

Chapter 34

Human Resource Management Strategy in Corporate Social Responsibility

Hui Yu

Abstract Corporate social responsibility (CSR) is the necessary part of an enterprise as its primary task. A long-lasting enterprise needs to do it. Therefore, there is an organic combination between the creation of the social responsibility sense and the human resource management (HRM) strategy. With the HRM strategy, every employee will firmly create the social responsibility sense. As long as the enterprise does it consistently, the employees will invariably unify social responsibility with the enterprise's profit and their personal interests to realize the mutual overall success.

Keywords Human resource management • Strategy • CSR

34.1 Introduction

With social and scientific advancement, corporate social responsibility (CSR) is a hot topic in the eyes of all in all walks of life [1, 2]. There are terrible events such as the Chinese toxic baby milk crisis, ZiJin copper ore-polluted water linking crisis in the mining industry, BP Global's Deepwater Horizon explosion and oil spill in the Mississippi Canyon, and so on [3]. The focus on CSR seems to be a smash hit.

To hold social responsibility and protect the interests of employees is the inevitable requirement of enterprises. How to resolve the contradiction between increased cost of holding social responsibility and getting more profit for enterprises? This problem must be solved urgently [4, 5]. To formulate the

H. Yu (✉)

Railway Police College, Zhengzhou, Henan, China

e-mail: Yuhui@hrs.k.net

corresponding Human Resource management (HRM) strategy from the perspective of corporate social responsibility and promote the level of HRM is the key point to solve the problem [6].

So far, the global study on CSR and HRM shows the CSR impact on the HRM and the concrete shifts for the HRM to hold the CSR [7, 8]; however, there are rare studies on what strategy of HRM is made by an enterprise to realize the combination between CSR and enterprise profit.

What are the special requirements in modern society that each enterprise can hold the social responsibility? This chapter points out the social responsibility of enterprises, and on the basis of those theories, analyzes the relations between CSR and HRM. It is claimed that the HRM strategy, the construction “corporate social responsibility” includes three parts: The rebuilding of modern human resources consciousness, strengthen corporate social responsibility consciousness, and innovation of management.

34.2 Corporate Social Responsibility

Although there are numerous expectations and explanations from different countries and enterprises about CSR, the core of this concept is the transmission of one firm from just interests’ pursuit to enterprise’s citizen obligations, such as ER awareness, environmental protection, and so on. The concrete performances are the appropriate requests of the related profit groups:

For shareholder, it protects the profit, and increases the rate of the capital investment return.

For employees, it fulfills the appropriate interest needs of each employee as a social person, and provides a safe and healthy working environment, fair and honorable pay, and training opportunities to promote their ability of employment.

For customers, it supplies products or service at low price and high quality to raise the convenience.

For communities, it actively participates in activities, and has the responsibilities of creating employment opportunities and environmental protections.

For government, it pays tax on regulations, and also participates in charities raised by the government.

For the partners, it uses the mutually beneficial principle for the behavior to aim at corporate development.

For the competitive rivals, it insists on the equal competitive rule, and not in illicit ways to take advantage of the competition.

34.3 The Relationship Between the CSR and HRM

Close relationship between the CSR and HRM must exist in an enterprise. It results from the social responsibility held by one firm that may or may not rely on the concrete movement from the routine job under special circumstances. Therefore, there are only HRM activities for the managements and employees to transmit, communicate, and raise the social responsibility sense in one enterprise, and moreover, those activities must emphasize the social responsibility behaviors. The cultivation of the strong social responsibility culture in one enterprise can fulfill the business management in practice, and the employees and managements can grow as active citizens in public.

However, forming the dense social responsibility sense and actively helping the management and employees undertake citizen behavior, the demanding factor for them is actually the attitude of one enterprise towards the principle, policy, and practice of their own employees. Here, if this attitude is not with total social responsibility, how can the employees believe their boss to hold the social responsibility? Therefore, whatever enterprises hold as social responsibility, the first step is to go through the social responsibility principle in the practice of the HRM.

