



Strategic CSR for Thai Multinational Corporate in ASEAN

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Abstract— In this paper was studied the method for capturing process of Corporate Social Responsibility (CSR) to examine how multinational corporate (MNCs) in ASEAN countries are managed in strategic CSR. The research design for the study helped to gain knowledge on the MNCs approach in advocating CSR in ASEAN countries. The research was relied upon the information from the annual report, sustainable report, and the mail interviews to study the extent of strategic CSR. The research finding indicates that strategic CSR of MNCs in ASEAN countries would have top management impel CSR initiate, written CSR policy at a strategic level, have a moral driven or social responsible CSR policy, focus on being socially responsible both in production process CSR activities and in philanthropic CSR every countries that business operate, including involve in CSR activities on a long term view. The corporate has prioritizing social issues to identify the point of linked between corporate and society. Prioritizing social issues of corporate base on generic social issue, aware of the social impact in corporate's value chain and focus on varies of stakeholders. Also, a survey of needs of community people in the target area was conducted before CSR implementation.

Keywords— Corporate Social Responsibility (CSR), Multinational corporates (MNCs), ASEAN.

1. INTRODUCTION

Corporate Social Responsibility (CSR) is a concept that has attracted worldwide attention in the global economy. Reference [1] argues that the involvement in social initiatives can increase firm's value, attract new investors, and reduce exposure to the risk in the event of corporate or management crises. The success of company and the success of the community become mutually reinforcing. Typically, the more closely tied a social issue is to company's business, the greater the opportunity to leverage the firm's capabilities, benefit society, and causes of sustainable competitiveness of the business [2].

Economic growth in The Association of Southeast Asian Nation (ASEAN) presents opportunities and challenges for development of CSR. Stakeholders are influential in regulating corporate in the global supply chains to follow global CSR standards. Often in developing countries, CSR is driven by standardization imposed by multinational striving to achieve global consistency among its subsidiaries and operations. Reference [3] CSR performance varies greatly among countries in Asia, with a wide range of CSR issues being tackled and modes of action. ASEAN region is a rich and fascinating area of enquiry, and thus it becomes important in CSR theory and practice. It also represents a tremendous opportunity for improving our knowledge and understanding about CSR in Asia. Reference [4] reaches a similar conclusion, namely, that CSR is taken vary considerably among ASEAN countries. This variation is not explained by the level of development

but it drives by the factors in the respective national business system.

Multinational corporates (MNCs) operate in multiple societies around the world. They respond to each country's legal requirements, while adjust to diverse social and economic conditions. MNCs in ASEAN play an important role in sustainable development as operates for management, technology, capital and know-how. CSR performance varies among countries in ASEAN, with varieties of CSR issues being tackled and modes of action [5]. MNCs are more likely to adopt CSR than those operating solely in their home country but the profile of CSR tends to reflect the profile of the country of operation rather than the country of origin [6]. Occasionally, MNCs are caught between conflicting requirements or expectations in different countries. Multiple public and private sector groups comprise overlapping societies in the local, national and regional settings in which MNCs operate. At the same time, MNCs seek to maintain their corporate identity and the operating procedures of an integrated global enterprise. The context for the social responsibility of MNCs therefore encompasses a multilayer environment of societal requirements and expectations.

The blueprint for the socio-cultural community has strategic objective to ensure that it will be incorporated in the corporate agenda and contributed towards sustainable social economic development in ASEAN Member States (Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) [7]. There is lack of research which explains the nature and extent of CSR in ASEAN, especially in MNCs. The general problem considered in strategic CSR, focuses on CSR issue and mode of action on strategic within ASEAN countries. Hence, there is an urgent need for doing a research on the appropriate issues of strategic CSR in MNCs approach among ASEAN countries. Finally, this

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empirical research should inform more conceptual work on CSR conceptions that is described more applicable to ASEAN countries as well.

2. LITERATURE REVIEW

Corporate Social Responsibility

The construct of CSR is different and sometimes makes conflict values on the nature and scope of business obligations to society [8]. These values come from the social, political, and economic norms and can change with time and vary across nations [9]. Many CSR definitions reflect these diversity views on what business should do to fulfill its responsibility, including the philosophy of social responsiveness, the social issues involved, and the social responsibility categories [10]. An alternative, but similar theory, as Carroll's was developed by Freeman who argued that a valid role of management [11].

