

- socio-cultural environment:

- weak voluntary social initiatives (rely on government, seen as governmental issue)
→ not supported after war (Nazi-regime, then communism)
- engagement usually done within organizations or associations (*Vereine*)
- USA: 44,2%, Germany: 34% = volunteers in civic purposes
- criticism: - CSR is the effect of Anglo-Saxon capitalism
 - used for marketing purposes
 - distraction for employees (“social tourism”), nothing good for society

- Status Quo:

- CSR= corporate citizenship
- charitable activities in Germany through: donations, sponsoring and foundations, e.g. from 100 largest companies: 60% make donations, only 27% do corporate volunteering
→ also rather in sports and culture than in infrastructure and health care (fall into services provided by the government)
→ less than 20% of companies see CSR management as important
- but still a development towards a culture of sustainability where consumers pressure companies to fulfil certain expectations

- recommendations:

- cooperation between government, businesses and civic society
- still businesses are profit-oriented organizations, this structure shall not be changed
→ nevertheless CSR has to be part of core business
- advantages: - improve reputation
 - differentiation from customers
 - better supplier relation
 - attract new customers
 - opening of new market
 - better community relation
 - attract, retain and motivate employees
 - cost savings due to more eco-friendliness

Q+A:

- 1) How old is CSR in Germany = Mid 90s, early 2000s
- 2) Difference between Anglo-Saxon and German Approach? = ???
- 3) Explain these differences =
- 4) What is the issue with using CSR in Germany as a strategic marketing tool?
= Strategy (business) aims at reaching a goal/plan/outcome
→ not embedded in German companies, rather a part of government
→ no profit believed, additional costs
→ shouldn't be used for popularization (as in the US), should be voluntary/altruistic

- Types of business responsibility:

- PHILANTHROPIC:** - be a good corporate citizen, contribute resources to community (improve quality of life)
- ETHICAL:** - be ethical, obligation to do the right, just and fair (avoid harm)
- LEGAL:** - obey the law = society's condonation of right and wrong (play by the rules)
- ECONOMIC:** - be profitable (foundation for all other responsibilities)

Economic:

- profit motive of businesses (achieve economic efficiency)
- business decision purely on economic grounds
- Ethics has no place in decision-making?
= ethics influences economic behaviour, e.g. bad behaviour causes bad reputation
= decision-making takes place within a framework of public policy, public policy utilized non-economic values → politics as the reflection of society, acts in their will
= ethical justification of the market system → profit as a means to achieve a greater good
= ethics required, e.g. prohibition against theft/fraud between trading partners
= rules cannot be set by government alone, e.g. public system is unfair in the field of rental payment, health system, education (do not get back what they have invested)