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## Social and Environmental Responsibility of the Organization in the Context of Sustainable Development

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## Introduction

Attitude companies, about the environment, fits into a broader sector such as that of social responsibility. Social responsibility includes topics such as child labor exploitation, safety and quality or environmental impact of companies. They now receive more attention from the media, because they lead to the development of new legislation, causing some of the responses consumers through demand and are considered by investors for setting up the portfolio. The debate services that companies must provide society that forms at a time the market, and how society influences the behavior of companies imposing them or punishing certain behaviors remain open and highly complex.

## Impact of Social Organization

Being an open system, the company interacts with the environment in which it operates, which involves the following effects:

- a. The organization is affected by its environment, both directly and through efforts to succeed in adapting to the environment.
- b. Organizations affect the environment, because business decisions affect the environment and, in particular, affects the interest groups that relate to organizations. This is advantageous influence on the environment in many cases, but may be harmful.

Cannon (1994) states that the industrial revolution, the attention was focused on corporate responsibility, given the power they had new industrial processes for restructuring the relations of the old regime. The industrial revolution brought fundamental changes in relations between individuals and groups of society. Wealth owners and their company size, gave the suspect on power, their motivations and methods and, moreover, led to the questioning of values defining ethical behavior and operated.

Meanwhile, as the growing impact of industrialization on the natural environment or altered values issue has become a matter of concern and debate. Already in the 70s, social activism exploded on four fronts: environmental protection, national defense, consumer association to self-protection and civil rights.

Ever since then, the social environment has become more demanding as regards the allocation of social responsibilities, companies

assume an advantage over the average, more vigilant and intolerant on environmentally harmful repercussions in certain moments come from corporate activity.

As I mentioned, the company has positive and negative influences on the environment, but that some and others are likely separation. Thus, on the positive influences can be distinguished two types of social responsibilities that must face economic organizations and limit the positive impact that the organization exerts on the social environment.

- a. First, influences derived from the work itself, in terms of contribution to multiple elements that form the "common good" of society. The common good is understood all the circumstances that allow full development of individuals. It's so called domestic responsibilities that the entire organization must address. Gallo (1985), analyzing the company's business continuity requirement highlights the following:

1. Discovering the generation and distribution of products and services useful means to provide company products subject company activity. This responsibility is directly related to placing the company in an economic system and its contribution to economic functions that the system must meet.
2. Develop people. Being human institutions, companies fulfill their social responsibility when providing and preserving jobs, when people put out of reach of measures to maintain and update training so that people can have a job that fits their capabilities and preferences, typically an intelligent man and useful to all.
3. Generation and distribution of added value. The company creates wealth (added value) and social responsibility that the organization makes distribution between workers (wages and other social charges), public administration (taxes), depreciation fund etc., refers both to the generation of added value, as and the balance that must exist between the value added generated and

distributed and equity required by the distribution. When the organization does not maintain this balance, distributes an amount that results in harm to a group (for example, serving customers with products whose quality is not consistent with the price, order employees to take disproportionate yields and work program, failure to pay tax and social obligations thereby establishing unfair competition).

- b. Secondly, there is the so-called external responsibilities that an organization must take. On the one hand, must respect the laws and other rules governing cohabitation and on the other hand, the organization operates a network of higher and intermediate institutions which pursue the common good (public administration, universities, companies, associations, unions) . Therefore auxiliary organization has the responsibility to respond collaboration for solving various damage to the common good.