CSR as a concept means being ethical towards but not harming any stakeholders [12], [13]. It has a dominant goal to better the condition of various stakeholders such as broader, shareholders, employees, suppliers, societies, community groups, customers, and environment [1], [13]. The argument based on the idea of firms having numerous relevant constituents. It should be considered because the firm cannot continue to thrive and survive without the support of these stakeholders. [14]. Furthermore, CSR has been seen as a continuous process of engagement of the firm with the stakeholders [15].

Local and global CSR

A local community is a self-circumscribe group of people who interact with each other in the context of shared tasks, values, or goals. In addition, this group of people is capable of establishing norms and ethical behavior for themselves [16]. In contrast to the global CSR issues, local issues exist according to the needs of each community [17]. MNCs should respond to the pressures for global integration and local responsiveness with respecting to CSR issues just as same as their organizational strategies respond to the pressures of integration and responsiveness in product markets [18]. On the same way, CSR responsibilities and stakeholder's demands require MNCs to respond to both global issues and local issues. The different stakeholders and conflicting value systems also require complex CSR strategy responses as well [19].

Important strategy are based on its impact on the ability of the enterprise to meet its objective. The issued and required managerial attention are then placed on the firm's strategic decision agenda [20]. International agreements give more rights to the firms to operate internationally. It should be taken following the expansion of action, space and rights which will be accompanied by CSR. In the international context, this question attracts attention because MNCs are one of the principal drivers of globalization. They are also seen to be the most important beneficiaries of the liberalization of investment and trade regimes, with rising influence on the development of the world economy and its

constituent parts. The concept of social responsibility implies that firms have obligations that go beyond what countries require individually and beyond the agreements prescribed internationally [21].

Strategic CSR

Having identified CSR issues as global or local in nature, firms must then decide how to manage them. Previously, it should be determined in which issues that related to the strategic importance [22]. Supporters for a broad range of CSR use a strategic argument for business to engage in responsible activities [2]. CSR should be linked to core business objectives that are leveraged for increasing economic and social values. In these relative cases, the link between responsibility and competitive advantages is always obvious. Strategic CSR moves beyond the good corporate citizenship and mitigating harmful value chain that impacts to mount a small number of initiatives. Moreover social and business benefits are large and distinctive. It involves in both inside-out and outside-in dimensions of working in tandem [2]. A relevant point with the effectiveness of strategies undertaken by communities to the demand of corporate accountability is argued into the success of community-based strategies. For corporate accountability, it is conditional upon the right combination of state, civil, societal, and corporate factors [23].

CSR is strictly embedded with a multitude of business actors. With the call for sustainability and the new role of business in society [24], leadership is bound to contact and conflict with key stakeholders in the arena of responsible business, global versus regional and local needs, and different national cultures. Corporations need to engage with stakeholders to develop valuable CSR related actions. Stakeholders that face challenges and threats are more likely to the partner with corporations on CSR related issues and corporations. Besides, stakeholders are more likely to succeed when a long-term vision is embraced. The literature shows that corporate leadership should have a holistic approach to engage with stakeholders and that the vital link between business and stakeholder management in which it is leadership [25].

CSR for Multinational Corporate

In the first path of MNCs in developing countries, they often use the same CSR principles and standards which are in the part of their operations at head-office, leads to the introduction of responsibility from developed countries to the developing world [26]. Content of CSR may serve as a signaling device for developing countries seeking to assess foreign direct investment proposals by foreign firms [27]. CSR in developing countries have a variety of issues to consider. When the firms must decide how to manage them, they must first determine which issues are of strategic importance. The general problem considered in strategy focused on the issue and mode of action on strategic CSR.

There are also serious questions concerned with the dependencies of this governance gap approach that CSR creates. Especially, communities become reliant on their social service on company which the primary

accountability to their shareholders [28]. For CSR in ASEAN, There are key elements that relate to CSR may include: corporate governance, human resource management, regulatory compliance, environmental stewardship, community investment, and human rights. It is broaden agreement that CSR encompasses more than the traditional philanthropic activities. By the most developed form of it, CSR is a core strategic function in any enterprises, consistent with the mission of the organization, aligned with the concept of sustainable development, positive competitive outcomes, and an equitable sharing of resources across society [5].

