EFFECTS OF MAXIMIZING VALUE OF A FIRM

NAME

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Maximizing the value of a firm is important because it makes the company develop the more. Adding value to a business is organized and makes the company stable and healthy. It also increases the market share which will, in turn, generate more profit. When the value is increased, the value of shares escalates, thus more profit in the stock exchange.

A CSR stands for corporate social responsibility. A CSR takes responsibility for the well-being of the company and how it affects the environment and the social welfare. Being a giving company is better for the organization and the society by promoting active and environmental change. Doing CSR is important to the company as it is an indirect way of marketing itself. Firms usually spend a small portion of their profit in assisting with social responsibilities; the benefits may not show up immediately but will eventually come.

Reference

1. Gond, J. and Moon, J. (2012). Corporate social responsibility. London [u.a.]: Routledge.