34.4 The HRM Strategy Based on the CSR

34.4.1 Rebuild the Modern Human Resource Sense

34.4.1.1 The Sense that Human Resource is the First Resource that Needs Building

The realization of modern enterprise HRM could build harmonious relationship between the employer and the employee is a proven fact. In addition, it could be a way to increase the enterprise cohesion. Furthermore, the good relationship could create the workers' responsibility in the development of their enterprise. For lowering the management cost to the optimum, raise the work efficiency and quality; the employees' satisfaction rate should be increased and the shifting rate should be reduced. On the contrary, if the traditional personnel management still stays in one enterprise, that is, the relationship between the employees and the employers is just regarded as a hiring relationship with the contract—the simple exchanging relation is “the payment equals to the work load”. As a result, the employees take a passive attitude towards their work, or worse, the relationship between them turns tense. These lead to changing jobs frequently and hence a dangerous phenomenon of waste and conscious destruction. Finally, the cost of enterprise management fairly rises. Therefore, the modern HRM must be undertaken, that is, in their depth to motivate effectively, and at most to increase the satisfaction rate of the employees for developing their potential, so that they

become the dynamics of the enterprise development and creation. All in all, the enterprise will be the victors of the day in the furious marketing competition.

34.4.1.2 The Change of the Simple Sense of Low Cost into the Human Resource “Capital”

The modern human resource capital theory states that Human Resource capital is the capital form for the Human Resource developing investment to bring the increase in feature value. In the past, the low cost of Human Resource was the apple eye of the majority of enterprises. Many enterprises considered their employees as workers, “the capital”, so that, the boss just reduced the payment and welfare, and some even made the lowest standard of payment worse than that the authority did, let alone the training investment and promotion of employees. By contrast, if employees are considered as all talented who develop their potential utmost with systematic training, promotion, management, and inspiration, in future, those employees will become the dynamics of the enterprise development and creation and valuable capital as well.

34.4.2 Reinforce CSR Awareness

The level of the CSR practice is limited by the authority and the social responsibility sense from the enterprise management. The authority decides the level of the practice according to the policymaker, that is, can it or can't it; the sense is used to decide the managements' attitude toward the social responsibility, that is, to think it or not to think it. Therefore, the HRM should increase the social responsibility sense of the enterprise management, especially the high regulators; also, they must turn the social responsibility sense into practical strategy and behavior. The awareness of the importance should be pointed out to develop the situation of the enterprise HRM. For the enterprises themselves, they should be aware of the modern HRM as the vital part of the social responsibility. There is a direct relationship between the situation of the enterprise HRM and the level of the CSR practice. However, this practice is also an important solution to promote self-image and competitiveness.

Nowadays, with the rapid development of globalization there is a change in the competitive advantages. The global business has already declared social responsibility as one of the advantages. Here, the well-recognized standards are changed into limited ones. Next to the traditional cost, quality, supply date, flexibility as the basic and normal standard, social responsibility becomes one of the limitations. Moreover, the consumer's social responsibility sense becomes strong; they think selfish enterprises are unwilling to hold their social responsibility. For every consumer, not only the price, quality, and safety of one product counts, but also the production methods and the location of the factory matter.

Obviously, for enterprise, the cost of the HRM will be increased with having social responsibility, raising the welfare of employees, enhancing the labor protection, and developing the condition of working and living. On the other hand, those strategies will be used to highly increase the enterprise Human Resource capital. At the same time, the quit rate and the producing accident will be reduced, with the increasing employees' identity of the enterprise, the working energy, and activeness. As a result, the produce rate will be raised to get more marketing garment and economic returns for the aim of promotion of competitiveness.

34.4.3 Bring New Ideas of the Management Mode

34.4.3.1 To Speed up the Pace at Which the HRM Meets the Multinational Corporation

So far, the frontier of the global business is for multicorporations. They create the advanced managing ideas, and guide the revolution of the HRM in many nations. In foreign economists' opinion, Western industrialization is derived from technology in 30 % and from management in 70 %, especially the HRM. It is a huge driving force of the enterprise development. Now that HRM is very crucial, the enterprise needs to pay attention to the psycho-contract with the employment to develop a mechanism of performance, scientific and reasonable payment, and well-being welfare. The enterprise also needs to help the employees design their careers appropriately to improve the status of the HRM for fulfillment of the CSR.

