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The Effectiveness of Social Responsibility Types in Achieving Competitive Advantages

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Abstract

Social responsibility is an ethical theory in which individuals are accountable for fulfilling their civic duty, and the actions of an individual must benefit the whole of society. In this way, there must be a balance between economic growth and the welfare of society and the environment. The study aimed to identify the effect of social responsibility dimensions in achieving competitive advantages at international companies. To achieve the study objectives qualitative study has been conducted, extensive literature review and bibliographic analysis has been conducted, meanwhile, annual reports and secondary data have been collected with reference to the theoretical literature in this field. After extensive literature it has been found that the major dimensions of social responsible are economical, legal, ethical and philosophical social responsibilities. The research indicated that there are no differences of corporate social responsibility effect on achieving the competitive advantage at international companies, Companies size and Companies number of employees results also indicated that there are differences effects of corporate social responsibility but not significantly by Company's operational capital. For future research empirical research is recommended to generalize this proposed model.

Keywords: International Companies, Competitive Advantages, Social Responsibilities, Objectives Achievement.

I. INTRODUCTION

The efficiency and productivity of an organisation have always been major concerns for corporate organisations and their managers. This has been the case for a very long time. In order to evaluate the efficacy of management systems in companies, several different aspects of organisational structure and system have been identified as potential evaluative factors. These factors include a far broader element of the day-to-day operations of the business, including things like the physical infrastructure, the financial plans and investments, and the work attitudes of the employees. In order to maintain their profits in the face of intense competition, multinational corporations are looking into new markets where they may be able to build infrastructure and create a more favourable institutional climate for their staff [1].

It has been suggested that the social responsibility of multinational corporations can be used as an efficient management tool to boost an organization's performance. This would be accomplished by creating a more positive image in the minds of the organization's stakeholders, in addition to being responsible in their actions toward society and the environment. Although international companies' social responsibility has been more prevalent in those organisations that are more exposed to environment and are more prone toward creating contamination, the interest in using international companies' social responsibility as a strategy is increasing in every type of business [2]. [Citation needed] Since the 1980s, there has been a string of changes taking shape in the business sector as a result of an expanded knowledge on the increased awareness on the increased awareness on the necessity of quality management and the role of business toward society [3].

The movement of international companies' social responsibility has been through many transitions in its concept and application because of environmental activism and government regulations, whereas the legal requirements by government are becoming more and more stringent for compliance [4]. As a field of practise, social responsibility for international companies is moving toward responsible competition, and the movement of international companies' social responsibility is moving toward responsible competition. Since the beginning of this decade, the global business industry has been facing increasing pressure from a variety of stakeholders, employees, investors, and customers to engage in socially responsible operations.

The concept of social responsibility on the part of international corporations is maturing at the same time that many investors have identified the benefits associated with being socially responsible, and the acceptance of this concept is growing as a result of the fact that corporations are generating strategic capital for this purpose. Therefore, in order for business leaders to keep up with the expected future expansion of their organisations, it is becoming considerably more difficult for them to connect the social responsibility and corporate identities of international companies with business strategy [5]. The field of social responsibility for international companies has been the subject of extensive research conducted by a variety of researchers. A significant amount of attention has been paid to the question of whether the role of the corporation in society should be limited to the pursuit of wealth maximisation or should also include the delivery of output that is socially responsible and ethical. Because of the social responsibilities of multinational corporations, the majority of the research concentrate on the financial returns.

The strategic application of social responsibility activities has received far less research despite the fact that social responsibility for international firms is a subject that has been extensively researched by a large number of academics. Although there is some data on the implications of strategic social responsibility, the mechanism that specifies how social responsibility might bring about strategic outcomes for the firm has not yet been defined [6].

This study would make a contribution to the academic literature of strategic management by explaining how social responsibility activities can be helpful in developing intangible organisational resources, which ultimately results in better organisational outcomes. This contribution would be made to the academic literature of strategic management.

In addition to the theoretical and contextual contributions, the study is likely to be just as important from a practical point of view. In today's highly dynamic business landscape, where managers are finding it difficult to achieve and maintain a competitive advantageous position, the results of the study can certainly work as a major guiding force on their way to success in a world that is becoming increasingly complex, volatile, and competitive with every other day. In addition, the study's findings can certainly serve as a major guiding force on the way to achieving success in a world that is becoming more complex, volatile, and competitive with each.

