A genuine commitment or just good advertising?

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1 Introduction

“There is a difference between a good company and a great company. A good company offers excellent products and services. A great company also offer excellent products and services, but also strives to make the world a better place.”

William Clay Ford, Chairman of the Executive Committee at Ford

The importance of corporate social responsibility (hereinafter referred to as CSR) is on the rise, and more and more companies are engaging in activities such as cause-related marketing, employee volunteering and/or corporate philanthropy, commonly referred to CSR programmes. More than 80 % of Fortune 500 companies deal with CSR issues in the United States. In Europe the number of companies doing this is also growing, led by companies such as The Body Shop and SAP.

What are the reasons for this trend? On the one hand, consumers are becoming increasingly aware of bad business practices in times of increasing media coverage and advanced information technology. Twitter storms and Facebook campaigns have enabled consumers to exert their powers of protest and boycotting, resulting in negative economic consequences for the companies. For instance the Coca-Cola #notinmyfridge twitter campaign is said to have had an impact on the company’s global sales due to the negative publicity.

On the other hand, there is evidence that CSR is not only “the moral thing to do”, but also has a positive impact on the company’s relationships with its stakeholders, such as employees, customers and consumers. CSR is reported to have a positive impact on both consumer product responses as well as its attitude towards the company, including consumers’ identification with the company.

1 Löber p. 1  
2 Bhattarachya p. 9  
3 Lindgreen p. 251  
4 #NotInMyFridge campaign on Twitter  https://twitter.com/hashtag/NotInMyFridge?src=hash  
5 Bhattarrycha p. 9  
6 Löber p. 2
Still, there are still many knowledge gaps with regards to how these CSR programmes are being developed and implemented today. In addition to this, there is limited research on how the programmes are being perceived by stakeholders such as customers, consumers, employees and leaders, or indeed what the main driving forces are behind setting up such programmes. Is it a desire to be a great company or just a precaution to avoid “twitter”-storms?

2 Purpose of thesis

With regard to the knowledge gaps and questions above, this thesis is guided by the following questions:

1. What are the main characteristics/dimensions in a CSR programme? In the absence of a universally acknowledged definition, what general dimensions can be found in most definitions?

2. Which of those dimensions are being addressed in our case studies and how do the stakeholders perceive them? Are there similarities or differences depending on the religious denomination of the stakeholders? Are there any particular dimensions are being emphasised depending on the stakeholder's religious denomination?

3. What is the quality and commitment to these CSR programmes in the case study companies (applying the Malcolm Baldridge Excellence Criteria)?

4. In the case studies; is CSR regarded as legitimate or is it a deviation from a corporation’s core purpose? (Shareholder vs. Stakeholder view) How does this resonate with the respondents' religious denomination?

5. In the case studies: what is the driving force behind the CSR programmes - is it mere lip service to appease public opinion or is there an genuine commitment to be a “great company” as defined by Ford above (Normative or a Business case)?
3 Methodology

As a methodology I have conducted a literature review of CSR definitions in academic literature and applied these on the descriptions used by companies in the case study. In addition to this I have conducted interviews with managers – who defined themselves as a practitioner of their respective religion - in two companies with a global presence. Interviews are the primary source for in-depth knowledge about the respondents’ world-views (including their religious views) which needs to be taken into consideration when evaluating the results. Finally, I have also reviewed annual reports and other external communications (including advertising) from the companies to get another perspective on the commitment from a pecuniary and management perspective. I have also reviewed media reports and the blogosphere.

