

# THE ACTIVITIES OF FOODSERVICE COMPANIES IN THE AREA OF CORPORATE SOCIAL RESPONSIBILITY – ON THE EXAMPLE OF INTERNATIONAL FAST FOOD CHAIN

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## Abstract

The aim of this paper is presentation of the activities of food service companies in the area of social responsibility. In today's business world, there are many strategies being used to run business. Interest of the topic of corporate social responsibility has growing rapidly. Many companies have started to engage in CSR as strategy in order to gain benefits that can give them an added advantage over their competitors. The corporate social responsibility (CSR) is the company's strategy, based on the assumption that business is responsible for the society within which it operates. There have been increasing numbers of companies engaged in CSR. CSR is becoming an important issue in the food service business. Nowadays CSR can drive companies to succeed in business by increasing sales volume and brand awareness and also added advantage over their competitors. For this thesis was decided to choose McDonald's corporation as a case study. This is one of the famous restaurants all over the world. McDonald's has a good reputation in terms of social responsibility. Hence, the significance of this paper is not only to increase related stakeholders' understanding of CSR, resulting in the achievement of long term sustainability, but also fill in the academic gap of CSR, especially for catering business in Poland. The main objective of the article will be to find out, how McDonald's implements CSR towards employees, customers, supply partners and the community.

**Purpose:** The aim of this paper is presentation of the activities of food service companies in the area of social responsibility on example of international fast food chain – McDonald's.

**Methodology:** For this thesis was decided to choose McDonald's corporation as a case study, empirical, qualitative research method.

**Findings:** Since last year's McDonald's has been seen to adopt a more proactive strategy on CSR. McDonald's has set good examples of social responsibility. Corporate social responsibility McDonald's takes part in: animal welfare, corporate giving/Ronald McDonald House Charities, education scholarships, employment practices for, environmental practices, work with Corporate Social Responsibility Suppliers, Corporate Responsibility McDonald's Reports.

The evidence presents a case that the corporation is implementing CSR policies as a means to greater profitability. It is promoting itself as a notable corporate citizen and has turned CSR around from a cost of doing business into a profitable enterprise and been commended for it. But, McDonalds CSR strategies mostly lay in the overlapping ethics/law area.

**Originality/value:** Hence, the significance of this paper is not only to increase related stakeholders' understanding of CSR, resulting in the achievement of long term sustainability, but also fill in the academic gap of CSR, especially for catering business in Poland. The demand for results is related to a poor adoption of CSR in small companies, especially in the gastronomy business. There is a possibility to improve performance with the example of McDonald's as the role model.

**Keywords:** management, strategy, competitors, social responsibility, food service

**Paper type:** Case study

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## 1. Introduction

Corporate social responsibility (CSR) has been defined in myriad ways. CSR were defined in 1953 by Bowen as the obligations of businessmen to pursue those policies, to make those decisions or to follow those lines of action which are desirable in terms of the objectives and values of our society (Bowen, 1953). To be socially responsible then means that profitability and obedience to the law are foremost conditions when discussing the firm's ethics and the extent to which it supports the society in which it exists with contributions of money, time and talent. A common feature of many of the definitions is the proviso that firm activities can be considered as CSR when the firm undertakes "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams and Siegel, 2001).

Nowadays, corporate social responsibility is an important part of many business organizations. In today's corporate responsibility is a business necessity. In addition, a shift in values and preferences of more affluent citizens especially in Western societies as well as the revolution in communication technology that have eased the rapid and wide spread of information can explain CSR rising relevance (Moon et al., 2009; Bénabou and Tirole, 2010).

The role of business, according to this model, is to create value for its shareholders but in such a way that it also creates value for society, manifesting itself as a win-win proposition. CSR entails that companies should give back the benefits to the consumers and other stakeholders. By definition, stakeholders are the individuals or groups that have an interest in the organization and are affected by its actions. Stakeholders are customers, employees, and suppliers, board of directors, owners, shareholders, government agencies, unions, political groups, the media, and others. Within the broad spectrum of stakeholders, stakeholders can be broken into two different groups: primary stakeholders and secondary stakeholders. Primary stakeholders have a vested interest in how the organization performs and the actions it engages in to conduct business. Examples of these types of stakeholders are customers, employees, and suppliers, board of directors, owners, and shareholders.