II. SOCIAL RESPONSIBILITY AND ITS TYPES

A socially responsible business model is one that is self-regulating and allows a firm be socially accountable to not only itself but also to its stakeholders and the general public. Companies are able to be aware of the kind of impact they are having on all elements of society, including the economic, social, and environmental spheres, when they engage in the practise of corporate social responsibility, which is also known as corporate citizenship [7].

Types of social responsibility in international companies:

Corporate social responsibility is traditionally broken into four categories: environmental, philanthropic, ethical, and economic responsibility, see figure 1 [8].

Figure 1: The types of social responsibility

i. Legal Responsibility:

The legal obligation placed on the company to comply with the law constitutes the second level of the pyramid. This responsibility, out of the four levels, is the most significant one since it will demonstrate how businesses interact with customers and competitors in the market. Some examples of the legal duties that a firm should comply to include employment laws, competition with other companies, tax restrictions, and the health and safety of employees. Businesses can find themselves in a lot of trouble if they disregard their legal responsibilities [9].

Companies that seek to embrace environmental responsibility can do so in several ways:

- Reducing pollution, greenhouse gas emissions, the use of single-use plastics, water consumption, and general waste.
- Increasing reliance on renewable energy, sustainable resources, and recycled or partially recycled materials.
- Offsetting negative environmental impact; for example, by planting trees, funding research, and donating to related causes.

ii. Ethical Responsibility:

To ensure that an organisation is conducting its business in a fair and ethical manner is one of the primary concerns of ethical responsibility. Companies that embrace the concept of ethical responsibility have as one of their primary goals the fair treatment of all of their stakeholders [10], which includes leadership, investors, employees, suppliers, and customers.

Taking on ethical responsibility can seem very different depending on the company. For instance, if the minimum wage that is prescribed by the state or federal government does not represent a "livable wage," a business may decide to set its own, higher minimum wage for its employees. In a similar vein, a company may stipulate that all of its products, ingredients, materials, and components come from suppliers who comply with free trade regulations. In this regard, many businesses have procedures in place to verify that they are not purchasing goods that are the result of slave labour or the labour of children.

iii. Philanthropic Responsibility:

The term "philanthropic duty" is used to describe a company's efforts to improve both the planet and society through charitable giving [11]. In addition to behaving in an ethical and ecologically responsible manner to the best of their abilities, businesses that are motivated by a sense of philanthropic responsibility frequently donate a percentage of their profits. Many companies provide money to charities and non-profit organisations whose aims are in line with their own, but other companies give money to worthy causes that aren't directly connected to their line of work. Some people even establish their own own charity trust or organisation in order to fulfil their desire to give back to the community.

Your perspective on a variety of issues can be established through your employment in the charitable sector. Not only does this increase the brand reputation, which helps with organic customer acquisition, but it also allows businesses to attract and keep the best peopl [12], [13].

a. **Health Benefits**: Giving to others and being of service to them has been linked to several positive health effects. Donations made to charitable organisations are associated with a sizeable boost in both dopamine and endorphin levels.

Philanthropy has the potential to provide happiness to individuals on the most fundamental level. You may raise the morale of your staff, increase the involvement of your employees, and drive teams to collaborate more effectively by working on charitable projects together. This, in turn, can have a significant impact on productivity and performance in the workplace, as well as retention rates among employees. Giving also has other positive health effects, such as lowering blood pressure, increasing self-esteem, lowering stress levels, increasing life expectancy, and reducing the risk of depression. This is wonderful for the health and happiness of the staff.

b. **Personal Branding**: One further important advantage of engaging in charitable activity is the possibility of enhancing one's own brand. Personal branding is a task that can be challenging for people who are frequently in the public eye, such as CEOs and individuals with significant net worth. Especially considering that in today's age of technology, every word said and deed done is captured and made public for everyone to see.
c. **Protect Your Local Community**: Donating money from your company gives you the chance to make a positive change in the world, which is one of the many benefits of doing so. Help charities achieve their goals and channel financial resources towards areas of the country that are in the most need of them to make your community a better place to live. When an area as a whole does well, everyone in that area will profit. Local giving provides financial support for programmes that have the potential to improve the health and wellness of the community, which in turn can help propel your company forward.
d. **Economic Responsibility**: The practise of a company supporting all of its financial decisions in the context of its commitment to doing good in the aforementioned areas is an example of economic responsibility. The ultimate objective is not merely to maximise profits but also to have a positive impact on the world's population, society, and the environment.

