Research on Social Responsibility in the Process of Internationalization of Chinese Enterprises from the Perspective of Strategic Management

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Abstract: Under the background of the corporate social responsibility movement sweeping the world, how Chinese enterprises carrying out the internationalization process should perform their social responsibilities has become a major problem perplexing the internationalization process of Chinese enterprises. From the perspective of strategic management, this paper discusses the levels and ways of Chinese enterprises to fulfill their social responsibilities in the process of internationalization, so as to provide theoretical support for Chinese enterprises to fulfill their social responsibilities in international operations.

1. Introduction

The rapid economic development in the past 40 years has made China an important part of the world economic system. More and more Chinese enterprises have begun to go abroad to expand new development space. However, the internationalization of Chinese enterprises is not smooth. The reality of frequently encountering “social responsibility” trade barriers forces Chinese enterprises to start thinking about how to perform corporate social responsibility in international operations, so as to comply with the trend of the global social responsibility movement and realize the coordinated development of economy and society.

2. Definition of Social Responsibility in the Process of Enterprise Internationalization

Based on the differences of history, culture, market environment and institutional arrangements of various countries, there are great differences in corporate social responsibility, but there are also similarities that transcend national boundaries. In the process of internationalization, enterprises must fully understand the international commonness of corporate social responsibility, that is, the connotation of corporate social responsibility, so as to formulate social responsibility implementation strategies that meet the development needs of the enterprise according to their own conditions. This paper believes that the international commonality of corporate social responsibility is to emphasize that enterprises have the minimum responsibility to prohibit damage and compensate for damage to society. Therefore, the international commonness (connotation) of corporate social responsibility requires that enterprises should not deliberately do anything that may harm stakeholders when engaging in business activities. If an enterprise hurts stakeholders, whether it is found or noticed, the enterprise must immediately correct and compensate. In the process of business operation, enterprises should respect and not infringe the interests of other stakeholders and the whole society. This is the basis and bottom line of corporate social responsibility, and it also constitutes the consensus of the international community on corporate social responsibility.

3. The Levels and Ways of Social Responsibility in the Process of Internationalization of Chinese Enterprises from the Perspective of Strategic Management

The movement of corporate social responsibility has become a world trend. From the perspective of strategic management, the success or failure of enterprises’ international operation is directly determined by whether they can perform corporate social responsibility. However, how enterprises
should fulfill their social responsibilities when carrying out international operations, so as to achieve a balance between their own interests and the overall interests of the host society, has always been a difficulty in theoretical research. This paper believes that there are two ways of performing social responsibility when enterprises carry out international operations, one is implicit performance, the other is explicit performance. Only by unifying these two ways of social responsibility performance in the host country’s market and society can enterprises finally realize the balance between enterprise interests and the interests of stakeholders and society in the host country.

Figure 1 Responsibilities and responsibilities of Mengniu Dairy Industry in implementing the international journey of the “the Belt and Road”.

3.1. Implicit Performance of Social Responsibility in the Process of Internationalization of Chinese Enterprises

When enterprises carry out international operations, the primary way to perform corporate social responsibility is implicit performance. The so-called implicit way of performance refers to the mandatory or habitual compliance by enterprises with the values, norms and rules that meet the requirements of social responsibility, and these values, norms and rules are determined through collective rather than individual forms. These formal or informal institutional arrangements are born in the social system of the host country. As a passive response to institutional pressure, enterprises unconsciously fulfill their social responsibilities. Therefore, the implicit way of fulfilling social responsibility emphasizes that enterprises carrying out international operations, as a member of the host country’s society, must be bound by the formal or informal institutional arrangements of the host country.

At the same time, the common requirements for corporate social responsibility formed by various countries emphasize that enterprises have the responsibility to respect and not damage the interests of the stakeholders of the host country and the overall interests of the host country society at a minimum, and this responsibility is also mandatory. As an organization pursuing the maximization of interests, enterprises inevitably have the tendency of opportunism. If it is not regulated through external institutional arrangements, enterprises will inevitably maximize their own interests at the expense of stakeholders and the overall interests of society, which has been confirmed by the history of social development. Therefore, countries require enterprises to effectively assume the responsibility of respecting and not damaging the interests of stakeholders and the overall interests of society, so it is necessary to take the compulsory compensation for damage as the guarantee of responsibility. This kind of social responsibility also belongs to the category of implicit performance of social responsibility.

The launch of the international social responsibility campaign has prompted a large number of global standards of corporate social responsibility to emerge and become increasingly comprehensive, clear and unified. Based on their own interests and domestic public opinion pressure, multinational companies in western developed countries continue to promote and practice the global standard of corporate social responsibility around the world. As multinational corporations in western developed countries monopolize global economic and trade activities, the global standard of corporate social responsibility, as a value, is promoted globally and has a strong
binding and habitual force. Any enterprise that wants to engage in international operation must abide by the above global standards, otherwise it will be condemned by global public opinion and even lead to business failure. The international operation of enterprises’ compliance with the global standards of corporate social responsibility is also a way of implicit social responsibility.