3. METHODOLOGY

The purpose of this research is to examine the strategic CSR of MNCs in ASEAN countries. In this research we studied about MNCs that were operated in ASEAN countries. Those corporate were chosen for several reasons. First, They originated from Thailand and have been aggressive in international markets, especially in ASEAN countries. Second, the corporate were listed in the stock exchange of Thailand. Finally, the corporates were a best practice in CSR and commits to be a good corporate citizen, contributing to the sustainable growth.

This research was conducted on the data that were collected from the documents in sustainable report and annual report in the year 2008-2010 and from mail interviews. The prime source is the company's annual report itself, which, from the prior CSR research, is regarded as the main form of company communication [29].

In this research project we are interested in exploring how MNCs interpret their corporate responsibility. We are also interested in how MNCs deal with stakeholders.

4. FINDINGS

The research finding indicates that strategic CSR of MNCs approach in ASEAN countries would have Coporate Executive Officer (CEO) impel CSR initiate, written CSR policy at a strategic level, have a moral driven or social responsible. CSR policy is focused on being socially responsible both in production process CSR activities and in philanthropic CSR every countries that business operate, including involve in CSR activities on a long term view. The finding shows the importance of CSR to be at the strategic level. It clearly demonstrates that a coherent CSR strategy offer benefits to companies and positive contribution to social. Also, a survey of needs of community people in the target area was conducted before CSR implementation. Some interesting findings are found in framework, criteria of selecting, and type of CSR activities in the corporate. The CSR report showed that managed CSR activities based on the stakeholder model and issues management CSR framework utilized by international company.

The following are the findings of the CSR strategy from the MNCs in ASEAN.

Petroleum Authority of Thailand (PTT)

PTT Group is a national oil and gas company engaging

in an integrated petroleum and petrochemical businesses through direct investments and investment affiliates. PTT Group also invests in domestic refining and petrochemical business as well as other related businesses, domestic and international. The corporate has business base in ASEAN countries including Cambodia, Indonesia, Malaysia, Myanmar, Singapore, Thailand, and Vietnam [30].

CSR is a PTT Group's commitment to operate in an economically, socially, and environmentally sustainable manner whilst balancing the interests of a diverse range of stakeholders with assurance to sustainable business growth. PTT Group's CSR is a practice in compliance with international standards and is adopted a policy of proceeding as follows [31]:

1. Integrate CSR considerations within the corporate decision-making process
2. Conduct ethical business practices and sound systems of corporate governance
3. Uphold fundamental human rights and respect cultures, customs and values in dealings with employees and others who are affected by our activities
4. Seek continual improvement of our safety, health and environmental performance
5. Conduct or support research and innovation that promotes technologies that are safe and efficient in their use of our products, and natural resources
6. Contribute to the social and institutional development of the communities in which we operate
7. Conduct effective and transparent engagement and communication with our stakeholders
8. Encourage customers, business partners and suppliers of goods and services to adopt principles and practices that are comparable to our own

Hence, all administrators and employees of PTT Group are obligated to strictly perform in accordance with the PTT Group's CSR Framework as well as supporting operation to be consistent of PTT Group's CSR Policy. In the implementation of social activities, PTT Group applies the same principles as its business operation which is to focus on engaging all take holders systematically. The decision to develop any project will be based on main factors. Firstly, the projects reflect PTT knowledge and expertise. Secondly, the projects are in accordance with true needs of the communities and society i.e. providing support in terms of basic infrastructures, public goods, or any other forms. Finally, the projects are based on the concept of engagement. The Corporate Communications and CSR area are responsible for the implementation of all social activities.

The Siam Cement Group (SCG)

SCG operates in ASEAN at Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam. SCG has expanded its businesses in to many countries with careful and the proper

implementation of systematic and effective risk management practices which are in conformity with the laws and regulations in those countries. The consistently strong market bases, the commitment to fully perform its duty as a good corporate citizen of those countries by contributing to further growth and improved quality of the society, the local community, and the environment are factors for fostering and ensuring a long term success of the business expansion into the ASEAN region [32].

