

Revisiting Corporate Social Responsibility in the Lens of Board Accountability

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Abstract : Corporate social responsibility (CSR), a major contemporary focus for companies, governments, NGOs and communities, is discussed from a multi-disciplinary perspective. The term is introduced and defined to achieve a combination of economic, social, environmental and philanthropic goals, and its adoption in company law legislations in a few jurisdictions is discussed. Despite its positive social and environmental impacts, the notion has been widely criticised for being ill-defined and fundamentally flawed in the domain of corporate law. The value and effectiveness of CSR have been interrogated for many reasons, always inter-related. This article aims to consider and address some of these problems and assess how CSR could be sharpened and made more effective through the lens of accountability, focussing on the rationale behind and the means of regulation of CSR. The article aims to achieve two interrelated goals. First, it examines the function of accountability in the arguments in favour of CSR by investigating the extent to which the notion of accountability could be used as a criterion for regulating CSR, so that companies may be held accountable for corporate decisions affecting their stakeholders. Second, this article will examine the scope and goals of CSR and board accountability, creating the possibility of a more comprehensive understanding of the two notions from an interactive perspective. In order to link CSR and accountability closely to generate a more appropriate definition of CSR that is could be more appropriately and effectively applied in corporate law, the concept of corporate social accountability (CSA) will be evaluated, with the aim of broadening its latitude beyond disclosure. This will involve a rigorous assessment of the process of fulfilling directors' duties via questioning from stakeholder groups during meetings or committees, together with explanations and justifications from the board. This will be followed by discussions on enforcement measures in relation to the concept of CSA.

Keywords : corporate governance, CSR, board accountability, corporate law

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