3.1 Data Collection

The sample for this study consists of 7 semi-structured key informant interviews (and follow up phone interviews) in two US corporations with global presence in 2015. Below please find a table

<table>
<thead>
<tr>
<th>Company</th>
<th>Title</th>
<th>Country</th>
<th>Religious Denomination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>Marketing Manager</td>
<td>United States (German nationality)</td>
<td>Catholic</td>
</tr>
<tr>
<td>Facebook</td>
<td>Product Manager</td>
<td>United States</td>
<td>Protestant</td>
</tr>
<tr>
<td>Facebook</td>
<td>Software Engineer</td>
<td>United States (Indian nationality)</td>
<td>Hindu</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>Marketing Manager</td>
<td>South Africa</td>
<td>Protestant</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>Product Manager</td>
<td>United Kingdom</td>
<td>Protestant</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>Sales Engagement Manager</td>
<td>United States</td>
<td>Muslim</td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>Head of Corporate Communications</td>
<td>United States</td>
<td>Catholic</td>
</tr>
</tbody>
</table>

All respondents defined themselves as “active practitioners” of their respective religion. All attend service at least twice a month and agreed with the statement that their religious affiliation is an
integral part of their everyday life.

During the interviews I aimed to understand the company's commitment to the CSR programme and the respondents attitudes towards CSR in light of their religious denomination. In doing so, I used the following questionnaire:

**Question**

<table>
<thead>
<tr>
<th>Intro; overall discussion about role in the company, background, views on ethics in general and religious denomination</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) How would you define CSR? Is that the same definition as your company’s?</td>
</tr>
<tr>
<td>2) Have the leaders of the company defined the vision and objectives for CSR?</td>
</tr>
<tr>
<td>3) If yes, how are the vision and the objectives defined?</td>
</tr>
<tr>
<td>4) Have the leaders defined the values of CSR programme?</td>
</tr>
<tr>
<td>5) If yes, how well are these values defined?</td>
</tr>
<tr>
<td>6) Do the leaders have a shareholder or a stakeholder view of the business?</td>
</tr>
<tr>
<td>7) How well do the leaders and the personnel comply with the values?</td>
</tr>
<tr>
<td>8) Is the CSR programme a part of the company's planning and quality system?</td>
</tr>
<tr>
<td>9) How do the leaders relate the CSR programme to the company's other management systems and continuous improvement work?</td>
</tr>
<tr>
<td>10) Do the leaders support the staff implementing the CSR programme?</td>
</tr>
<tr>
<td>11) Is the CSR programme used in advertising to consumers or in recruitment?</td>
</tr>
<tr>
<td>12) Is the CSR programme well defined and described in annual reporting on the company's PR/website?</td>
</tr>
<tr>
<td>13) Is the CSR programme a part of your own personal goals for work performance?</td>
</tr>
<tr>
<td>14) How is the CSR programme being measured and evaluated?</td>
</tr>
<tr>
<td>15) Do you ever do a self-assessment of the CSR programme? If yes – how often?</td>
</tr>
<tr>
<td>16) Do you measure the advertising effectiveness with regards to your CSR programme?</td>
</tr>
<tr>
<td>17) Would you say that the company is committed to CSR mostly for advertising/PR purposes or because of genuine commitment to make the world a better place(normative or business)? Do you adhere to the value creation rather than profit maximisation view in your company?</td>
</tr>
</tbody>
</table>
18) What impact – if any – has the company's CSR programme had on you (increased loyalty, stronger commitment etc.)

19) Which dimensions are included in the CSR programme; environmental, social, economic, voluntariness?

20) Does your company adhere to a stakeholder or shareholder view?

21) Did the fact that your company has a CSR programme influence your decision to join/stay?

How does the company’s values and ethics resonate with what is ordained in your religion?

Questions inspired by Development Models - BEF : Corporate Social Responsibility - Excellence Criteria- BEF by Tuominen, Kari, Aaltonen, Tapio

3.2 Discourse Analysis

Discourse analysis is used to analyse the interview feedback. The reason for choosing this approach is that discourse analysis aims to study the shaping of social reality through language as discursively constructed and maintained. How interviewees define and talk about CSR provided an important understanding of dominant ideologies (including religious views) used by them to make sense of corporate purpose and practices. The use of discourse analysis is well supported and contributes to the ‘development of alternative ways of describing, analysing, and theorizing the processes and practices that constitute the “organisation”’.

