Corporate Social Responsibility: Management and Methods

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Peter Dobers
Mälardalen University
School of Sustainable Development of Society and Technology
Box 883, 721 23 Västerås, Sweden
peter.dobers@mdh.se • Tele: +46 21 10 73 52

Abstract: This article gives an overview of recent CSR handbooks to illustrate that the field is of immediate interest and relevant for scholars and practitioners. It gives a background to CSR and how the field relates to management and methods and introduces the four articles of this special issue.

Keywords: corporate social responsibility, CSR, management, practices

Biographical Note: Peter Dobers has an interest in how ideas of corporate (social) responsibility, guided tours, broadband, city images or sustainable development travel the world, and are enabled or disabled. He holds a chair in management and sustainable development at Mälardalen University and is currently associate dean of the Faculty for
Humanities, Social and Caring Sciences. He has also been visiting professor at Umeå School of Business and Economics in the years of 2006-2008. Dobers has published widely in areas such as corporate (social) responsibility, sustainable development, urban studies and modern information and communication technology and is frequently commissioned as guest speaker by industry and municipalities.

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Publication on Corporate Social Responsibility is Growing

It is obvious to many that the present ways of organizing the plethora of social, material and socio-environmental interactions in corporations, public organizations, societies, cities, and social relations are not sustainable. Not surprisingly, therefore, is that sustainability is generating an increased interest in business research and management practices. Conferences related to CSR are organized in increasing numbers and publications based on conferences appear in both books and journals appear (Dobers, 2009; Halme et al, 2009; Windell, 2006). Leading international publishing houses have in recent years come out with handbooks and readers that point at important themes of corporate social responsibility. In the Oxford Handbook of Corporate Social Responsibility, for instance, authors elaborate in new written chapters on the following six themes: perspectives on corporate social responsibility, critiques of corporate social responsibility, actors and drivers, managing corporate social responsibility, corporate
social responsibility in global context, and future perspectives and conclusions (Crane et al, 2007a).

The Sage Library in Business and Management present three volumes on Corporate Social Responsibility based on carefully edited but previously published articles: Volume 1 with 16 chapters on ‘Theories and concepts of corporate social responsibility’ (Crane et al, 2007a), Volume 2 with 18 chapters on ‘Managing and implementing corporate social responsibility’ (Crane et al, 2007b), and Volume 3 with 18 chapters on ‘Corporate social responsibility in global context’ (Crane et al, 2007c).

Yet another reader, the Routledge The Corporate Social Responsibility Reader edited by Jon Burchell, seeks to give an introduction to the many key issues and themes that emerge from the corporate social responsibility field (Burchell, 2008). This book provides extracts from texts from different areas such as academia, corporations or NGOs. Eventually, the final illustration is the John Wiley & Son’s encyclopaedia The A to Z of Corporate Social Responsibility (Visser et al, 2007). This book gives a comprehensive reference guide to concepts, codes and organisations in the field of corporate social responsibility, sustainability, business ethics and the organisations and standards in this field. Over 100 experts and creators of opinion have contributed to write about 350 relevant entries.

Corporate Social Responsibility: Ideas, Practices and Definitions

Over the past decades, corporate social responsibility (CSR) has gained increased importance as an idea, as corporate strategy and as practical programmes in corporations (Carroll, 2008; Carroll, 1999; Cannon, 1994). An array of concepts has emerged around the phenomenon such as: stakeholder theory that comes from ethics (Phillips et al, 2003; Donaldson et al, 1995; Freeman, 1984), shareholder value (Halme et al, 2001), corporate social responsibility (Mintzberg, 1983; Carroll, 1979), corporate citizenship related to the political concept of citizen (Matten et al, 2005; Logsdon et al, 2002; Andriof et al, 2001), corporate social performance related to sociology (Callan et al, 2009; Orlitzky et al, 2003; Wood, 1991), corporate codes of conduct (Sethi, 2002;
Kolk et al, 1999) – to name just a few of many CSR theories suggested (for an excellent overview and comparison of CSR theories like corporate social performance, shareholder value theory, stakeholder theory and corporate citizenship, please pay attention to: Melé, 2008).

While the notion of CSR is increasingly evident in the corporate world, among many civil-society advocates and in public policies, it is ambiguous and contested on various grounds (Dahlsrud, 2008; Carroll, 1999), just like the concept of ‘sustainable development’ is contested and disputed identifying many different approaches (Hopwood et al, 2005; Redclift, 2005; Redclift, 1997), and that the contribution of CSR to sustainable development can be questioned (Moon, 2007).

The most commonly used definitions of CSR according to a recent online study origin from the Commission of the European Communities in 2001 (‘A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis’ as found in (Dahlsrud, 2008: p. 7)) and from the World Business Council for Sustainable Development in 1999 (‘The commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life’ as found in (Dahlsrud, 2008: p. 7)). Both organizations have more recent definitions, but they have not been in use for long (for more on different definitions, please see: Dahlsrud, 2008).

