

# GOOD GOVERNANCE AND SOCIAL RESPONSIBILITY

Danilo Lorenzo S. Delos Santos Leveric T. Ng





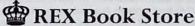


**First Edition** 

# GOOD GOVERNANCE AND SOCIAL RESPONSIBILITY

Danilo Lorenzo S. Delos Santos Leveric T. Ng

Published & Distributed by:



856 Nicanor Reyes Sr. St.
Tel. Nos.: 8736-0567/8733-6746
2161-65 Freedom Bldg., C.M. Recto Avenue
Tel. Nos.: 8522-4521/8522-4107
Manila, Philippines
www.rex.com.ph



Philippine Copyright 2021 by Rex Book Store, Inc. and Danilo Lorenzo S. Delos Santos, Leveric T. Ng

RBS Good Governance and Social Responsibility First Edition ISBN 978-621-04-2480-5 Classification: Textbook (04-MT-00006-0)

Published, copyrighted 2021, and distributed by Rex Book Store, Inc. (RBSI) with main office at 856 Nicanor Reyes Sr. St., Sampaloc, Manila / Tel. Nos.: 8736-0567, 8733-6746 • Customer Interaction Center / Tel. Nos.: 8857-7777, 8857-7743-44, 8857-7794 to 97 / Email Address: cicsupport@rex.com.ph

### **RBSI Branches:**

#### LUZON

• MORAYTA: 856 N. Reyes Sr. St., Sampaloc, Manila / Tel. Nos.: 8736-0567, 8733-6746 • RECTO: 2161-65 Freedom Bldg., C.M. Recto Ave, Sampaloc, Manila / Tel. Nos.: 8522-4521, 8522-4107 • CUBAO: Unit 10 UGF Doña Consolacion Bldg., Gen. Santos Ave, Araneta Center, Cubao, Quezon City / Tel. No.: 8911-1070 • SOHO-GREENFIELD: Unit 1 Lots 9 & 10 Soho Central Greenfield, Mandaluyong City / Tel. No.: 7751-4031 • NAGA: 1-1A Geronimo Bldg., BarlinSt. Sta. Cruz, Naga City / Tel. No.: (054) 472-8654 • CABANATUAN: Fontelera Bldg., 1271 del Pilar Ext., Sangitan East, Cabanatuan City, Nueva Ecija / Tel. No.: (044) 600-5684 • PAMPANGA: Rex Beluan Sentru Bldg., Lot 103 Sto. Rosario St., Brgy. San Jose, Angeles City, Pampanga / Tel. No.: (045) 409-1612 • MAKATI: Unit UG-2, Star Centrum Bldg., Sen. Gil Puyat Ave., Makati City / Tel. No.: 8818-5363, 8893-3744 • ROCKWELL: 1st Flr., Ateneo Professional School, Rockwell Center, Bel-Air, Makati City / Tel. No.: 0956-4219711 • BAGUIO: Upper Gen. Luna cor. A. Bonifacio St., Baguio City / Tel. No.: (074) 422-0574 • TUGUEGARAO: 10 Arellano Ext. St., Brgy. Ugac Sur, Tuguegarao, Cagayan / Tel. No.: (078) 844-8072 • URDANETA: Zone 6, Pinmaludpod, Urdaneta City, Pangasinan / Tel. No.: (075) 568-3975 • CAVITE: Block 4, Lot 20 Don Gregorio Heights 2 Zone, 1-A Aguinaldo Hi-way, Dasmariñas, Cavite / Tel. No.: (046) 416-1824 • LIPA, BATANGAS: Purok 58 Paninsingin, Tambo, Lipa City / Tel. No.: (043) 741-6614 • PALAWAN: Abad Santos St. cor. Valencia St., Puerto Princesa City, Palawan • MARIKINA: Book Museum Cum Ethnology Center, 127 Dao St., Marikina Heights, Marikina City / Tel. No.: 7900-0841 • CAVITE: Rex Habitat and Cultural Display Area, Block 5 Lot 6 CityView 4&5, Brgy Tanauan, Tanza, Cavite • BATANES: DDD Habitat Lodging House - Batanes, Llopez St., Barangay Kayvulaganan 3900 Basco, Batanes / Tel. No.: 09101332581

### VISAYAS

• TACLOBAN: Brgy. 78 Marasbaras, Tacloban City / Tel. Nos.: (053) 323-8976, (053) 523-1784 • ILOILO: No. 75 Brgy. San Isidro Lopez-Jaena, Jaro, Iloilo City / Tel. Nos.: (033) 508-8760, (033) 329-0336 • BACOLOD: No. 28 Quezon Ave., Purok Immaculada, Brgy. 36, Bacolod City / Tel. No.: (034) 707-5825 • CEBU: 11 Sanciangko St., Cebu City / Tel. Nos.: (032) 416-9684, (032) 254-6773

### MINDANAO

• DAVAO: 156-A C. M. Recto St., Davao City / Tel. Nos.: (082) 300-5422, (082) 305-5772, (082) 221-0272 • ZAMBOANGA: Don Alfaro St., Brgy. Tetuan, Zamboanga City / Tel. No.: (062) 955-0887 • CAGAYAN DE ORO: J. Seriña St. cor. Vamenta Blvd., Carmen, Cagayan de Oro City / Tel. No.: (088) 858-6775 • GENERAL SANTOS: Aparente St., Dadiangas Heights, General Santos City / Tel. Nos.: (083) 304-8512, (083) 554-7102

### www.rex.com.ph

No portion of this book may be copied or reproduced in books, pamphlets, outlines, or notes—whether printed, mimeographed, typewritten, photocopied, or in any form—for distribution or sale, without the written permission of the Publisher and Author/s. The infringer shall be prosecuted in compliance with copyright, trademark, patent, and other pertinent laws.

