

## Answer on Question #53595, Management / Other

Discuss individual and corporate accountability and responsibility

Explanation:

Responsibility is the certainty, reliability, honesty in relation to themselves and others; this awareness and a willingness to accept that outcome (response), which person gets during deeds and actions, and is a consequence of its actions.

Responsibility, rather, involves personal accountability and the ability to act within the framework of ethical standards for the benefit of themselves and others. Responsibility is the ability to explain and show how you achieved this result is the ability to solve any problem on the basis of moral principles.

Questions of corporate responsibility are of interest to the general public. Proper goal setting and successful solution of problems in this area are important for the development and prosperity of the business. The company needs to create not only a well-organized and efficient management structure, which will reduce risks and make optimal use of opportunities for further improvement.

Growing interest in corporate responsibility is caused by a variety of factors, including:

- Changes in consumer behavior and expectations;
- Increased reporting requirements as a result of the introduction of more stringent requirements for the supervision of the business;
- enhancing the role of investors;
- publish an index of corporate responsibility, for example, the index Business in the Community (BITC, the index of corporate responsibility in the field of interaction with local communities)
- the activities of competitors (the market conditions require companies to remain competitive at least).

Almost all companies responding to the changed situation. For example, organizations engaged in the production of consumer goods and retail are acutely aware of the importance of corporate responsibility: attention to these issues helps to strengthen the value of the brand; inattention to the expectations of society damages. Companies seeking to win a leading position in the ethical market.

Typically, the responsibilities of the Corporate Responsibility include the following areas:

- Approval and adoption of the strategy of corporate responsibility;
- Evaluation of corporate responsibility in accordance with the key indicators (KPI);

- Analysis of emerging risks and controls them;
- Inform the Board of Directors about the main issues in the field of corporate responsibility.

Corporate responsibility does not have such a clear definition of how the concept of remuneration, risk or audit. Some view the corporate responsibility as improving the company's strategy, according to others; the corporate responsibility of meeting the needs of stakeholders, third is business ethics. In my opinion, the representatives of the Committee on Corporate Responsibility in the first place must be able to think broadly and not standard.

The annual assessment of the effectiveness of the Committee on Corporate Responsibility allows to concentrate his attention on the most important issues for the company and to ensure the proper organization of the process. Corporations can be held to account. They should meet demands that they justify their actions in terms of responsibilities, and be willing to acknowledge failure to fulfil their responsibilities. Explicating corporate responsibility in terms of accountability rather than agency provides better grounds for corporate moral self-understanding and for justifying regulatory policy. Accountability implies the ability to previously recognize and respond to moral considerations. Persons who do not have the ability to rational decision-making can not be held morally responsible for their actions.

There are several characteristics that distinguish well-organized management of corporate responsibility:

- Management of the company demonstrates its commitment to the principles of corporate responsibility in decision-making and resource allocation;
- Programs in the field of corporate responsibility are drawn up in accordance with the business objectives and the needs and expectations of stakeholders. This setting goals in the area of corporate responsibility and risk identification carried out, taking into account their impact on business success;
- Corporate responsibility is not considered as a secondary function, but as an integral part of business processes. Questions of corporate responsibility are taken into account in decision-making at all levels of government;
- In the area of corporate responsibility set clear goals, defined responsibility for their achievement face, and performance indicators, objectives were established on the basis of interaction with stakeholders and taking into account best practices;
- Robust system of strategic and operational management has been introduced, as well as reporting, allowing to monitor developments in the field of corporate responsibility and ensuring adequate control of risks in the field of corporate responsibility;
- Exchange of information on activities in the field of corporate responsibility is based on the principles of openness, fairness and completeness reflects the progress made and the challenges ahead;

- Key components of the strategy in the field of corporate responsibility are aimed at meeting the needs and expectations of customers, employees, shareholders, local communities, as well as on environmental issues.

The rate of individual responsibility is naturally formed in the history of almost parallel with the development of the prerequisites of business, as well as various forms of business and institutions. An important characteristic of the period of the early forms of business is the fact that is often overlooked. This is a powerful influence on human ethics and community psychology; community acceptance of responsibility for the behavior and performance of individuals. Individual accountability is the measurement of whether or not each group member has achieved the groups' goal.

In enterprise Management it is advisable to stick the principle of combining collective and individual responsibility for the state of the company and its financial performance. In the management of scientific and technological development of the production, for example, a combination of radical innovation defined the higher radical innovations, the more difficult to allocate productive indicators to determine individual responsibility and the major attraction to solving the problems that arise over a wide range of experts and proactive behavior.

At a small radical innovation management is predominantly an individual subject of management and can be implemented the principle of individual responsibility. At high radical management is predominantly a collective subject of management and should focus on collective responsibility.

The criteria of responsibility can be considered indicators of the effects of different nature (industrial, economic, social, environmental and technical effects). It is advisable to be released:

- factorial indicators characterizing the state of various factors of production (the process of developing a new technology system, process innovation);
- performance indicators characterizing the effect of production (research, development) activities;
- indicators of the cost of achieving a particular effect;
- indicators of the efficiency of the manufacturing process;
- indicators of quality of performance management.

For the individual subject responsible for management is characterized by certain factors of production: each specialist is designed to provide a predetermined state of these factors and the need to organize an impact on these factors in order to translate them into a new, more desirable state.

The collective subject responsible for management is characterized by the performance indicators, cost-effectiveness, as well as aggregates of the factors that ensure the achievement of effective objectives.