In terms of negative influences, one can say that they occur when business activity, far from being harmless, cause damage to the environment, which means that business activity is the cause degradation common good instead protect it. Such negative influences can be classified according Castoman and Porto in the following three groups:

- Negative influences on company personnel. Refers to both the threats to security and human health, and social discrimination on grounds of sex, race, religion, disability, age, nationality, etc.
- Threats on consumers and users. Here are meeting practices such as:
  - Sales of products adulterated or defective products initially negligible;
  - Provide unsafe and toxic products and services
  - The sale of expired products
  - Incorrect labeling and packaging (which generate misinterpretations, with or without intent);
  - Failure guarantees provided or after-sale services;
  - Advertising that induces false expectations.
- Ecological deterioration, as pollution (water, air, earth), consumption of non-renewable resources (carbon, oil and minerals

in general), over-exploitation of renewable resources (fisheries, forests), threats to biodiversity of flora and fauna etc. lead to accelerated deterioration of basic systems to support humanity finite land space (see Table 1.1.).

We enumerate downside, potential environmental organization:

**Table 1.1:**

- Noise	- Deposits of water
- Emissions	- Accidents
- Vibration	- Toxic Spills
- Leakage	- Water pollution
- Radiation	- Air pollution
- Extractions and excavations	
- Movements earth	

## **Social and Environmental Responsibility of the Organization**

Given that the organization influences on the environment are bounded various aspects of social responsibility of the company. Thus, Williamson (1988) distinguishes three levels of social responsibility:

- a. legal responsibility imposed by law (can be divided into civil, administrative and criminal).
- b. The responsibility imposed on the profession ethical society members (professional ethics) or the organization (corporate culture) as can legal responsibilities and insufficient.
- c. Moral responsibility imposed on the individuals themselves, understood by all rules and moral principles that drive the behavior of an individual or a community and proposed a certain doctrine or own an era or culture.

If the first level decision makers can rely on law enforcement and in the second level on generally accepted principles promulgated or professional associations and the companies themselves in the third tier individual values prevail. For all levels the problem is to determine what is "right" every dilemma is presented to decision makers.

In line with the levels set out above, (Carroll, 1994) highlights the following four components of the social responsibility of the company:

- Economic responsibility: organizations are set up with the aim of providing goods and services for a price, so the economic nature is evident with the goal of maximizing the benefit derived from their work;
- Legal responsibility: companies are expected to act according to laws and regulations governing the operation of the market and society to which they belong;
- Ethics responsibility: it does not reflect the formal written codes, norms and values of society implicit derivative that go beyond strictly legal and that can be highly ambiguous compromise as soon as specified;
- Philanthropic responsibility: society as a whole wants the companies to act as good citizens and undermines much of their resources to improve everyone's welfare state. This desire does not imply strict obligations on companies, and if nothing is done in this regard, his behavior would not necessarily be criticized as unethical;

Regarding social issues, (Carroll, 1994) defines an organization's activity on that land reactive, defensive and proactive accommodative. As summarizes Clarkson (1995), each category is characterized by a determined posture and action, as shown in Table 1.2.

**Table 1.2:** Scale reactive - defensive - accommodative – Proactive

Category	Posture or strategy	Action
Reactive	Denial of responsibility	Make less than what is required
Defensive	The admission of responsibility but the fight against it	Make the minimum required
Accommodative	Accepting responsibility	Make all that is required
Proactive	Anticipation responsibility	Make more than required

When defining the social responsibility of companies, the environment is an issue that undoubtedly directly affect can be influenced in

any of its components. The philanthropic interest could be the one that makes the firm to take measures to benefit the environment without apparently at least in the short term, to have any right to legislative and social gain or pressure. On the other hand, those organizations, even when they are recognized as being harmful to the environment, will sooner or later penalized by the market and their survival will be jeopardized if it was breached one of the principles moral prevalent in today's society. In addition, public powers impose through legislation respect to certain environmental values. Ultimately the responsibility or irresponsibility in the face of environmental issues can have important economic consequences and effects on costs derived from market share.

## Conclusions

As a conclusion we can highlight that in the growing social concern to strive towards development models based on sustainability, the company is trying to redefine its role to adapt to these environmental changes. In this regard, there is a concern increasingly more important role it has to play in the overall strategy of sustainable development as the basic unit of production and thus generating considerable impacts for both economic and social and environmental.

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