establish correlative relationship between social and economical purposes.
- Explanation 7- it directs industry and other parts efficiently.
- At end point (with existence of social responsibility): pay attention to profit by social aims consideration.
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### III. SOCIAL RESPONSIBILITY AND STABLE DEVELOPMENT

However, most people use "social responsibility" and "stable development" terms instead of each other, although there are a close relationship between them but they have different concepts, the stable development is an expanded term which is accepted as a goal and it is certificated by the report of development and environment global commission (1987) that have referred to a common future by an universal agenda on changing. The Challenging aims of stable development consist of poverty elimination, public health, social justice and supplying society needs in common planet with ecological limitation and without destroying the needs of future generation. Many organizations have focused on the importance of such issues after 1987, for example; United Nation conference on 1992 which was about "environment and growth and highest point of global stable development on 2002 ".The purpose of stable development, is about achieving "stable situation". The Social responsibility consider on organization, not on the earth planet. However, social responsibility is connected to stable development, because the main purpose of social responsibility should support stable development include health and social welfare.

The Principles, operations and central issues which mentioned in the articles of the international standard, will form the base application of social responsibility for an organization. The measures of a responsible organization can result a meaningful social cooperation, therefore as mentioned above stable development is different from continues existence. The stability of a private organization may be different from stability of society which has social, economical, environmental aspects and they gather by a uniform method. The stability of an organization may be compatible with society or may not. Stable consumption/using of permanent resource and stable livelihood depend on the whole stability of society. Social liability and stability are keywords of current commercial positions (20). Sometimes the concept of stability is use as social responsibility erroneously. Montil (2008) discussed about different definition of stability and social responsibility so he suggested that even so they originate from two different source but they have same compatibility with financial, social and peripheral responsibility. Many researchers have been considered organization stability as a strategy to conceptualize social responsibility of companies. For example, Gariga and

Mel (2004) tried to design the social responsibility of development as one of several strategies of social responsibility. The principle of continuous optimization and innovation are not independent variables. Zoteslout (2003) is illustrated the following diagram to show social responsibility of a company.



**Figure2-** The set of continuous learning process for organization social responsibility.

Due to opinion of Mervik and Very (2003) there are any clear definition about the stability in a company therefore every organization must define itself definition and it should conclude all aims and purposes. However it seems that some companies consider that stability of the company is synonym of voluntary actions that pay attention the society and environment. For the present, the performances of company stabilities include 3: commercial, social and environmental parts which refer to social responsibility, Due to indexes of global report based on longtime stable development, every year a report have been reported about it since 2000 which was edited and published. Social aspect of stability will discuss about the organization consequence on the other social system. Therefore, social operation can perform by processing of organization that effect on shareholders and participants both locally and globally also social indexes effect on intangible assets of the organizations such as human resource. Social indexes also include three parts; human power, human right and social development (9). Zoteslout (2003) combined the social responsibility with continuous techniques' of optimization, and he belie that these stability will ensure by them.

Mrs. Rabert Vilson suggested that moving to a guaranteed future need performances of development principles, just answering of companies are not enough for this aim, therefore the establishment of World Trade Organization formalized this idea. Globally, the most challenges that there are in front of stable development is about dividing of global incomes to all people of world that their population will increase for 50 next year twice also these performances should not damage on the environment. He suggested short time purposes of stable development as following:

- 1- Creating of group structure by an effective framework which it should be compatible with stable development, a framework that includes economy, environment and other social components.
  - 2- It should increase the group s understanding about the relationship between external expectation and internal performances.
  - 3- Increasing the public cooperation in general decisions,
- In order to achieve the group s aims the following issues provided
- 1-determining their views about stable development, its application, its advantages and disadvantages
  - 2- Consulting with investors about achieving purposes and aims.
  - 4- Evaluating the methods for combining social management strategies, commercial and environment management.

However, a serious challenge about the classical view related to stable development is that they should understand moving to stable development is an advantage not disadvantage.

#### IV. CONCLUSION

Because of economical, social and environmental challenges which are threatened the organizations, the strategies about consumer and focusing on his needs and designing of organization policies (depend on consumer satisfactions) they loss their ability to make competitive situation. In the two previous decades, consumer satisfaction was an advantage factor for organizations, but recent days, Because of current challenges the organizations do not consider it. Often, costumer had requested best cheapest and fast product. This view has caused to product some production that polluted environment. Indeed, in previous times the manufacture of productions was not compatible with environment health; therefore customer satisfaction was equal to

environment pollution. In other words, the organizations are found that the responsibility includes three parts; commercial, social and environmental.

The social responsibility have found many importance in current business but just distribution market cannot find good way to solve stable development and they need active cooperation of government, commercial units and citizens. The governments should support the companies which perform their social responsibilities by taking correct commercial policies, approving suitable regulations. Also the citizens can help these companies by changing their consumption style, paying attention to the responsible companies and companies. They should use of CSR criteria for their strategies as a member of society and they are responsible for their all actions about them so they can perform their social duties as good as possible. The social responsibility of companies and stability, are important key parts of current commercial space. The centralized stability refers to the future and it is related to the right of future resource usage so this consumption do not threat and limit them for next generation. Therefore, sometimes the social liability of companies is defined as commercial cooperation and business for resident staying in current environment and sometimes the social liability and stability are interoperated similar. Although, the nature of stable development is wider than social responsibility which cannot fulfilled by companies only.

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