I allowed the interviewees to contextualise CSR as part by exploring their own perception of the CSR programmes, what it means to them and how it is in the company. I have tried to use an interpretive paradigm that required me, as the interviewer, to perceive their actions as engaged in continuous interpretation, meaning creation and sense-making of events and their contexts.

In this paper, CSR is viewed as a social construction and, as such, it is not possible to develop an unbiased definition. However, for the purposes of this paper I have studied the similarities and differences in between the available definitions, created a conceptual framework and then applied

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7 Alvesson p. 1125
8 Grant p. 5
9 Kuada p. 53
10 Young p. 1
this on a sample of companies to evaluate their CSR activities and gauge their commitment to their CSR programme

4 CSR in the literature

What does CSR mean? What is undoubtedly clear is that the corporate world is facing the notion of CSR wherever it turns these days. Corporations are encouraged to be socially responsible on a wide range of issues. However, in both the corporate and the academic world there is uncertainty as to its definition.

Corporate social responsibility is often referred to when discussing corporate citizenship, social responsiveness and corporate social performance. In academia, most studies have in common that they deal with a company’s obligations beyond its primary function that consists of making a profit.¹¹ There are many terms and a variety of definitions can be found, yet no universally applicable definition has been agreed-upon thus far.¹² A main reason for its complex character is that it connects business and society and since societies are so highly varied - as is geographical markets and industries - making it almost impossible to come to a single agreed-upon definition.¹³

The first efforts to construct a coherent account what CSR really is were made by Bowen, who realised that business has an influence on the lives of human beings in varied areas and from that he concluded that the social responsibility of a company must be geared to expectations and values of society (which are often - although not always - drawn from religious sources).¹⁴ Following Bowen’s initial efforts, many different definitions have been proposed including both broad and narrow ones.¹⁵

¹¹ Löber p. 5
¹² Löber p. 5
¹³ Löber p. 6
¹⁴ Löber p. 7
¹⁵ Löber p. 6
Below please find an overview of the academic definitions on CSR

<table>
<thead>
<tr>
<th>CSR</th>
<th>Author</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Refers to 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 objectives and values of society.”</td>
<td>Bowen</td>
<td>Societal values and expectations</td>
</tr>
<tr>
<td>“Actions that appear to further some social good, beyond the interest of the company and that which is required by law.”</td>
<td>McWilliams and Siegel</td>
<td>CSR goes beyond making a profit and obeying the law; it manifests itself in concrete actions caused by altruistic and charitable motives</td>
</tr>
<tr>
<td>Activities that “protect and improve both the welfare of society as a whole and the interest of the organisation”</td>
<td>Davis and Blomstrom</td>
<td>Emphasises both the goodwill of society and that of the company at the same time</td>
</tr>
<tr>
<td>The organisations status and activities with respect to its perceived societal obligations</td>
<td>Brown and Dacin</td>
<td>Broad definition, which seeks to include different opinions on CSR that are apparent in the diverse literature.</td>
</tr>
<tr>
<td>The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large</td>
<td>World Business Council for Sustainable Development</td>
<td>Narrow definition</td>
</tr>
</tbody>
</table>

Source: Löber\(^\text{16}\)

The most cited of conceptualisations has been put forward by Carroll, who differentiated four types of social responsibility: economic, legal, ethical and philanthropic.\(^\text{17}\) This is been illustrated in the “Pyramid of CSR”:

\(^{16}\) Löber p. 6
\(^{17}\) Carroll p. 39
In this model, economic responsibilities are the core of a company’s obligations, as demonstrated by the pyramid analogy, where they represent the lowest layer, but also the fundament of the figure. A company is about producing services and products that are demanded by members of society and making a profit for its owners. A business cannot survive without being economically successful and thus would all other responsibilities become superfluous.¹⁸