Primary stakeholders benefit from a well-run company but are also harmed by the organization's mishaps. Primary stakeholders directly affect the success and failure of the company.

Secondary stakeholders can influence, both positively and negatively, the actions of the organization. They indirectly affect the organization by taking actions to make it difficult for the organization to succeed or by supporting the organization's efforts. Examples of secondary stakeholders are government agencies, regulation agencies, trade unions, labor unions, political groups, social groups, and the media.

It is concerned with how a company ties to be beneficial to all its stakeholder groups. Many firms today run business with CSR especially big companies like a food service international chains. They try to involve in activities that will keep both the business and social environment sound. CSR categories and definitions were shows in Table 1.

Civil society advocates question corporations' fundamental motivations for CSR, asserting that corporate programs to fund social and environmental

Category	Definition
Environment	Activities that aim to reduce or prevent environmental impact, for example by sponsoring national environmental campaigns, endorsing government initiatives, adopting responsible sourcing practices, packaging initiatives, and various programs that focused on saving or recycling resources (e.g., litter, water, energy).
Consumer Responsibility	Activities relating to the responsible marketing initiatives and policies of the company in relation to health, for example health initiatives, provision of nutrition and health information, and resources that promote healthy behavior.
Community	Activities relating to the support of community programs and events, for example supporting sporting events, non-profit organizations and volunteer programs.
Partnerships	Activities relating to partnerships formed between companies and professional and non-for-profit organizations to advance and promote research, and foster community development.
Employee Relations	Activities that provide professional development and education opportunities for staff members, implementation of equal employment policies, and programs that promotes employee health and wellbeing.
Indigenous	Activities that support not-for-profit organizations that implement programs for the Indigenous population, for example developing leadership and mentoring skills, promoting sport, and improving public space, and infrastructure in Indigenous communities.
Diversity	Programs aimed at populations identified as experiencing disadvantage, for example migrant populations, disadvantaged youth, and individuals with disabilities.

**Table 1.**  
CSR categories and  
definitions

Source: (Richards  
et al., 2015).

programs are nothing more than public relations campaigns to boost their brand reputations, often disproportionately to the effort itself. This dismissal of CSR resides in a fundamental distrust of a corporation's legitimate intentions to do anything more than increase its profits. In the strategic management literature, it is generally agreed that competitive advantage requires, in addition to superior firm resources and capabilities, a fit between the external environment and the strategic action of firms. Strategic action, in turn, it is argued, is driven by top management's values, including commitment to both profit and social responsibility (Andrews, 1987; Grant, 2005; Husted and Allen, 2007). Strategic management researchers have asserted that CSR can provide opportunities for innovation (Sharma and Vredenburg, 1998).

As mentioned, CSR has been linked with many advantages to the firm. Table 2 shows how specific CSR behaviors can be linked with specific strategic outcomes. In terms of theoretical approaches Hunt and Morgan's (1995) resource-advantage theory is applicable to the above points, in that a firm which incorporates sustainability into its strategy could have a differential competitive advantage based on attributes such as core ideology and dynamic capabilities related to sustainability. However, because of the increasing social pressure on companies to increase their CSR activities, thousands of companies are placing strategic bets on innovations affecting CSR related issues such as energy efficiency and renewable power (Lubin and Esty, 2010). Therefore it could be said that CSR may no longer be a strategic differentiator, but a requirement in the eyes of the stakeholder – companies may now be at a competitive disadvantage if they do not integrate CSR into corporate strategy.

CSR behavior	Strategic examples	Strategic outcome
Philanthropic contributions	Community support, monetary donations per unit sold	Customer loyalty Future purchasers
Employee benefits	Day-care, flexible hours, health/wellness	Customer loyalty and morale Productivity gains
Environment management	Process innovation regarding pollution, reduced "carbon footprint"	Public relations and/or marketing advantage New products or markets
Political activity	Political donations, political marketing	Favorable change in regulations New market opportunities
Product or service related characteristics, innovations or processes	Product reformulations: e.g. improved 'green' design, fuel efficiency	New products and market First-to-market and ahead of governmental regulations

**Table 2.**  
Examples of value creation from CSR behavior

Source: (Burke and Logsdon, 1996).