The majority of businesses are compelled to embrace corporate social responsibility as a result of moral beliefs, and doing so can bring about a number of benefits. Corporate social responsibility programmes, for instance, have the potential to be an effective marketing strategy, which can assist a business in establishing a favourable position in the eyes of consumers, investors, and regulators. Initiatives focused on social responsibility have the potential to boost employee engagement and satisfaction, two crucial metrics that promote employee retention [14]. These kinds of endeavours even have the ability to entice prospective employees who share strong personal views that are similar to those held by the firm.

The last point is that programmes for corporate social responsibility, by their very nature, compel business executives to scrutinise policies relating to how they hire and manage workers, where they acquire products or components, and how they provide value to customers [15].

This kind of introspection can frequently result in the development of original and ground-breaking solutions that enable a firm to behave in a more socially responsible manner

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and simultaneously boost its profitability. Reconceptualizing a company's manufacturing process so that it uses less energy and generates less waste, for example, enables the company to become more environmentally friendly while simultaneously reducing its costs for energy and materials. This value can be reclaimed and shared with both the company's suppliers and its customers [16].

III. COMPETITIVE ADVANTAGES

A business is said to have a competitive edge when it possesses the factors that enable it to provide goods or services that are superior to those of its competitors while also being more cost effective. Because of these features, the productive organisation is able to generate a greater number of sales or higher margins than its competitors in the market. A multitude of characteristics, including as cost structure, branding, the quality of product offers, the distribution network, intellectual property, and customer service can be ascribed to competitive advantages [17].

Because of particular qualities or circumstances, a company and its shareholders can benefit from increased value when the company possesses competitive advantages. When a company has a competitive edge that can be maintained over time, it becomes increasingly difficult for other companies to overcome that advantage. Both comparative advantage and differentiated advantage are considered to be two of the most important types of competitive advantages [18].

Sustainable competitive advantages are company assets, attributes, or abilities that are difficult to duplicate or exceed; and provide a superior or favourable long term position over competitors See Figure 2 [19].

Figure 2: Competitive Advantages

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Businesses that possess even a single long-term advantage over their competitors may find success. You will have a much better chance of having found a company with actual value if you look for businesses that have many sustainable competitive advantages. Below are some sorts of businesses along with examples of sustainable competitive advantages [20], [21].

i. Low Cost Supplier and Low Pricing: Economies of scale and efficient operations can assist a corporation in being the low cost provider in its industry, hence warding off potential competitors. Being a provider who offers their services at the lowest possible price might be a substantial barrier to entry. In addition, cheap price that is maintained over time can foster brand loyalty, which is a significant source of competitive advantage. (i.e. Wal-Mart).
ii. ii. Market or Pricing Power: A corporation is said to have market or pricing power if it possesses the ability to raise prices without a corresponding decrease in market share. Companies that have pricing power typically do so because they are able to capitalise on significant barriers to entry or because they have established themselves as the dominant player in their industry.
iii. Highly Effective Brands: Constructing a brand successfully requires a significant financial and time commitment. To completely destroy it requires very little effort. A strong brand is priceless because it encourages consumers to choose that particular product or service over those offered by competitors. Having a powerful brand and a competitive advantage in the market can come from factors such as holding the position of market leader and enjoying an excellent corporate reputation. (i.e. Coca-Cola (KO).
iv. Strategic assets: Patents, trademarks, copy rights, domain names, and long-term contracts are a few examples of the types of strategic assets that can bring long-term advantages to a company's competitive position. Businesses that thrive in research and development have a better chance of possessing important strategic assets. (i.e. International Business Machines (IBM)).
v. Barriers to Entry: The most prevalent type of competitive advantage is cost advantages that an established business has over a new one. Companies that are attempting to enter new markets frequently face challenges in the form of high investment expenses (such as AT&T (T)) and regulations from the government. When there are a lot of obstacles to getting into a market, it can lead to monopolies or near-monopolies. (i.e. utility companies).
vi. Adapting Product Line: A product with no room for improvement is an easy target for competitors. A product line that is able to evolve paves the way for improved or complementary follow-up items, which in turn keeps customers coming back for the "new" and improved version of the product (such as the Apple iPhone) and potentially some accessories to go with it.
vii. Product Differentiation: A cost advantage is more likely to cause a loss of market share to a competitor than the introduction of a novel product or service that sets itself apart from the competition. A product or service can be positively differentiated from similar offerings in a number of ways, including the quality, number of models, ordering flexibility (including the ability to make custom orders), and customer service.