Following those, there are legal responsibilities, which refer to the laws and regulations imposed by the countries in which the company operates. The next types of responsibilities are ethical obligations, which embrace all activities and practices that are expected and required of companies by society, but not a legal obligation. These are standards, norms or expectations that reflect a concern for what consumers, employees, shareholders and the community regards as fair.¹⁹

On the highest layer of the pyramid, discretionary (or philanthropic) responsibilities can be found. These constitute an area where companies slip into the role of good corporate citizens and take care

¹⁸ Löber p. 7
¹⁹ Löber p. 8
of human welfare. These responsibilities are not expected in an ethical sense and companies are not regarded as unethical if they do not engage in these activities. Carroll refers to this as “philanthropy is icing on the cake”.20

As the metaphor suggests, CSR consists of different interrelated components that are a part of a whole business. It also illustrates that generating a healthy profit is not in contrast to socially responsible behaviour. According to Carroll, “a CSR company should strive to make a profit, obey the law, be ethical and be a good corporate citizen.”21

This attempt to give CSR a theoretical foundation is helpful, but it deserves to be pointed out that in this thesis the focus will be on the areas of discretionary and ethical responsibilities and the main driving forces behind these “nice-to-have” rather than “need-to-have” efforts. Therefore a more specific prism needs to be used in order to effectively analyse CSR programmes focused on the two highest dimensions of the pyramid.

4.1 Typical characteristics of CSR

Despite the plethora of different definitions that have been discussed above, there are some key characteristics that constitute CSR, regardless of how it is being labelled. First of all, it is not a new phenomenon. For examples, Harry Selfridge, the founder of famous department store Selfridge’s in London, built social housing following the First World War, despite running a luxury department store in London.22 Still, the conceptualisation of the term CSR in academia did not start until 1950’s by Bowen.

Yet, the rise of CSR is a trend and it has been referred to “one of the buzzwords of our times”.23 If you study newspapers and blogs, the term CSR generally refers to business decision-making linked to ethical values, compliance with legal requirements, and respect for people, communities and the

20 Löber p. 8
21 Löber p. 9
22 Woodhead p. 29
23 Löber p. 9
environment. It is a new business climate that recognises that long-term sustainable profitability is directly linked to acting in a socially responsible, ethical and compassionate manner.

It seems like all types of CSR are connected to social issues such as consumerism, human welfare, product and working safety or protection of the environment. Protection of the environment has not always been on the corporate agenda, but has recently been given extraordinary attention by corporations, following environmental disasters such as Exxon-Valdez and more recently Shell. It also deserves to be pointed out that the importance of single CSR issues is contingent upon the industry sector. For instance, a real estate company is less concerned by product safety than a food manufacturer.

4.2 Should companies even engage in CSR – the legitimacy question

CSR possesses a contested nature and in the debate of its legitimacy, there are different voices about what it means to socially responsible and if it belongs to the field of core business. The different arguments can be divided into two concepts;

- The Shareholder view
- The Stakeholder view

4.2.1 The Shareholder View

According to the shareholder view, a company is meant to solely concentrate on those stakeholders who take financial share in the company, i.e. the shareholders. According to this view, a company’s single purpose is to serve the needs and interests of the company’s owners. This was claimed by Milton Friedman, who argued that a business’ main aim was to conduct the business in accordance with the shareholders desires, which generally will be to maximise profit whilst complying with the basic rules of society. By this way of thinking, a business manager is not entitled to spend the

24 Löber p. 10
money of the shareholders on issues other than business matters. This as business managers are not trained to solve social problems, as this is outside their expertise. Engaging in social matters is the task of the government, NGO’s and charities. The duty of private companies and their managers only consist of enhancing operational efficiency and therefore considerations of non-share holders are not relevant.

This is also argued by Aneel Karnani in his article “The case against Corporate Social Responsibility”, where he deems the idea that companies should act in a socially responsible manner as fundamentally flawed. Whilst this is an appealing concept, he says, companies will always pursue policies to boost profits, and any executive that places CSR strategy ahead of profits is likely to be replaced. Instead he argues that the most effective way is to strike a balance between profits and being socially responsible includes government regulation, watch-dogs and making it financially attractive for corporations to do the right thing. Instead he suggests an alignment between corporate interests and society’s interests.

