

## Corporate Governance in Network Marketing Organizations: The Role of Ethics and CSR

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**Abstract :** Corporate Governance (CG) is of utmost importance for running a company ethically. It is essential for the growth and success of the corporation. It is intended to increase the accountability of an organization to the larger context of the business environment. The general principles of CG include and are related to Shareholder recognition, Stakeholder interests, and focus on Corporate Social Responsibility (CSR), Clear Board responsibilities, Ethical behavior, and Business transparency. Network Marketing Organizations (NMOs) focus on marketing through direct-sales using people who are associated with the organization but are not their employees. This paper tries to study the importance of Ethics and CSR in an NMO and suggest a basic guideline for CG in NMO(s). This paper could be used as a basis or starting point for conducting an in-depth research to understand the difference in CG practices between NMO(s) and other organizations and define a standard set of guidelines for CG practice.

**Keywords :** corporate governance, corporate responsibility, direct selling, network marketing

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