34.4.3.2 Set Up a Mechanism of the Enterprise Human Resource Crisis Management

The regulators should keep track of the international standard of CSR and policy development in time to handle the trends of the social responsibility movement for the reference of the HRM policy design. They also need to evaluate and predict the needs of the payment, welfare, working environment, and so on regularly, in order to find out the distance between the situation of the Human Resource social responsibility fulfillment and the employees' needs. Understanding the possibility of the cause and crisis, the enterprise could build up a proposal of the solution to the crisis to promote the level of the HRM. In the end, there will be an advantage for the enterprise to constantly develop and fulfill the CSR.

34.4.3.3 Formulate the CSR Target

The enterprise melts the target system into the employees' basic social responsibility by zooming into a working target for related department and regulators. The HRM

department should bring the related Human Resource basic social responsibility into the management flow-sheet, then divide into each HRM post and elemental task, and take over the fulfillment earnestly. For example, there will not be any discriminations of gender, location, faith, or nationality during the recruitment, training, employment, examination, and promotion, and there no force to do extra work. The Human Resource regulators also organize the process of the CSR fulfillment. For instance, for cultivation of every ranks of management's social responsibility sense, the regulators should stimulate the employees with education, regulator regime, profession standard, and encouragement measures; there will be a stage of unblocked communication for the understanding employees' suggestion on the CSR fulfillment and the difficulties in the process. Therefore, they can coordinate with each inner department; engage the relationship between the enterprise and related-profit parts; like the evaluation of the economic responsibility, the HRM could assess the situation of the fulfillment of the CSR target; within the enterprise's economic power, there must be a biggest investment in the social responsibility fulfillment.

34.4.3.4 Set Up the Audit Regime in the Inner Social Responsibility

The investment of the social responsibility is labor and property for the social responsibility fulfillment in an enterprise, such as, managing pollution, improving welfare, providing satisfactory product and consuming environment, and involving charity. Those could be shown by the financial index. However, the cost of social responsibility contains not only the investment, but also the expenditure from the organization or individual. That is, it is not shown in the index. It is partially made up of the environment pollution, the depletion of the natural resources, the cultivation of the social Human Resource, the land use, and other costs. The social responsibility efficiency results from the improving enterprise image with the CSR fulfillment, the attraction toward the talents, long-term interest, loyalty to the consumers, and remission of the government's pressure. If the HRM regularly throws into the CSR fulfillment and audits the cost and efficiency, (1) the enterprise management could sum up the experience to motivate the scientific usage of the resources; (2) the enterprise will get clear the visible or invisible, so-far or long-term efficiency. The contrast between the pay and the gain among the related profiteers will improve the passion of the enterprise to devote to the social responsibility continuously; even the regulators will increase their social responsibility sense.

References

1. Pei CX (2006) Human resource management methods in the movement of enterprise social accountability. *J Beijing Technol Bus Univ (Soc Sci)* 21(5):56–58
2. Zhao SM, Huang HY (2006) A study of business ethics culture and human resource management. *Econ Manag* 12(8):4–15

3. Mao HQ, Yao LP (2005) Corporate social responsibility (CSR): New domain of human resource management. *J Wuhan Metall Manager's Inst* 15(7):36–38
4. Zhang YP, Wang MS (2008) On social responsibilities and innovation of human resources management of businesses. *J Guangzhou Univ (Soc Sci Ed)* 7(4):22–26
5. Porter ME, Kramer MP (2002) The competitive advantage of corporate philanthropy. *Harvard Bus Rev* 12(9):63–69
6. Fraser BW (2005) Corporate social responsibility. *Intern Auditor* 62(9):85–91
7. Lockwood NR (2004) Corporate social responsibility: HR's leadership role. *HR Mag* 49(12):732–738
8. Knox S, Maklan S (2004) Corporate social responsibility: Moving beyond investment towards measuring outcomes. *Eur Manage J* 22(10):508–516