

# Analysis of Based on Corporate Social Responsibility in China's Overseas Investments

Zhou Hao<sup>1,2</sup>, Na Zhang<sup>1,3</sup>

1.The Philippine Women's University, 1004 Manila

2.Deputy Director, Kunming Khitai Legal Consulting & Service Co., Ltd., Yunnan China 650000

3.Heyuan People's Hospital, Guangdong China 517000

**Abstract:** With the rapid development of China's social economy, the outbound investment of China's enterprises continues to grow. At the same time, various problems begin to emerge, such as the lack of environmental awareness of enterprises, improper handling of labor relations, investment interests are not protected and other problems, which seriously affect the overall image of China's outbound investment, and even reduce the competitiveness of enterprises, and ultimately limit the healthy and long-term development of enterprises. In order to effectively solve the above problems, it is necessary to carry out a comprehensive analysis of corporate social responsibility of China's overseas-investment enterprises, so as to ensure the experience of income at the same time, can fulfill the social responsibility, in order to expand the scope of China's investment publicity and enhance its influence, and ultimately promote the long-term development of China's overseas investment enterprises.

**Key words:** China's overseas investment; Enterprise; Social responsibility; Analysis

## Introduction

At this stage, the China's domestic market economic structure is in a critical stage of upgrading and optimization, the supply-side structure is constantly adjusting, and more Chinese enterprises are participating in international economic activities through overseas investment. However, while obtaining economic benefits overseas, Chinese enterprises investing overseas also need to shoulder their social responsibilities. In today's world, how enterprises fulfill their social responsibilities has become a hot topic, attracting wide attention from all walks of life. Corporate stakeholders are other stakeholders besides shareholders, and they should assume their responsibilities in the aspects of economy, environment, law and society. It has become an urgent problem for all countries and regions in the world, which can reflect that enterprises can assume more social responsibilities in the economic development of all regions in the world. How to put forward specific practical strategies on the basis of the analysis of China's overseas investment emphasis on corporate social responsibility is an important issue for the current enterprise management to solve. This paper will carry out an in-depth exploration around this issue, hoping to be beneficial to the management.

## I. Analysis of the composition of corporate social responsibility

Corporate social responsibility, that is, what kind of obligations enterprises should bear, has always been a controversial issue. Although scholars from all walks of life have different views and understandings on the definition of corporate social responsibility, it is of great significance for us to understand and study the origin, evolution, connotation and composition of corporate social responsibility to regard corporate social responsibility as a kind of business mode and business philosophy, or a kind of strategic needs and practical needs of enterprises. At the same time, it is the basis for our construction of corporate social responsibility.

The economic and social responsibility of enterprises is the most basic and important part, which needs to bear the economic and social main responsibilities. First, the purpose of undertaking economic and social responsibility is to provide labor capacity and jobs for social development, which is the most important responsibility content of corporate economic and social responsibility, and also an important way of sustainable social development. Second, enterprises must provide high quality and high-level products and services for the society, so that the whole society can benefit; Third, enterprises should take a variety of measures to optimize the production mode and improve production efficiency. In this way, social and natural resources can be scientifically allocated and rationally utilized. The legal responsibility of enterprises means that the owners of enterprises should carry out business activities according to their own wishes within the norms of law. Based on this, no matter the owner or its business activities, should be subject to the supervision and restriction of laws and regulations, can not occur any illegal, illegal behavior, at the same time, including the internal department rules and regulations formulated by the enterprise. Corporate ethical responsibility refers to the micro level, the enterprise and other shareholders, employees, product consumers and business stakeholders between a variety of personal ethical relations and other issues. Corporate environmental protection responsibility is an important part of the scope of corporate social responsibility. In the process of development and construction, enterprises must make full use of natural resources and social resources. However, their development is based on the consumption of natural resources in exchange for economic benefits. Therefore, enterprises should make rational use of natural resources while developing their own economy. Ultimately, it can ensure the safety of the environment and the balance of ecology, and at the same time, it can realize the sustainable development of economy. The exploration of corporate environmental responsibility issues reflects the higher requirements of social development for enterprises in the new era, and is also an important pillar of corporate social responsibility.

At the current stage, many international organizations and every country have put forward specific normative requirements for corporate

social responsibility. Moreover, on the basis of the development of economic globalization, international organizations have negotiated and formulated international contracts on a global scale, with the participation and support of most enterprises in every country in the world. With the improvement of the treaty, rules are gradually formed, and the relevant regulations mainly include the following organizations and rules documents: International standard system of social responsibility, the Organization for Economic Cooperation and Development Guide for Multinational Corporations and the ISO 26000 Guide for Social responsibility. Linked with the current trend of international economic development, it can be seen that the international standards established in the above international documents can regulate the development and construction of corporate social responsibility, so as to make it better play the function of social responsibility, which has an important impact on the development of the whole world and is conducive to maintaining the healthy development of the world economy.

## **2. Analysis of the development status of Chinese enterprises in overseas investment**

### **(1) The treatment of employees needs to be improved**

Nowadays, according to the investigation and analysis of the operation and management of various construction companies invested by China in foreign countries, although the overseas invested enterprises provide employees with social security, allowances and other benefits in the development process, they have not formulated appropriate regulatory systems, which eventually lead to many problems in the process of issuing subsidies and allowances, and ultimately fail to effectively assume social responsibilities. Therefore, enterprises need to understand the employee policies and labor laws and regulations of different countries and regions, so as to avoid violating the labor rights and interests of local employees. In addition, the employment system of overseas invested enterprises still has many problems, such as being restricted by recruitment methods, social welfare, insurance, working period, minimum salary, overtime system and other factors. Moreover, most overseas invested enterprises do not understand the local standards, and ultimately cannot protect the rights and interests of workers.