viii. Strong Balance Sheet / Cash: Businesses that have a manageable amount of debt and/or a large amount of cash on hand have the financial freedom to make strategic investments and never struggle with issues relating to their access to working capital, liquidity, or solvency. (i.e. Johnson & Johnson (JNJ).The balance sheet is the foundation of the company.

ix. Outstanding Management / People: There is also the intangible benefit that comes from having excellent management. It is difficult to put a number on this, but there are definitely some who come out ahead. It appears that winners are able to make the correct choices at the appropriate times. Winners find a way to keep their people motivated and get the best out of them, especially when they are up against difficult obstacles. A competitive advantage can be gained from management that has been successful for a considerable amount of time.

Businesses have a tendency to lose sight of balancing the interests of corporate bottom lines with the needs of other stakeholders such as employees, customers, suppliers, society, and the communities in which the companies conduct their business in the constant pursuit of higher profits and better returns to shareholders. This is because businesses tend to lose sight of the importance of maintaining a healthy relationship between the interests of corporate bottom lines and the needs of other stakeholders[22].

On the other hand, this could be counterproductive because sound corporate governance may be an essential component in the achievement of a competitive advantage and profitability based on long-term thinking. There is a growing body of evidence suggesting that the pursuit of purpose leads to improved profits and performance. Purpose is defined as the clearly articulated and self-conscious insistence, shared by managers and owners alike, that a company first exists to promote societal and human improvement.

The United States Securities and Exchange Commission (SEC) has just published its new Code on Corporate Governance, in which it defines corporate governance as "the process and structure used to direct and manage the business and affairs of the company towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders." [23].

IV. COMPETITIVE ADVANTAGES IN INTERNATIONAL COMPANIES

The pursuit of worldwide expansion by many companies has graduated from the status of merely another challenge to that of a genuine corporate priority, and this shift has occurred relatively recently. Many of these companies find themselves unable to escape the environment in which they operate, which is characterised by uncertain economic prospects and competitors that are always present, always unpredictable, and always dangerous [24]. Despite this, many plans for foreign development are either put on hold or scrapped entirely, and despite the fact that greater globalisation is no longer the sole purview of large organisations, there is still a fear factor for small and medium-sized businesses. As a consequence of this, they may start to ask themselves a variety of concerns, such as whether or not they can effectively compete in other territories. How is it that they can claim to have a greater understanding of the market than the local businesses? [25]

How should companies position themselves from a strategic standpoint in order to continue expanding their operations across national borders? It is essential to have an understanding that international expansion can be a true opportunity to gain a meaningful and sustainable competitive edge, despite the sector in which you operate [26]. It is possible to imagine a variety of various outcomes, which provides companies with the opportunity to stay ahead of their rivals and achieve success. Here are three primary illustrations:

i. **Competitive advantage derived from an economic strategy, concrete financial results:**

It's possible that your company's business and operating models need to be updated in order to facilitate a return to profitable growth. The expansion of a company's international operation gives a true chance for the company to acquire new clients and, more generally, to bring about a significant shift in the way it approaches sales. It may be the appropriate time to take advantage of the rising globalisation and become a global operator in your own right. At a time when new technology is making borders more permeable and making it easier to trade, the time may be opportune to capitalise on this enhanced globalisation. This is another another reason why this strategy can circumvent monetary and commercial roadblocks [27].

Businesses can get a strategic boost from having a presence in international markets, which frees them from dependence on their home markets while also allowing them to more effectively handle their entire market position. Building new, parallel sales networks in territories experiencing booming markets enables businesses to respond to their competitors with flexibility and develop close relationships with influential local partners. Maintaining competitiveness in markets that are highly restrictive or that have become stagnant is not an easy task. To claim that there are none of the risks that are often associated with this method would be incorrect.