SCG operates its businesses while sustaining the development of communities where it operates by creating value to customers, employees, and stakeholders under world class management quality and high level of safety standard. They rigorously operates its business in accordance with corporate governance to assure its responsibility, transparency, verifiability, and fairness, abided by its dedication to all concerned parties and sustainable growth. The corporate also recognizes the importance of social contribution by supporting valuable projects regarding environmental aspects, enhancement of youth ability, and assistance in public benefits. The group has vision commits to be a good corporate citizen contributing to the Sustainable Growth of ASEAN.

Business ethics with responsibility to all stakeholders has been a key factor in the steadily increasing prosperity of SCG and in helping it earn trust and confidence of all sectors. Such business ethics have always been adhered to the Board of Directors, managers, and every individual employee. SCG has long been fully prepared to become ASEAN's leading organization proceeding as follow [33]:

1. Continually expanded investments in its core businesses with careful strategies to fulfill its vision of becoming a regional market leader.
2. Earnestly focuses on excellent management policy. It has always operated business based on the corporate governance guideline and the basis of a firm sense of responsibilities towards society and local community as well as environment with an international standard in every country where it operates.
3. Promotes the development of competencies and potentialities of its employees to meet the standards of leading companies. It always places a great emphasis on providing its employees with equal attention and treatment, regardless of the countries where they are working.
4. Boosts the recognition of its brand in ASEAN by organizing Corporate Social Responsibility activities in various areas and pledges its commitment to be a good citizen in every community and country where it operates.

SCG has drawn up a policy on business operation, and put special emphasis on local community and environment in every country where it operates. SCG has carefully selected modern machineries and advanced production technologies, implemented Total Productive Maintenance and Total Quality Management systems for the most efficiency and productivity, contributing to further innovations in the working processes, products,

services, and business models. Furthermore, in the area of environmental preservation, all SCG's business units are instructed to strictly follow the 3R concept: Reduce the use of resources, Reuse and Recycle wastes, and replenish the environment. They also implement alternative practices and processes that have the least possible impact to environment.

SCG conducts business, according to the principles of good corporate governance, under the concept of sustainable development, focused on balancing economic, social, and environmental considerations. They deploy modern and eco-friendly technologies to ensure the harmonious co-existence of communities, employees and the broader public. The aim is to facilitate sustainable growth that benefits both communities and industry.

The Electricity Generating Public Company Limited (EGCO)

EGCO Group is Thai integrate power company which provides electricity generation and comprehensive energy service. EGCO operates in ASEAN at Lao PDR, Philippines, and Thailand [34].

EGCO Groups regards the importance of the society as having a key role in contributing towards and developing economy, environment, and society. Consequently, the company has always made its commitment to be in according with the motto "Energy for life". Apart from environmental management, EGCO also aims at providing our employee and stakeholders' well being and happiness. This is achieved through the practices of integrity and transparency to maximize benefits for all of them stakeholders. EGCO set up the Corporate Governance and Social Responsibility Committee with the responsibility to endorse the governance policy along with CSR policy and framework with the prime focus on the impact to the shareholders and stakeholders. EGCO also prepare the CSR action plan comprising the plan on safety, occupational health, and working environment, and community projects. EGCO has implemented the social projects which cover the following area [35]:

1. Promotion and Development of Community's "Quality of Life": EGCO Group will put the prime focus on the quality of life of the surrounding communities both at the head office and at the power plants. In this regard, EGCO has initiated and provided supports to projects relating to education, villagers' occupation, and environment.
2. Conservation of "Watershed Forest: Source of Life": Apart from taking care of the working environment and surrounding communities, EGCO Group plays a vital role in conserving the natural resources with the focus on watershed forests, which nourish the well being of all lives.
3. Promotion of Learning and fostering a Public Mindedness among "Youths" for Sustainable Social Development: They recognize that education is the key to national development. With the awareness that development starts from early childhood, EGCO has supported the projects to encourage youths from pre-elementary, elementary to high school level to learn from both

inside and outside the classroom to children. We believe that such learning is the starting point for social and moral quotient, essential factors for long term national development.