 Basically, corporate social responsibility is founded on the notion that corporations are in relationship with other interests in for instance economic, cultural, environmental and social systems because business activities affect such interests in society. These relationships may have a strong economic dimension, but they may also have a primary focus on social and environmental concerns. For business, on the one hand, CSR involves understanding and managing these relationships; in a recent survey of businesses and their stakeholders in Hong Kong, factors like environment, health, safety, governance, corruption and human resource management ranked highest when
given priority in CSR activities with only minor differences in ranking between those factors of businesses and non-business stakeholders (Welford et al, 2007). Academic inquiry into CSR, on the other hand, seeks to understand why the phenomenon is important, how and why it is being managed, how CSR may change in different context and have different consequences (Halme et al, 2009), what disciplines such as for instance business ethics, economics, sociology or political science contribute to our understanding of the character of these relationships, and the consequences that derive from the strategies and activities of the firms (Dobers, 2009).

While corporate social responsibility is the subject of different interpretations and practices it also provides the ground for global initiatives and standard setting such as the UN Global Compact, Global Reporting Initiative, SA 8000, ISO 14000 and ISO 2600 series. CSR not only concerns the relationships between firms and other actors that can be studied empirically. It also has a normative content that addresses what responsibilities corporations might have in our changing social and economic context. The very fact that societies are different in many respects implies that CSR can have different faces in different societal contexts (Halme et al, 2009). This is found as different agendas for CSR in different parts of the world (Welford et al, 2007), in the different responses by companies to those agendas, and, the differential capacity of organizations and their managers to understand and address those issues. Taking this normative ambition seriously, we must also reveal and critically discuss how popular ideas and management practices of CSR may function as a potential mechanism of corporate control and power over individuals and societies (Holmqvist, 2009).

Three Special Issues on Corporate Social Responsibilities

This background provides the underpinnings for three special issues in Corporate Social Responsibility and Environmental Management that we want to contextualize on issues around
1) ‘Corporate Social Responsibility: Management and Methods’. Articles illustrate practices and challenges of CSR-related activities (Volume 16, Issue 4 edited by Peter Dobers that is the current issue you are reading),

2) ‘Corporate Social Responsibility and Developing Countries’. Articles illustrate how CSR-practices related to developing countries may vary from CSR-practices related to Western economies (Volume 16, Issue 5 edited by Peter Dobers and Minna Halme), and

3) ‘Corporate Social Responsibility: Discourses, Narratives and Communication’. Articles illustrate CSR- that are related to discourse, narratives and communication (Volume 17, Issue 2 edited by Peter Dobers and Delyse Springett).

Many, but not all, articles of these issues share an interest in practices, and we consider this important. Differences between ideal CSR-related values and policies, and lived practices of those values and policies are more often the rule rather than not, especially if CSR-related values are formulated only at the top management level without inviting lower level employees (Lauring et al., 2009). Thus, we will always find discrepancies when asking why people do not act according to their values or policies. More research efforts should thus focus on the practices rather than only at policy levels (Dobers, 2009; Lauring et al., 2009), which a study of CSR practices in Greek industry is an example of (Bichta, 2003).

**Background to Corporate Social Responsibility: Management and Methods**

Much of research during the 1990s focused on ways to convince managers in business to take on responsibility beyond profit, and among other focussed legal and voluntary ways to do so (Dobers, 1997; Dobers, 1996; Glachant, 1994; Perrings, 1991). Current research is geared towards what kind of management and which methods enhance the integration of for instance social and environmental concerns (Schaefer, 2004), or the
integration of CSR into everyday business activities and management systems (Robinson et al, 1998).

Early attempts are those that suggested integration of environmental issues with regular management systems (Roome, 1992), quality management tools (Welford et al, 1993; Welford, 1992), standards such as the ISO 14001 (Moxen et al, 2000), or life cycle assessments (Baumann et al, 2004). More recent attempts of describing integrated management systems in the 2000s include the integration of environmental, social, quality and health related issues (Oskarsson et al, 2005; Herreborg Jørgensen et al, 2002) new standards such as SA8000 (Stigzelius et al, 2009) and ISO 26001 (Schwartz et al, 2009) or examples not so mainstream such as ‘inclusive innovation’ by which focus lies on bringing together intentions in ethical codes or codes of conduct with processes within corporations (Nijhof et al, 2002).

Such standards are often used to meet and succumb to interests external to corporations. Stakeholder theory may be the theory that is closest linked to managing such external interests, although the theory must be nuanced when in use; if it is used with normative, instrumental or descriptive justifications for example (another good description of what stakeholder theory is not, including critical distortions and friendly misinterpretations, is found in: Phillips et al, 2003; strengths and weaknesses as well as managerial implications are well described in Donaldson et al, 1995). Yet another important nuance relates to the question of which stakeholders are legitimate when paying attention to the difference between ‘the involved’ and ‘the affected’ stakeholders (Vos, 2003).