### **(2) The responsibility of managers is not in place**

In the process of development, Chinese overseas invested enterprises are faced with such problems as large investment amount, large investment risk and complicated operation, which affects whether the overseas invested enterprises can achieve long-term development. At this time, overseas invested enterprises need to recruit enterprise management talents who are familiar with the international economic environment and local culture. However, according to the author's practical research, most of the overseas invested enterprises are still dominated by domestic managers, which makes the managers of the invested enterprises less competent than the executives of foreign enterprises in other countries, and ultimately is not conducive to the macro-management of enterprises. In addition, combined with the current regulatory regulations and systems of overseas investment enterprises, it can be seen that the contents of overseas investment plan formulation, step implementation and project setting have not been further detailed and clear. As time goes by, there are some problems in the management process of overseas investment management organization and structure, which is ultimately not conducive to the healthy and long-term development of enterprises.

## **3. Countermeasures based on corporate social responsibility in China's overseas investment**

### **(1) Strengthening supervision by state departments**

Ministry of Commerce of the People's Republic of China is the main body to supervise China's overseas investment. Generally speaking, the supervision and management of overseas investment are carried out by the Ministry of Commerce of the People's Republic of China. In addition, the supervision of overseas investment and business activities is also subject to special supervision. At present, China has formulated a number of guidelines and policies for overseas foreign investment, and clearly pointed out that each National Development and Reform Commission needs to fulfill the relevant responsibilities of overseas foreign investment within the professional scope in line with the norms of The State Council and the administrative department. At the same time, it is also necessary to ensure that foreign investment is in line with the needs of the national economic interests and the actual needs of maintaining national security according to the relevant laws and regulations of the state. Thus, it can provide macro-guidance, comprehensive services and construction support for the construction and development of overseas investment enterprises. It can be seen that China has already carried out supervision and guidance on overseas invested enterprises to a certain extent. However, due to the late start of the development and construction of overseas invested enterprises and the fierce international competition, the relevant domestic departments still need to strengthen the supervision on overseas invested enterprises, so that they can better shoulder the corporate social responsibility. In order to avoid bad behavior affecting China's international reputation.

### **(2) Chinese enterprises actively fulfill their social responsibilities**

Overseas-investment Chinese enterprises should take effective measures to adapt to the fierce competition environment, so as to actively assume social responsibilities and ultimately bring significant economic benefits to the enterprises. Among them, enterprises should incorporate travel social responsibility into their strategic tasks, and encourage enterprises with competitive advantages to improve the competitive environment as the main development goal at present. In the end, the most important environmental factors of the industry and corporate strategy can be improved. In this way, on the one hand, it can get the support of overseas countries, which should bring benefits such as industrial upgrading, environmental maintenance, economic development and fiscal and tax increase to overseas countries. At the same time, it can obtain the convenience of local legal supervision and administrative approval, and finally achieve mutual benefit and win-win situation. Second, the enterprise needs to go deep into the community and residents, so that the local people can effectively perceive the multi-party benefits brought by overseas investment enterprises, and then can obtain the support of the local people in the actual

operation and management. A good external economic environment can promote the further development and growth of enterprises, and then continuously improve the visibility of enterprises and the influence of the country. Based on this, enterprises need to combine their own advantages to explore countries and regions in line with the development direction according to local conditions, and actively participate in solving local difficulties and problems. By fulfilling their social responsibilities, they can improve the relationship between enterprises and local governments, realize the construction and practice of social responsibility from the orientation of public welfare to the orientation of enterprises and the maximization of social value, and ultimately provide platforms and opportunities for the progress and development of enterprises.

### (3) Enterprises jointly implement their responsibilities with multiple parties

In addition to state supervision and management, enterprises need to explore a variety of effective measures to implement their social responsibilities. First, establish the release mechanism of corporate social responsibility report, make it become an important channel for corporate information disclosure and disclosure, let the public know the social responsibility of enterprises, and better fulfill the social responsibility of enterprises under the supervision of the public, so as to avoid various problems caused by information asymmetry, so as to effectively improve the efficiency of the market. Second, we should take the initiative to form an alliance with other industry associations. At present, the industry and commerce associations of the engineering industry have put forward more social self-discipline and administrative regulations in response to the problem of corporate social risk responsibility management system. For example, for the overseas project investment contracting industry, in 2010, the state promulgated the “Guidelines on Social Responsibility of China’s Foreign Project Contracting Industry” policy guidelines, which can provide institutional standards for enterprises to fulfill their overseas social risk responsibility.

## Concluding Remarks:

To sum up, in order to adapt to the development trend of modern society, overseas-investment Chinese enterprises need to actively fulfill their national and social responsibilities, including economic responsibilities, social development responsibilities, environmental protection responsibilities, employee responsibilities, community building responsibilities and so on. On the basis of a comprehensive analysis of the content of responsibility, measures such as strengthening the supervision of state departments, enterprises actively fulfilling their social responsibilities, and enterprises jointly implementing their responsibilities can be taken to supervise and guide overseas-investment Chinese enterprises to understand the investment environment and social culture according to different countries and regions, and then resolutely fulfill their social responsibilities on the basis of different analysis and treatment. Finally, it can make overseas-investment Chinese enterprises can obtain more convenient conditions and promote their long-term development.

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