Role of stakeholders in EGCO from observing the rights of the shareholders, the Board takes due regard of and deal fairly with various stakeholders and encourages active cooperation with them which include both business and CSR matters. The Board has set up the guidelines to respond to the requirements of each stakeholder in the Corporate Governance Principle and “EGCO Group’s Code of Conduct” with the expectations that directors, Management, and employees shall be guided by those principles in discharging their duties [30].

Employees: EGCO believes in the value of its human resources and will strive to be the employer of choice. This is achieved by promoting the participative management, supporting the employees’ professional development, and providing fair remuneration and suitable benefit scheme. EGCO strives to prevent accident, injury, and occupational illnesses. Physical checked up was provided in accordance with the occupational health risks.

Customers: EGCO always commits to provide good quality and reliable services in accordance with the agreements with Electricity Generating Authority of Thailand and all customers.

Creditors: EGCO will endeavor to ensure that it complies with the loan provision and that the Company financial status is correctly disclosed. The Company will endeavor to solve the problem in case of doubt about the likely impact on lenders such as when the company’s financial position is uncertain or insolvency may be pending.

Suppliers and Contractors: EGCO will treat suppliers and contractors fairly and would not seek undue benefit from them. EGCO will comply with the conditions in the agreements. In addition, EGCO aims at developing and securing sustainable relationship with suppliers and contractors on the bases of value for money, technical conformance, and mutual trust.

Competitors: EGCO will conduct its business on a fair play basis. We will not use a disgraceful approach such as bribery in order to get competitors’ sensitive confidential information. EGCO will also refrain from attacking the competitors with false allegations.

Community, Society, and Environment: EGCO has a policy to operate the business with commitment to social contribution and environment conservation. In this regard, EGCO will foster the corporate culture that employees at all levels will be fully responsible for any social and environment impact when discharging their duties. EGCO also sets guidelines in the Code of Conduct that employees must deliver their duties in a safe manner to avoid any impact on themselves as well as people living and working in communities near our facilities, and the environment. Our employees will strive to comply with relevant laws, prevent accident and pollution, and will use the natural resources in an efficient and environmentally responsible manner.

Nam Theun 2 is the first mega hydro-power project of EGCO Group. The power plant would not only help secure Thailand’s electricity system, but also push the Lao PDR’s economy into an improvement and better quality of life. The profits from electricity production are to be allocated to solve the poverty of Laos citizen. The Lao government believes production and exports of hydropower will bring many benefits to the country. Primarily it will boost revenues, which can be used to alleviate poverty and improve the standard of living of the average Lao citizen. The high standards set by the Nam Theun 2 project have provided a benchmark for other infrastructure and industry projects in the Lao PDR, and are contributing to the socio-economic development of the country. Expanded revenues from hydropower projects can be committed to [35]:

1. Expansion of health, education and other social services
2. Improvements in transport, communications, water supply, electrification, and other infrastructure
3. Increasing the resources of the Lao government's environmental agencies to improve the effectiveness of their protection programs.

Ratchaburi Electricity Generating Holding Public Company Limited (RATCH)

RATCH has formulated its strategies and business plans that correspond to its development and expansion goals focusing on investment in the power sector and other related business. The corporate has operates in ASEAN at Lao PDR, Singapore, and Thailand [36].

Since RATCH establishment, the company has been strongly committed of being the responsible corporate citizen. It has given high importance to the society and environment and been committed to turning this commitment into concrete initiatives. The company has instilled values relate to moral, ethics, integrity, and responsibilities among all levels of employees. The values are respected frequently through various activities and occasions until all employees realize the importance of them. These values have become the norm that employees at all levels have adopted and implemented as a guideline for treating different stakeholder groups. Base on good neighbor principle, the company has initiated and run many projects related to social and community development, as well as environmental preservation in the area that the company operates. Care for better living, society, and environment quality has formed the foundation for all its operations. The company has put all efforts to ensure that its environment quality management standard is higher than the industry level. The company is committed to reduce global warming through constant power generating process improvement, through campaign for energy saving and conservation in the power plant and office in order to help reducing carbon dioxide emission, and through promotion of preservation of forests which help effectively absorb carbon dioxide [37].