In the business world, CSR is important. However, nowadays it is difficult at times for some companies to adopt a good sense of CSR because they often want to engage only in direct profitable ventures. According to Porter and Kramer (2003), the Strategic Philanthropist, companies can benefit by engaging in CSR activities. Corporate social responsibility (CSR) is of high relevance for food companies as this sector has a strong impact and a high dependence on the economy, the environment and on society. In the context of CSR the food sector faces specific challenges in particular for three reasons. First, the food sector has a high impact and strongly depends on natural, human and physical resources (Genier et al., 2009). Second, as food covers basic human needs people have strong views on what they eat. This leads to a complex set of requirements for the food sector regarding the production of the raw materials (animal welfare), the environmental (e.g. energy and water use; waste) and social (labor conditions) conditions along the whole value chain as well as the quality, healthiness and safety of products (Maloni and Brown, 2006). Third, the food chain has a unique and multifaceted structure. Since small and large enterprises differ in their approach to CSR, this implies potential conflicts regarding CSR involvement in the food supply chain.

CSR is no longer a vague concept with limited relevance to the food service industry. So far the attention CSR receives in the business, political and research arena is primarily focused on large, often multinational food service companies as they are considered the key players in economic globalization. Most SMEs are rather not active with respect to CSR. SMEs, especially micro and small firms tend to be owner managed, internally financed, limited with respect to financial, personal and time resources, strongly embedded in the local community, based on personal relationships characterized by a high flexibility and less formal structures, including less documentation and fewer procedural hurdles (Fassin, 2008; Jenkins, 2009; Russo and Perrini, 2009). Those deviations from large enterprises are not without an impact on the CSR approach.

Large food service firms suffered in the past significant losses to their brands and their overall reputation because of inadequate labor conditions and/or lack of environmentally responsible conduct in their subsidiaries in developing countries. Also insufficient quality of products sold in those countries has led to considerable pressure from activists in Western countries and partly resulted in boycotts of products of the corresponding companies (Heyder and Theuvsen, 2009; Millington et al., 2009).

Given rising public scrutiny, it is not surprising that especially leading food service companies with strong brands and large multinational food service firms are actively involved in CSR initiatives in the realms of environmental as well as social issues (e.g. human resource management programs). They intensively use formal communication channels such as standards, codes of conduct (CoC)

and reports to inform interested parties about those endeavors (Dlott et al., 2006; Millington et al., 2009; KPMG, 2015).

CSR's threats and opportunities are increasingly shifting from the single-firm level to food supply chains and food networks. This induces substantial challenges for the future due to firm heterogeneity and the associated diversity in CSR approaches.

## **2. Research Methodology**

For this thesis was decided to choose a case study, empirical, qualitative method as a research methodology. Much of what we know today about the empirical world has been produced by case study research, and many of the most treasured classics in each discipline are case studies (Flyvbjerg, 2011). Case studies have been largely used in the social sciences and have been found to be especially valuable in practice-oriented fields (such as education, management and social work). Case study research, through reports of past studies, allows the exploration and understanding of complex issues. It can be considered a robust research method particularly when a holistic, in-depth investigation is required. In this paper was decided to choose McDonald's corporation as a case study. This is one of the famous fast food restaurant all over the world and also has a good reputation in terms of social responsibility. McDonald's was chosen as a subject matter of the study mainly because of its universal appeal and its marked dedication to CSR initiatives. Positive behavior has been found also in international operators such as KFC, Starbucks and the Polish company Sfinks Polska S.A. However, the greatest CSR activity was noticed in McDonald's, so it was decided to put across details of their activities in this area. In article case study show detailed contextual analysis of declarations of the CSR of McDonald's. McDonalds' CSR strategy is lucid and well etched out. Thus, it would be easy to apply the understanding from the study to others foodservice companies.

## **3. The activities in the area of corporate social responsibility in McDonald's**

McDonald's is an American fast food restaurant chain. It was founded in 1940 as a barbecue restaurant operated by Richard and Maurice McDonald, in San Bernardino, California. In 1948, they reorganized their business as a hamburger stand, using production line principles. The first McDonald's franchise using the arches logo opened in Phoenix, Arizona in 1953. Today, McDonald's is the world's largest restaurant chain, serving approximately 68 million customers daily in 120 countries across approximately 36.900 outlets.