While stakeholder theory describe interactions with interest groups external to corporations, which may or may not lead to positive CSR results, an increasing number of corporations adhere to voluntary international guidelines as formulated by think tanks such as SustainAbility (SustainAbility, 2008), the CEO-led World Council for Sustainable Development (World Council for Sustainable Development, 2008), or the world community-led United Nations Global Compact (The United Nations Global Compact, 2008) and the OECD (OECD, 2008). Most corporations engage in one way or
another in communication activities such as constructing information and communicating with the public through engaging in environmental or sustainability reporting (Steurer et al., 2009; Owen et al., 2008; Cerin, 2002a; Cerin, 2002b) or the Global Reporting Initiative (Global Reporting Initiative, 2008; Hedberg et al., 2003). The latter initiatives are debated since they all focus on what is measurable. It is not always that measuring CSR practices and creating CSR indexes is possible (Gjølberg, 2009), not the least to say that we may be critical towards efforts of trying to measuring CSR and CSR-related efforts at all out of three reasons:

‘First, the use of the concepts of eco-efficiency and eco-efficacy in measuring corporate contributions to sustainability are criticized from the viewpoint of the complementarity relation of human-manufactured capital, natural capital and social sustaining functions. Second, the use of measures that focus on an individual process or an individual company are reconsidered with an approach to industrial and firm networks. Third, the use of the monetary value is reconsidered, e.g. by suggesting an approach based on physical material and energy flows and on a new paradigmatic foundation for social responsibility. The social and ecological indicators illustrating the social and environmental impacts of economic activity and of firms can be combined with economic indicators, but not expressed in monetary terms’ (Korhonen, 2003: 25).

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In this special issue, we find four articles that relate to how CSR can be managed and in what way methods can be useful for this. In his article ‘Towards a Model to Compare and Analyze Accountability Standards – The Case of the UN Global Compact’, Andreas Rasche takes on the increased willingness of corporations to give account of their CSR-related policies, methods or activities (Rasche, 2009). Since several leading international organisations have formulated guidelines and accountability standards that an increasing number of corporations follow (Schwartz et al., 2009; Stigzelius et al., 2009; Global Reporting Initiative, 2008; OECD, 2008; SustainAbility, 2008; The United Nations Global Compact, 2008; World Council for Sustainable Development, 2008), Rasche’s article is helpful in that it discusses similarities and differences of several of these standards and present a model to compare and analyze these standards.
Three dimensions play a key role in this, namely the content of the standards, the processes that are deemed crucial for implementing the standards, and the context of their use. To illustrate the model, Rasche makes use of it while analyzing the ten policy principles of the UN Global Compact.

In their article ‘Managing Death – Corporate Social Responsibility and Tragedy’, Anette Hallin and Tina Karrbom Gustavsson present a true story of a middle manager in a multinational industrial corporation and his steps when he finds himself enrolled in the aftermath of the unexpected civil death of one of his employees (Hallin et al, 2009). Hallin and Karrbom Gustavsson take this event as a backdrop to discuss CSR and Human Resource Management (HRM) and their similar values and features. While CSR and HRM as independent fields are well-established practices, not many scholars have taken an interest in studying the links and similarities between CSR and HRM (one example however is the recent article by: Holmqvist, 2009). Further, Hallin and Karrbom Gustavsson shed light on the blurring borders between an individual’s private and professional roles in managerial practice, and how this may render management of CSR- or HRM-related activities more difficult (see also the example by: Dobers, 2006), and that policies may not be helpful in all events managers may face. Hallin and Karrbom Gustavsson end with an interesting observation and question whether it is meaningful to keep up CSR and HRM as two separate fields.

In their article ‘Moral Landscapes – Understanding Agency in Corporate Responsibility Initiatives’ Larssaether and Nijhof present parts of a case study on the emergence of an organic milk market in Norway (Larssaether et al, 2009). The case illustrates how problematic it is for Coop to change current practice of space management and how products such as organic milk is presented in-store. By bringing in materiality and agency into the theoretical concept of the article, ‘moral landscape’ is presented as a conceptual link between CSR-activities and sustainability. The authors show that CSR-practice is always a practice that is negotiated, delegated and distributed in networks of corporate practice, in which social and material agency play equally important roles.
In their article ‘Against Corporate Responsibility. Critical Reflections on Thinking, Practice, Content and Consequences’, Fougère and Solitander examine contemporary corporate responsibility trends as they are articulated in a case of the recently built Botnia pulp mill in Fray Bentos, Uruguay (Fougère et al., 2009). While taking a critical perspective, they follow the argument that CSR and any corporate responsibility in this case is nothing else than ‘hegemonic articulation’ or corporate colonialism (Banerjee, 2008; Banerjee, 2007) and suggest that this is the case also with many more corporations. CSR as part of the self-regulation paradigm is deemed part of the problem rather than part of the solution, and Fougère and Solitander thus suggest regulation-based articulations of CSR.

References