Nevertheless, businesses can reduce their exposure to risk and increase their annual revenue by expanding into new regions and markets, each of which experiences a unique economic cycle as well as peaks and valleys that correspond to the changing of the seasons. As a result, increasing a company's presence on a global scale results in benefits for risk and capital management. Additionally, the company reaps the benefits of a unique risk profile, and businesses are also able to capitalise on the opportunities presented by a new location. They are able to diversify their supply chain and have greater diversity in their sources of revenue if they make efficient use of market trends or the capacity to bring new items to market more quickly [28].

ii. **Competitive advantage derived from the product or service on offer, a flair for differentiation:**

When you decide to expand your company into new markets throughout the world, you will need to give careful consideration to a number of important issues and make a series of strategic decisions on your value proposition. It is impossible to establish a long-term presence in a new market by merely expanding the scope of your existing operations or by duplicating what is already in place; differentiation is necessary [29]. In spite of the magnitude of the challenge, a successful completion of the work will result in a long-term edge over the competition.

One of the many ways in which companies can attain this level of success is by introducing new products or services to the market before their primary competitors do so that they can focus on markets in which there is less strong competition. The most efficient strategy to concentrate your growth efforts and establish yourself as a frontrunner in your industry is to expand into other areas. As a result, decreased manufacturing costs and higher margins are possible thanks to economies of scale that can be implemented rapidly during the phase of expansion.

It may also be worthwhile to carve out a specific market space for yourself by offering a one-of-a-kind product or set of abilities, or by developing a distinct and successful brand that gets its value from being tailored to the specific marketing and communication needs of your new sales territory. For instance, businesses are able to create powerful differentiating factors in new territories or companies, which can then feed through into the domestic market, by achieving a cutting-edge position in the local market by offering a major technological breakthrough or a high-end service. This can enable the businesses to feed through into the domestic market. If a small or medium-sized business (also known as a SME or a medium-sized business) is able to successfully create a link between their original brand image and their local positioning, then that business has a good chance of acquiring a position on the global market with an even more extensive reach [30].

The value propositions of firms have been shown to benefit from globalisation, which has led to their enhancement and enrichment. When a company is able to provide goods and services that are an accurate reflection of local requirements and cultural expectations, they are able to create a distinctive brand that is closely regulated and can continue to adapt, develop, and get better.

iii. Competitive advantage derived from the business's positioning, multi-faceted innovation:

When a company begins to do business on a global scale, one of the factors that typically contributes to the acceleration of innovation is change. When compared to businesses that simply have a presence in their own country, those who have expanded worldwide spend almost two times as much money on research and development. In a context in which there is an urgent need to demonstrate an ability to innovate, and in which a failure to innovate can imply the complete failure of the firm, it appears vital to commit all resources that are necessary to activities related to research and development. When a company expands internationally, it gains a new vitality, a fresh appetite for entrepreneurialism, and a willingness to test the boundaries of what is possible [31]. It is helpful in developing new competitive strengths, both in the native market and in new target areas internationally. [32].

a. Enhanced creativity: When a company is able to improve its capacity for innovation, both in terms of the solutions it offers and the processes that it employs internally, it can acquire a number of strengths as a direct consequence of this improvement. Some of these strengths include the ability to observe what is going on in other places, the development of one's own adaptability, the assimilation of a new culture, and the ability to deal with new strategic challenges. This transformation also presents a chance to establish teams that are highly motivated, closely linked, and ready to take on new challenges in the future. The

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process of globalisation has the potential to birth a genuine culture of entrepreneurship, one that is characterised by an open mind and an imaginative approach, all of which are required for sustained success.

b. The emergence of new approaches: The manner in which companies connect with the communities in which they operate will undergo significant change as a result of international expansion. It is feasible to compete with other bodies (in every sense), leading to partnerships that stimulate innovation and business procedures that provide the flexibility needed for improved performance. This is conceivable within the context of competition, which is not always identical with resistance. An approach that takes into account international factors can facilitate the formation of a new partner network that draws its members from powerful local organisations as well as regional institutions of higher education and research.
c. Enhanced profile: The expansion of a company's operations into international markets broadens its customer base and raises its profile among that audience. Their capacity to interact with international stakeholders not only boosts awareness of their products and services but also gives them the opportunity to enhance their image by adopting a strategy that is more cutting-edge, alluring, and contemporary.

When it comes to increasing a company's overall productivity, going global can be a potent catalyst for increase in profit margins, new product or service development, and differentiation from competitors. It makes it possible to gain a number of competitive advantages from the growth plan of the company, contributes to the evolution of the company's market position, and alters the view of the company's existing consumers. Preparation is necessary if you want to keep these benefits, as well as guarantee that they are precise, well-thought-out, and specific to the setting. [33].