McDonald's primarily sells hamburgers, cheeseburgers, chicken products, French fries, breakfast items, soft drinks, milkshakes, wraps, and desserts. In response to changing consumer tastes and after facing criticism for the unhealthy

nature of their food the company has expanded its menu to include salads, fish, wraps, smoothies, and fruit. It has an intricate supply chain which incorporates other industries such as transport, farming, agriculture, ecology, forestry, technology, health science and nutrition.

A McDonald's restaurant is operated by a franchisee, an affiliate, or the corporation itself. McDonald's is the world's second largest private employer (behind Walmart with 1.9 million employees), 1,5 million of whom work for franchises.

McDonald's in Poland serving approximately half million customers daily in 386 outlets in more than 150 cities. McDonald's in Poland is large private employer with 19 000 employees (McDonald's Polska, 2017).

In 2016 year McDonald's corporation had a global revenue of 24.621,900 \$ and consolidated net income 4.69 billion \$ (Statista, 2017). Fast food had a tumultuous time of the last 3 decades, but has continued to grow despite increasingly health conscious consumers, contaminated products, decreasing disposable income and unfavorable government initiatives.

McDonalds CSR movement started in the 1980s when it was subject to a number of lawsuits such as the infamous McLibel case, whereby McDonalds sued activists for defamation. The judge found McDonalds 'capably responsible for animal cruelty, child exploitation and low wages'. It was also accepted that fast food will increase the risk of heart disease; however it was found that McDonalds did not have a duty of care to customers in this respect (HM Courts Service, 1997). The case gave rise to the activists then suing the UK government in the European Court of Human Rights. The judgment stipulated that UK law did not protect the rights of citizens to criticize large corporations (ECHR, 2005).

McDonald's mission statement is officially stated as follows: "Our mission is to be our customers' favorite place and way to eat & drink. We're dedicated to being a great place for our people to work; to being a strong, positive presence in your community; and to delivering the quality, service, cleanliness and value our customers have come to expect from the Golden Arches – a symbol that's trusted around the world." (McDonald's Corporation, 2017).

In its mission statement, McDonald's includes details about its market position, as shown in the "favorite place and way to eat & drink" component. Also, the human resource management approach is highlighted in the "great place for our people to work" component. In addition, McDonald's mission statement covers its corporate social responsibility position in the "positive presence in your community" part. The rest of the mission statement indicates McDonald's brand image and the character of its products. A strategic objective based on this mission statement is global brand development to strengthen the company's ability to attract customers and investors. A related financial objective based on McDonald's mission statement is cost minimization to optimize value.

McDonald's stakeholders affect the firm, especially by way of consumer perception. The company has a variety of corporate social responsibility (CSR) programs to address its stakeholders' interests. In theory, stakeholders affect business and are affected by business. This condition points to the importance of McDonald's corporate social responsibility efforts as a way of optimizing the company's position relative to its stakeholders.

As the leading firm in the global fast food restaurant industry, McDonald's has developed corporate social responsibility strategies to minimize the negative effects of stakeholders while satisfying their interests. McDonald's success is partly based on its corporate social responsibility efforts. The company includes stakeholders' interests in its CSR efforts, especially in programs for investors and communities.

McDonald's top stakeholders are its employees and customers. However, the firm's corporate social responsibility status is also subject to the influence of other stakeholders. The following are McDonald's main stakeholder groups, arranged according to significance:

- Employees,
- Customers,
- Communities,
- Environments.

The first were analyzed McDonald's activities of Corporate Social Responsibility towards employees. To prioritize stakeholders, employees are seen as primary importance to a firm (Philips, 1999; Mitchell et al., 1997) acting in "the name of the corporation" (Crane and Matten, 2015). McDonald's prioritizes employees as its top stakeholder group. The interests of these stakeholders include career development and fair compensation.

The company puts great emphasis on staff in case of the possibility of personal growth and development, because there stand the right skills and abilities of workers behind the company success. The company is also based on several values and principles such as respect, open communication and equally substantial and professional development support. An important factor is the fact that McDonald's is able to provide work for such groups of workers who face many difficulties by finding a job such as young people without work experience, women with children or handicapped persons. They provide employment for many members of the population who do not have the required qualification to gain employment elsewhere. It must be remembered that low skilled jobs are important to economies, and it is unfeasible for these openings to pay vast salaries.