Corporations still struggle to reconcile social demands with those of profit-maximisation from shareholders, despite the fact that many studies indicate that there is significant positive relationship between CSR and financial performance. The view is that the pay-off is not guaranteed and is deemed time-consuming, which is why it is generally seen as an expense rather than an investment.

4.2.2 The Stakeholder view

The stakeholder view provides strong arguments on why companies should be motivated to invest in CSR programmes. In this theory, it is argued that not only the shareholders’ interests are legitimate, but instead it focuses on all stakeholders, as a company is a conglomerate of

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25 Löber p. 11
26 Harens p. 32
27 Löber p. 10
28 Löber p. 11
stakeholders. In this definition, a stakeholder is “any group or individual who can affect or is affected by the achievement of the company’s objectives”.\textsuperscript{29} It is therefore legitimate for a company to take stakeholders into account, since its success is dependent on resources and on primary stakeholders and their delivery of necessary resources.\textsuperscript{30} These primary stakeholder groups are therefore vital for a company’s survival. These groups typically consist of:

- Shareholders and investors
- Employees
- Customers
- Suppliers
- Governments and communities (that provide infrastructures and markets)

For this reason, the very purpose of a company is to serve and coordinate the interests of its various stakeholders and not only those of its shareholders. Since many of the stakeholders listed have other goals than making a pure profit, the remaining non-profit concerns can be addressed as means of CSR.\textsuperscript{31} Proponents of stakeholder theory suggest that companies are motivated to broaden their objectives to include other goals in addition to profit maximisation. Based on this theory, many companies embrace a CSR program to promote socially responsible actions and policies and effectively respond to stakeholder demands.\textsuperscript{32}

This view is expressed by Rob Fenn in his article “Corporate Social Responsibility helps build business” where he argues that “whilst profit is may be the end goal for any business, responsible businesses have managed to attract more investors, reduced their risks and addressed stakeholders concerns.”\textsuperscript{33} In his view, the benefits of CSR are manifold as they: attract more investors, save money, foster innovation, and create a loyal fan base. He believes that companies like Walt Disney and The Body Shop show that companies can do well be doing the right thing. The key is not to treat CSR as a corporate initiative (an “expense”) but as a fundamental way of doing business.

\textsuperscript{29} Löber p. 11
\textsuperscript{30} Löber p. 12
\textsuperscript{31} Löber p. 12
\textsuperscript{32} Löber p. 13
\textsuperscript{33} Harens p. 134
This view is also advocated by Rose Schreiber. She argues that people who subscribe to the shareholder view are misguided, since CSR involves finding collaborative solutions that benefit society, enhance a companies’ bottom line and bring sustainability and responsible practices to all aspects of the business.\textsuperscript{34}

4.3 Motivations for CSR – a Normative or Business case?

In the literature the different motivations for carrying out CSR initiatives are being described as either a normative case or a business case.\textsuperscript{35} When the driving force for companies engaging in a CSR activity is the fact that the company simply wishes to do good it is regarded as a normative case. In this scenario, the company takes the role of a good citizen and CSR is regarded as being the right thing to do. It all stems from social contract theory according to which business is merely possible through the cooperation and commitment of society.\textsuperscript{36} The reasoning behind this is that a company needs society and in order to meet these needs, the company must give back.

In the case of the business case, the company is behaving in a socially responsible manner due to enlightened self-interest. This means that the company rather considers how it can apply CSR activities in order to further its economic success with them. The benefits for the company in this scenario are less employee turnover, improved corporate image and better customer patronage.

Even though the differences between the cases are obvious, it is generally regarded as a mixture of both mostly underlies a company’s decision of practising CSR. However, which motivation is the most dominant can be studied by looking at the commitment to the CSR programme. Is it supported by the leadership giving it resources and treating it as an integral part of the business? Or is it run by someone as a side activity with little funds that can be taken away at any time depending on the bottom line? Is it used in advertising as a hook or is the company letting its actions speak for itself?