These are the commitment that the company intends future for the better benefits of the public at large. The

company views the employees as valuable assets and a key success factor for growth.

Banpu Public Company Limited (BANPU)

Banpu is a coal-mining venture which operates power project development in Thailand, coal mining in Indonesia, port operations, and industrial minerals. Banpu has business bases in ASEAN countries at Thailand and Indonesia [38]. The corporate is respectful of its host communities and environment in every country where it operates. They adhere firmly to their business credo that "an industry will be strong only when it is developed in tandem with social and environmental responsibility." At Banpu, their social and environmental mission is based upon a strong sense of responsibility, good corporate governance, energetic corporate citizenship, and share. Its comprises Innovation, Integrity, Care, and Synergy, all aim for sustainable development of society and environment. Since the start of its operation in Indonesia for more than a decade, Banpu has given a priority to social and environmental responsibilities in this country. With the same principle and practice as its parent company in Bangkok, Thailand. Banpu's Indonesian coal mines namely Indominco-Bontang, Kitadin-Embalut, Jorong and Trubaindo, have committed to community development so as to improve the quality of life of those living around the mining areas, since Banpu wants the society to grow hands in hands with the believe that an industry will grow in tandem with social and environmental development [39]. In Indonesia, the community development programs at all mine sites are focusing on social development, economic development, environmental protection, and community relations in which local people are allowed to participate in the entire process ranging from the planning to the implementation processes. The Community Consultative Committee (CCC) comprising of representatives of local people in the area, officials from local authorities and Banpu's community development staffs have been established at each mine site. They are responsible for resolving their community's problems with an aim to provide assistance that responds to community real needs as much as possible.

Banpu has been active in conducting CSR activities at both the corporate and local levels in areas we have presence whether it is in Thailand, Indonesia, and China from day one of their operation. They emphasize in community development, career development, education, and environment. Most importantly, they emphasize in people participation from the communities they are involved.

Strategic CSR for Thai MNCs in ASEAN

The corporates define CSR base on moral obligation of being a good member to community and society. It outlines the role and contributions of business in enabling involved people and the surrounding community to attain a good quality of life. It also contains the value system of the corporate, such as moral philosophy, ethical conscience benevolence, or volunteer commitment. The corporates use competitive strategy to

link the opportunity of CSR with CSR policy that came from CEO's initiating the idea and guidance, but the initiations may come from other sources as well. The corporate engages many people for accumulating the idea of CSR activities. Categorizing and ranking social issues are just the means to an end, which is to create an explicit and affirmative CSR policy.

The research findings indicate that MNCs' activities in the strategic CSR has following features:

1. Focus on being socially responsible both in production process CSR activities (effective business performance) and in philanthropic CSR activities (benevolent social contributions).
2. The corporate have a moral driven social responsible CSR philosophy and written policy on CSR at a strategic level.
3. CEOs impel CSR initiation and top executives think similarly.
4. Corporates establish CSR working resource e.g. department, manager, regular report, regular news, effective communication methods and appropriate budget.
5. The corporates are involved in CSR activities in the long run.

The importance of CSR to be at the strategic level is clearly demonstrated both in the findings of this research and in literature review. Furthermore, a coherent CSR strategies offer benefits to companies and positive contribution to social. Some interesting findings may be from considering framework, criteria of selecting, and type of CSR activities in the corporate. The CSR report showed that managed CSR activities based on the stakeholder model and issues management are the CSR framework utilized by international company. This may reflect at international level on CSR in business. The areas that corporates extend CSR activity into include education, sport, art, culture, environment and public welfare. However, CSR in ASEAN may reflect a local approach.

5. CONCLUSION

MNCs in this paper are positive pattern emerging from recent social responsibility trends is the increased efforts at improved dialogue between MNCs and social interest groups. For their part, MNCs that acknowledge social responsibility commitments in a global context often recognize that social interest groups can open a window on the world, offer valuable perspectives and insights, and access to human resources. These social interest groups can assist an international corporation's search for better operational alternatives. According to [40] Organizations are being called upon to take responsibility for the ways their operations might impact societies and the natural environment. They are also being asked to apply sustainability principles to the ways in which they conduct their business. Sustainability refers to an organization's activities, typically considered voluntary, that demonstrate the inclusion of social and environmental concerns in business operations and in interactions with stakeholders.