An equally important component of CSR in relation to employees is their training and further development. McDonald's also has a global mobility policy that supports leadership development. The company is responsible for the condition, because this factor attaches great importance, as it was considered as

a key point of company success. The wage rate at McDonalds is just slightly above minimum wage progressing according to experience and responsibility. The rate is benchmarked with the industry average, a traditionally low paid industry. McDonald's employees do not have the opportunity to collect tips, but they do have other benefits such as paid leave, and the educational opportunities. Thus, McDonald's corporate social responsibility efforts only partially satisfy the interests of employees as a stakeholder group.

Next was analyzed the corporate social responsibility activities towards other participating groups and first of them was consumers. McDonald's Corporation views its customers as its second-priority stakeholder group and they are at the center of the company's actions. The interests of these stakeholders include affordable and healthful food choices. McDonald's corporate social responsibility initiatives ensure affordability of products through standardization and supply chain streamlining. McDonald's includes health and safety of customers among the primary interests. Therefore the company uses only products and raw materials that must meet the strictest safety and quality criteria and not at least they must be tested and approved by all relevant institutions. To ensure the integrity of them food safety system they have hundreds of stringent food safety procedures in place at every stage of the food preparation process, based on the Hazard Analysis Critical Control Point (HACCP) approach. An important part is the use of biotechnology in food, which affects global agriculture and food industry. Although some genetically modified ingredients are not considered harmful and dangerous, McDonald's company requires from its suppliers to use mainly natural and no genetically modified ingredients, which is important for their customers. However, the company is widely criticized for the health effects of its foods. In response to changing consumer tastes and after facing criticism for the unhealthy nature of their food the company has expanded its menu to include salads, fish, wraps, smoothies, and fruit. In menu a number of changes have been made to improve the nutritional value of food. For example: reduced sugar content in buns to just 5%, reduced the sodium content of signature cheese by 20%, Happy Meal Choices menu, which enables parents and children to select meal components to suit individual tastes and dietary requirements (choices include, 3 or 6 pack of nuggets, apple slices, French fries, garden salad, Calci-Yum flavored low fat milk, water or apple juice). The company introduced nutritional labeling include percentage Daily Intake figures on packaging and that can to helping customers make informed decisions about food choice. All information of nutritional labeling in them products is also available on the website.

In UK the company claims to use 100% beef, free range eggs, organic milk and sustainable fish from UK and Irish farmers and fisheries. They do not import meat and operate a traceability system under the EU regulations ((EU) No 931/2011). In McDonald's in Poland a large proportion of food raw

materials come from domestic crops and livestock. Suppliers are most often McDonald's longtime partners. Fries come from Farm Frites in Lebork. Crop production is located in northern and western Poland. McDonald's beef burgers come from the OSI Food Solutions meat processing plant in Ostroda. It is free of preservatives and artificial additives clean beef from domestic kennels. The multiple checks that go through every product, from the breeding or growing phase to the moment of purchase by the customer, serve to preserve freshness, security and nutrition.

In McDonald's ads it could be noted that the marketing is aimed at adult consumers and the company philosophy is also not to tamper with children. In the field of advertising to children the company follows not only national and international legislation but also has its own strict criteria. The company belongs to a member of a voluntary initiative of major manufacturers who are committed to restrict advertising aimed at children.

The relations to supply partners are very important. McDonald's supply chain is unique. The model is based on a culture of partnership and collaboration which makes it possible to serve consistently safe and high quality food. The company suppliers can become only sufficiently trained partners, who must undergo intensive inspections regularly. Suppliers of raw meat must not only comply with technical and sanitary requirements but also make sure to purchase quality animals to the requirements of McDonald's and place emphasis on handling. Similarly, business partners must comply with strict criteria of McDonald's.

It is evident that corporations must act to protect their public support especially in this case, as McDonalds commerce is through direct exchange with consumers. McDonald's also realized corporate social responsibility for the community. In 2012 the company decided to embrace stakeholder engagement further and perhaps more so than any others fast food company. Taking advantage of the interactive nature of communication in modern times they developed "What makes McDonalds", an online question and answering service. The public can ask any question they wish on any topic about McDonalds. To what extent they vet the questions is unknown, but upon investigation, it is clear they do try to answer even the most awkward of questions. However certain facts and figures remain elusive. None the less, the new interactive engagement is a step forward to transparency. McDonald's supports communities as one of its main stakeholder groups. The interests of these stakeholders include community development support and environmental programs. McDonald's has sustainability and support programs for this stakeholder group. The Ronald McDonald House Charities provides financial support for families in need. The firm's sourcing policy prioritizes sustainable production, such as in farms. Also, the McDonald's Global Best of Green recognizes and rewards innovative environmental ideas and contributions. Thus, the company has a wide variety of corporate social responsibility programs

to support these stakeholders. McDonald's effectively satisfies the interests of communities as a stakeholder group.