### Internet Link Disclaimer

Rex Book Store, Inc. (RBSI) is not responsible for the accuracy, legality, or content of the external sites and for that of subsequent links. These links are being provided as a convenience and for informational purposes only. Although verified at the date of publication, the publisher cannot guarantee that these links will work all of the time nor does it have control over the availability of linked pages.

Moreover, the publisher does not warrant sites or the servers that make them available are free of viruses or other harmful components. Rex Book Store, Inc. (RBSI) does not warrant or make any representations regarding the use or the results of the use of the materials in these sites or in third-party sites in terms of their correctness, accuracy, timeliness, reliability, or otherwise.

RBSI's Book Association Memberships: Philippine Booksellers Association, Inc. (PBAI); Book Development Association of the Philippines (BDAP); Philippine Educational Publishers Association (PEPA); Book Exporters Association of the Philippines (BEAP); Academic Booksellers Association of the Philippines (ABAP); Children's Literature Association of the Philippines, Inc. (CLAPI); Asian Publishers Resources Center (APRC)

PEPA's International Book Association Memberships: International Publishers Association (IPA); Asia Pacific Publishers Association (APPA); ASEAN Book Publishers Association (ABPA); Philippine Book Publishing Development Federation (Philbook)



## CONTENTS

V	Acknowledgments and Dedications
viii	Foreword
ix	Preface
x	Salient Features
	Chapter 1
1	Social Responsibility Framework
	Chapter 2
13	Strategic Management of Stakeholder Relationship
	Chapter 3
21	Corporate Governance
	Chapter 4
41	Legal, Regulatory, and Political Issues

## Chapter 5

49 Business Ethics and Ethical Decision-Making

	AND.	
	7	10
		101
a de la constante de la consta		

C	ha	p	ter	6
-				47

59 Employee and Industry Relations

## Chapter 7

73 Consumer Relations

## **Chapter 8**

83 Community Relations

### Chapter 9

93 Social Responsibility in a Global Perspective

105 References

111 Index

### PREPUBLICATION REVIEWS

- "....highly recommended....thank you....for this contribution to the academe."
- Dr. Maria Victoria Castillo, Dean, Southeast Asia Interdisciplinary Development Institute
- "....cogent tome that brings graduate students and practitioners forward to contemporary thought and practice. Ms. Leah Macatangay (DBA cand.) Academic Director, Thames International Business School
  - "....timely and quite relevant given the problem of good governance for both public and private sectors..." Dr. Redentor Mariano, Dean, Jose Rizal University Graduate School of Business
- "....very timely....useful for faculties in forming their students to be business leaders who are socially responsible...." Dr. John Paolo Rivera, Economist, Asian Institute of Management

### ABOUT THE BOOK

The course introduces students to Corporate Social Responsibility (CSR) and Corporate Governance (CG), with theoretical and practical perspectives. Students are made aware of the implications of the effects of business corporations on different stakeholders and the environment, and how these two concepts contribute to organizational success and aid in ensuring long-term business sustainability.

It also presents a case study approach to various practices of businesses in the areas of CSR and CG, exposing students to the critical importance of CSR and good CG in civilized societies and how these will affect their role and participation in nation-building and alleviating society from poverty.

### **ABOUT THE AUTHORS**



Danilo Lorenzo S. Delos Santos is a Ph.D. research student at the University of Tokyo earning his degree in international public policy under the Graduate School of Public Policy (GraSPP) through the Monbukagakusho Scholarship - Japanese Government. Currently, he is a fellow on Global Politics of the Stratbase Albert Del Rosario Institute. He is also the author of the K to 12 worktext Community Engagement, Solidarity, and Citizenship. As an author, he is a member of the National Book Development Board.

He attained his Bachelor of Arts in Political Science from the De La Salle University-Manila and Master of Arts in Political Science major in Global Politics from the Ateneo De Manila University. In 2017, he finished his Master in Business Administration at the Ateneo De Manila University-Regis University Program.



Leveric T. Ng is a faculty member of the Ateneo Graduate School of Business (MBA) and Jose Rizal University (DBA) for their business graduate programs. He is also an independent management consultant. Dr. Ng has over 35 years of working experience in board and non-board executive positions in the retail. airline, and hospitality industry, both here and abroad. He received his doctorate degree in business administration from the De La Salle University-Manila and Master of Business Administration from the Oklahoma City University. He is a fellow of the Institute of Corporate Directors and a member of the Business Doctoral Society of the DLSU-Manila and the Philippine Academy of Management.



Outcomes-Based Education (OBE) has become a powerful and engaging way of reforming the Philippine educational system. The highlight of OBE is the product — to develop the ideal graduates.

The Rex Book Store, Inc. tertiary textbooks are designed in compliance with the Commission on Higher Education's (CHED) requirements for OBE learning materials. The content, learning activities, and exercises aim to quide students to learn important knowledge and acquire skills to meet the CHED's prescribed competencies in specific programs.

www.rexestore.com your online book catalog and book store





at cicsupport@rex.com.ph/ For more information about our products and services, please visit; www.rex.com.ph