Establishing a location outside of your additional market nevertheless entails a number of challenges that should not be underestimated. Enlisting the services of a partner (such as an international business development consultancy) with the subject matter expertise can be a wise choice to ensure that you embark on a journey to exploit new markets with as many cards in your favour as is possibly the case.

V. THE BENEFITS OF SOCIAL RESPONSIBILITY IN INTERNATIONAL COMPANIES

In the context of international business, social responsibility refers to a company's efforts to conduct its operations in an ethical and environmentally responsible manner while also addressing the effects of those operations on society and the environment [34]. This necessitates taking into account the human rights of the local population, as well as the community, environment, and society in which it operates.

It is of the utmost significance that the business conduct its operations in a manner that exhibits social responsibility. It is considered to be good practise for you to take into account social and environmental issues, even though doing so is not mandated by any laws in the area.

Your achievement is directly proportional to your level of social responsibility and ethical behaviour. According to a survey that was conducted in 2020 by Cone Communications and Ubiquity on the topic of global social responsibility, an astounding 91 percent of customers all over the world anticipate that corporations will act responsibly in order to address social and environmental challenges. In addition to that, 84% of consumers claim that they look for responsible items whenever it is possible [35]. Consumers are becoming more conscious of the significance of social responsibility and are actively seeking items from businesses that conduct themselves in an ethical manner, as the data presented above demonstrate. Social responsibility for international companies demonstrates that you are a business that takes an interest in wider social issues, rather than just those that impact your profit margins. This will attract customers who share the same values as you do because they will believe that you care about more than just your profit margins. As a result, conducting company in a sustainable manner is smart from a financial perspective.

The importance of corporate social responsibility is made abundantly clear by its many advantages, which is why your business should make every effort to incorporate it into its operations. The following are some obvious advantages of practising corporate social responsibility [36]:

i. Improved public image: This is extremely important since potential customers consider your reputation before making a purchase from your company. Something as straightforward as requiring employees to donate one hour per week of their time to a charitable organisation demonstrates that your company is dedicated to assisting those in need. As a consequence of this, you'll come across to customers as being in a far more favourable light.
ii. Increased brand awareness and recognition: This information will spread if you are determined to engaging in ethical practises. Because of this, a greater number of individuals will become aware of your brand, leading to a rise in brand awareness.
iii. Cost savings: Your production costs can be reduced by making a number of straightforward adjustments that are favourable to sustainability, such as utilising less packaging.
iv. An advantage over competitors: You can differentiate yourself from other businesses operating in the international firm sector by adopting social responsibility. As a business that is dedicated to going above and beyond by taking into account social and environmental considerations.
v. Increased customer engagement: If you are employing environmentally friendly practises, you ought to shout it from the rooftops. Publish it on your various social media channels, and make a narrative out of the results of your efforts. In addition, you should make sure to bring your efforts to the attention of the local media in the hopes that they will cover the story. Customers will respond by engaging with both your brand and operations as a result of this.
vi. Greater employee engagement: Along the same lines as engaging your customers, you also need to make sure that your employees are aware of the social responsibility strategies you have in place. It's been demonstrated that employees take greater pride in their job for a company that has a positive reputation in the community as opposed to one that doesn't. In addition, by demonstrating that you are devoted to issues such

as human rights, you significantly increase the likelihood of attracting and retaining the best individuals.

vii. More benefits for employees: When you embrace social responsibility, you not only benefit your company, but also your employees in a variety of ways. A more cheerful and productive work environment will be created within the organisation, and by encouraging activities such as volunteering, you will foster both personal and professional development.

VI. CONCLUSION

This article discusses the utilisation of social responsibility activities carried out by international firms as a means of constructing intangible organisational resources, with the end goal of enhancing the competitive advantages. In this article, the financial gains that can be recovered through participating in social responsibility in the activities of international firms are discussed. The characteristics and types of social responsibility in activities connected to the internal and external stakeholders of the firm are explored in a manner that is consistent with logic. These activities are carried out by worldwide companies. At long last, a model that takes into account both the internal and external aspects of social responsibility in the operations of international businesses has been devised. Because many different components of social responsibility in the actions of international corporations are tied to many different facets of business, such as the ethics of business, marketing, and the happiness of stakeholders. The application of social responsibility in the operations of multinational corporations might look very different in developed and developing nations; the theoretical framework can be put to the test by researchers in the future by situating this study in a variety of diverse contexts. The paradigm of the longitudinal case study has the potential to open up new avenues for research for future scholars interested in social responsibility in the activities of international firms.

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