Social Responsibility Overview

The concept of social responsibility, as the business community understands it today, has been evolving over many years. The concern for society and the impact business has on a society can be traced back for centuries in one way or another. However, in the North American business community it is generally considered to have roots in the industrial revolution and as a product of the 1950’s.

“Social responsibility (is the) responsibility of an organisation for the impacts of its decisions and activities on society and the environment through transparent and ethical behaviour that is consistent with sustainable development and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behaviour; and is integrated throughout the organisation.”


The idea that social responsibility was to be executed through an organization’s actual policies was introduced in the 1970’s, proposing that the “meaning of the concept of social responsibility for businessmen must finally be sought in the actual policies with which they were associated.” As this premise began to take root, the framework for social responsibility best practices began to take shape. This was more firmly cemented by the notion that, “a socially responsible firm is one whose managerial staff balances a multiplicity of interests. Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation.” By the mid-1990’s auditing took center stage and established the CSR framework we see today as a responsibility for the business community.

Corporate social responsibility (CSR) can mean many different things to many different groups. Some approach the concept of CSR from a charitable perspective or a philanthropic point of view. Others will equate it with ethical behavior while still others look at it from the viewpoint of the impact they have on society as a whole, even including the impact they have on the environment. Practically, many corporations consider it an essential element in their risk mitigation process. When assessing risk exposure, companies with a CSR program consider risk to the workers; risk to the customers’ brands; risk to the company itself.

PPAI views all of these premises as components of responsible sourcing best practices and refers to responsible sourcing as an overarching umbrella under which we take a holistic approach to corporate responsibility. Under this umbrella we place social responsibility, product responsibility, environmental responsibility, supply chain security and quality assurance as separate but equal and inter-related parts of the whole.