The implicit performance of corporate social responsibility is based on the premise of recognizing that enterprises are self-interest organizations and have opportunistic tendencies. Through formal or informal institutional arrangements, enterprises are urged to abide by the values, norms and rules related to social responsibility, so as to realize the commitment of corporate social responsibility. This way of performing social responsibility is the basis for the performance of corporate social responsibility. Enterprises carrying out international operations must pay attention to the implicit performance of corporate social responsibility.

3.2. Explicit Performance of Social Responsibility in the Process of Internationalization of Chinese Enterprises

On the basis of implicit performance of corporate social responsibility, enterprises carrying out international operations must also pay attention to the explicit performance of social responsibility. The so-called explicit performance of social responsibility means that enterprises realize social responsibility through voluntary, deliberate and strategic decisions. Due to the dynamic nature of corporate social responsibility, the political, financial, educational, labor and cultural systems of different countries have caused the differences in the performance of corporate social responsibility in different countries. For example, the United States is a country that emphasizes the explicit implementation of corporate social responsibility. In the American political system, the government cannot directly intervene in enterprises. The financial system of the United States also determines that the stock market is the main financing platform of American companies, and the holdings are relatively scattered. American companies can also make decisions about labor management. American culture also has the tradition of recognizing individualism and doubting the country, which makes American enterprises fulfill their social responsibilities on a voluntary basis, and actively integrate the attention to society and the environment into the business operations of enterprises and the interaction with enterprise stakeholders. Therefore, when performing their social responsibilities, enterprises carrying out international operations must analyze the tradition of the host country’s social responsibility performance and determine their social responsibility performance strategies according to the tradition of the host country.

Not only that, the explicit way to fulfill corporate social responsibility is still the trend of enterprises operating internationally in the world today. With the deepening of globalization and the vigorous development of the international social responsibility movement, the performance of corporate social responsibility has become a prerequisite for enterprises to carry out international operations. The concept that enterprises should perform social responsibility in international operation has long been deeply rooted in the hearts of the people. Even if the host country is a developing country with relatively backward social responsibility standards, and the formal or informal system of social responsibility has not been fully established, it can not stop the trend of requiring enterprises to carry out international operations to perform social responsibility. At this time, the explicit way of performing social responsibility will play an important role in the business activities of enterprises in the above-mentioned developing countries. In the absence of institutional arrangements in the host country, enterprises voluntarily undertake corporate social responsibility, which will undoubtedly increase the reputation of enterprises and win more credit for enterprises. The growth of corporate reputation and credit will lead to the increase of wealth. Therefore, when corporate social responsibility has become a world trend, enterprises carrying out international operations must also pay attention to the explicit performance of corporate social responsibility, and actively integrate the concerns of stakeholders and society in the host country into their own business operations, so as to improve the ability of enterprise wealth creation.

3.3. The Unity of Implicit and Explicit Performance of Enterprises’ Social Responsibility

In the process of international operation of enterprises, the above two ways of performing social
responsibility are not independent and separated from each other. On the contrary, they are interrelated and interact with each other, and are unified in the market and society of the host country.

The implicit performance of corporate social responsibility is the premise and foundation for enterprises to carry out international operations. With the deepening of globalization and the vigorous development of the international social responsibility movement, the international community has formed a global standard on corporate social responsibility. Due to the strong implementation of multinational companies in western developed countries, these global standards have formed a kind of values around the world and have habitual force and strong binding force in fact. Therefore, even if the host country is a developing country with low social responsibility standards or has not been fully established, and the relevant institutional arrangements are relatively lacking, enterprises entering the country to engage in commercial operations must also comply with the relevant global standards of social responsibility, otherwise international operations may fail. At the same time, the explicit performance of corporate social responsibility is a necessary condition for enterprises to successfully carry out international operations. Today, when the corporate social responsibility movement has become a world trend, all successful multinational companies participating in international operations, without exception, show a high emphasis on the performance of explicit social responsibility. Through enterprises’ voluntary assumption of corporate social responsibility, the reputation of enterprises is improved, and the trust of stakeholders and society in the host country is increased, so as to lay the foundation for the success of business operations in the host country. Not only that, the explicit way of corporate social responsibility will also promote the respect and non infringement of the interests of the stakeholders of the host country and the overall interests of society, and make the implicit way of social responsibility performance into a conscious behavior of enterprises, so as to reduce the cost of performance. The implicit way of social responsibility performance will promote enterprises to establish the concept of social responsibility performance when carrying out international operations, and create ideological conditions for consciously performing social responsibility. When enterprises carry out international operations, the above two ways of social responsibility performance affect and interact with each other, and finally unify in the market and society of the host country.

4. Conclusion

In the context of economic globalization, Chinese enterprises have also begun to go abroad and participate in international competition. In this process of internationalization, as a developing country enterprise whose domestic corporate social responsibility standard has not been fully established, how to perform corporate social responsibility and meet the requirements of the host country and the international community for corporate social responsibility has become a major problem that puzzles Chinese enterprises to go global. Therefore, China should continue to explore and research, hoping to promote more domestic enterprises to go abroad in the future.

References