McDonald's in Poland is involved in charitable activities and supports the needy, especially children. Ronald McDonald's foundation is a charity of which the core activity is creating Houses for parents of children struggling with serious diseases who watch over their kids. The charity has already established 345 houses around the world. On 14<sup>th</sup> October 2015, the charity opened its first House in Poland at University Children's Hospital of Krakow Prokocim, thanks to support and partnership of Jagiellonian University Medical College.

Based on the idea that consideration for the environment is a part of the social responsibility for a company engaged in business, they tackle environmental responsibilities with a viewpoint of continuous optimization. McDonald's Poland is implementing a nationwide program to reduce CO2 emissions in all restaurants. The project partners are the key suppliers of McDonald's. In comparison to the base year (2012) was achieved emission reduction of 27%. McDonald's in 2015 using certified renewable energy (green energy) in restaurants throughout the country. McDonald's introduced the mixed transport (rail) in the logistics of their products and implements a program to reduce water consumption at McDonald's. McDonald's Poland for more than a decade ago is the first company in Poland to receive the Environmental Management System Certificate in accordance with ISO 14001: 2004. Subsequent periodic audits confirmed that environmental protection is a company priority. Recycling plays an increasingly important role in the management of waste. McDonald's Poland leads in their restaurants throughout the country segregation of waste from the kitchen and dining room. The company has been also runs a national project full development and re-use of used frying oil. It is entirely received and processed at the refinery for biodiesel. All packaging in McDonald's are produced on the basis of paper and cardboard.

There is a huge potential of CSR implementation in gastronomy business, for which McDonald's is a good point of referral. The example can be transferred not only to similar fast food restaurants, but generally speaking – to most of the foodservice companies.

#### **4. Conclusion**

An empirical study by Miles and Covin (2000) finds that being a good corporate citizen will increase marketing and financial performance. Many studies also agree that CSR and reputation bring significant long term financial rewards for many companies (Simpson and Kohers, 2002; Moore and Robson, 2002; Hart et al., 1996).

From the evidence discussed, this may sum up McDonalds stance on the issue. Since last years the company has been seen to adopt a more proactive strategy on

CSR. If it listens to its stakeholders through the interactive engagement it could well prove to be champions of the proactive approach.

The evidence presents a case that the corporation is implementing CSR policies as a means to greater profitability. It is promoting itself as a notable corporate citizen and has turned CSR around from a cost of doing business into a profitable enterprise and been commended for it. But McDonalds CSR strategies mostly lay in the overlapping ethics/law area (Crane and Matten, 2015).

The observation provide evidence that responsible firm conduct has the potential to influence a number of consumer related outcomes such as customer loyalty, product consideration, company and product evaluation, purchase intention and willingness to pay. In summary, the results suggest that consumers' reaction to firms' responsible conduct is an important incentive for companies to engage in CSR.

Employees are the stakeholder group most closely integrated into the company. CSR is shown to be positively related to job seekers' perceived reputation of firms, their feeling of familiarity and identification with the company and the attractiveness of the firm as employer for applicants. Other studies provide insights into the conditions under which responsible firm conduct induces these positive effects.

McDonald's has set good examples of social responsibility. Corporate social responsibility McDonald's takes part in: animal welfare, corporate giving/Ronald McDonald House Charities, education scholarships, employment practices for, environmental practices, work with Corporate Social Responsibility Suppliers, Corporate Responsibility McDonald's Reports. Still, this can be a starting point for the CSR strategy implementation in gastronomy business in other companies.

The company is making efforts to expand in these eastern countries taking advantage of the fact that they do not yet have the power or inclination to impose strict moral codes with regard to employment or environmental issues. The need for cheap food and the race to catch up on western nations such as the UK and US supersede such responsibilities. Thus McDonalds do not have to demonstrate the same level of caution or to go beyond what is required.

Academic literature suggest that CSR has the potential to be of great use to communities in poverty; but the evidence shows that multinational companies will only implement CSR effectively in developing countries if their government also participates (Ite, 2004).

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