

Why is CSR so important?

The benefits of being good

Corporate Image

- Improves the image of the business in the eyes of its stakeholders.
- Provides the business with a competitive advantage.

Customers

- **Attracts new customers**
- **Helps to retain existing customers.**

Recruitment

- Attracts like-minded people who want to work for the business.

Motivation

- Motivates new and existing staff.
- Reduces staff turnover rates.
- Increases productivity.

Publicity

- Attracts positive publicity for the business.
- Reduces likelihood of negative publicity.
- Reduced likelihood of negative action from pressure groups.

Goodwill & loyalty

- Stakeholders are likely to be more supportive during difficult times. eg suppliers & employees may be prepared to wait for payments during a cash flow crisis if they have been treated well beforehand.

Long term view

- Acting responsibly provides long-term benefits, even though the business may incur increased costs in the short-term.