The corporates combined knowledge obtained from

international sources with local knowledge and demands encountered inside their own country to determine the CSR activities that would fit with the corporates. This study presents the extent, selection, type of activities, and critical issues in CSR implementation, as well as a model of CSR activities in business organization. The research finding seems to indicate that CSR is an essential part of corporates' business activities. Due to the advancement of globalization, technology, stakeholders and the pressure generated by limited natural resource. Furthering knowledge in CSR practices helps business to find an appropriate CSR approach.

The importance of CSR to be at the strategic level is clearly demonstrated both in the finding of this research and in the literature review. Ref [41] recommended that a coherent CSR strategy offers clear benefits to companies and a positive contribution to society's well-being. The finding of this research, that corporates put CSR at the strategic level, is coinciding with [42] who argued that corporates should manage CSR more strategically. The reason that when managers analyzed CSR within a strategic framework, they were in a better position to design CSR activities should be integrate into the companies. As a result, it is suggested that corporates who wishes to be a leader in CSR management set a long with business strategy. According to the Strategic CSR for MNCs in developing countries [24], corporates often use the same CSR principles and standards as the headquarters. This leads to the introduction of responsibility from developed countries to the developing world. CSR principle and activities should not be all about philanthropic work, but should include the mainstream function in production, logistics, and quality control which deal to the overall company performance.

Base on the literature review and findings in this research, The CSR activities were created usually in response to issues related to stakeholders, benefits, and concerns. The corporate has prioritizing social issues which can be identified as the point of intersection between corporate and society. Prioritizing social issues of corporate based on generic social issue, aware of the social impact in corporate's value chain may touch on the communities in which firm operate and focus on social dimensions of competitive context, they can drivers of a company's competitiveness in the locations where it operate. When the corporates choose CSR issue and adopt Strategic CSR, they gave them to outside knowledge of CSR activities in CSR report show the features that followed the Global Reporting Initiative (GRI) content index. In line with ref [43], a company's track record in terms of CSR accounting will be effective when appropriate CSR measures are included in its internal as well as its supply chain activities. Furthermore, the literature reflects a growing need for dissemination of good practice in CSR accountability and a need for more pressure to be exerted on *non-governmental organization (NGOs)* prove themselves as ethical, transparent, and accountable as those they seek to influence.

The CSR activities were created usually in response to issues related to stakeholders and benefit. The corporate

has prioritizing social issues, the point of intersection between corporate and society. The corporates have awareness of the social impact in corporate's value chain may touch on the communities in which firm operate and focus on social dimensions of competitive context. Strategic CSR combine values between organizations and society. The organization has been recognized and increased its competitiveness in the CSR strategy must be proactive CSR.

The concept of CSR embraces standards of good business practice that can apply to all firms, whether they are national or international in their scope and orientation. About the social responsibility to MNCs, however, it had introduced several distinctive elements that had not arisen so prominently earlier, into debates from the 1970s onward. As mentioned above, devising international legal regulation of MNCs operations can be difficult, because of multiple sovereign governments involved and the great diversity of perspectives, policies and priorities among the respective countries. These same differences also make it difficult, although somewhat more possible, to forge agreement on non-binding corporate guidelines or codes of conduct. For corporations, the task can be equally daunt, for they must strive to meet or exceed these diversities and sometimes conflicting expectations while operating simultaneously in many sovereign countries around the world. The greater number of interested governmental and non-governmental constituencies, as well as the magnitude of differences among them, magnifies the challenge of defining and applying corporate social responsibility concepts to MNCs as opposed to national corporations.

6. LIMITATION OF THE STUDY

Some limitations of this research should be noted. First, all data were from corporates. The information obtained may represent only the positive side of CSR with no counterpoints. Second, the research information came only from documents and mail interviews. No real field studies to observe CSR activities in action were employed in this research. The future research will study the fact of CSR activities and impact on business operations of MNCs from varies stakeholder groups.

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