\textsuperscript{34} Harens p. 22
\textsuperscript{35} Löber p. 10
\textsuperscript{36} Löber p. 14
In this thesis I aim to investigate the driving force is normative or business-related and therefore questions on whether the company has a shareholder or stakeholder view was incorporated into the interview questionnaire in the case studies. It would be very interesting to understand which stakeholders that are prioritised by the companies, but it is out of scope for this thesis.

4.4 CSR and Religion

In a paper by Brammer et al, the relationship between religious denomination and individual attitudes to CSR is explored. Their focus was on whether members of religious denominations have different attitudes concerning CSR than people of no denomination, and if members of different religions have different attitudes to CSR that conform to general priors about the teachings of different religions? 37 They found that, broadly, religious individuals do not prioritise the responsibilities of the corporation differently, but do tend to hold broader conceptions of the social responsibilities of businesses than non-religious individuals. However, this was dependent on which religious group and which area of CSR.

The Hebrew Bible, Rabbinic writings, the Qur’an and the books of Sunnah are reasonably explicit concerning the ethical standards expected in particular business contexts. Also, the Christian Gospels “establish an action-guiding, other-centred perspective toward business affairs that is carried forward elsewhere in Scripture and in Christian tradition”. 38 There is some research that indicates that more religiously inclined individuals tend to exhibit better decision-making in ethical contexts and a greater orientation to CSR. 39 However, it has also been suggested that religious intensity may influence business ethics more than denomination per se. 40

In addition, there is also an element of diversity in the attitudes of religious individuals of different faiths. 41 Economic activity is arguably particularly central to the values of Christianity and Judaism.

37 Brammer p. 229
38 Brammer p. 231
39 Brammer p. 230
40 Brammer p. 230
41 Brammer p. 231
Specifically, elements of the Gospels and the Bible associate work with worship and paint God as a worker in whose image Christians were made. Protestantism also has a strong historical “work ethic” that originated from the Lutheran notion of a “calling”, from the Calvinist perception that work was the means by which individuals demonstrated that they were one of God’s chosen ones.\footnote{Brammer p. 233}

Islamic teachings embody somewhat similar attitudes towards work and economic activity and many passages of the Qur’an provide encouragement for commercial and economic activity (Lewis, and every individual is required to work in Islam. Muslims are therefore required to participate in worldly activities with the proviso that any material enhancement and growth should lead to social justice and spiritual enhancement.\footnote{Brammer p. 231}

Hinduism is the oldest of the major world religions. For a Hindu the goals of life concern not only spiritual freedom, but also material well-being. Other aspects of Hinduism may also affect economic attitudes. For instance its tolerance of the caste system, which institutionalises social roles and jobs by caste rather than by merit or talent.\footnote{Brammer p. 231}

In general, Buddhism is perhaps the least economically oriented of the major faiths since its focus on spiritual enlightenment it is very individualistic. Indeed, in the economic field many Buddhist teachers argue that detachment from the purely material and a focus on social and environmental responsibility in production, distribution and exchange are consistent with and indeed central to the proper practice of the faith.\footnote{Brammer p. 232}

The study examines if religious individuals attach to the economic responsibilities of business will vary across different faiths. As demonstrated by Carroll, CSR is a fundamentally multidimensional construct and the authors tested the hypothesis that differences between religions shape individual preferences concerning these aspects of CSR, since some faiths, Judaism and Islam in particular, offer many significant prescriptions concerning the ethics of specific business practices.\footnote{Brammer p. 232}
The findings were as follows:

- Religious individuals do appear to expect companies to be responsible to a greater extent than non-religious individuals, at least for some areas of responsibility.\(^{47}\)
- The importance of economic responsibility with focus on material well-being is thought significantly more important among Muslims, most Christians, and Hindus. These results were explained by the fact that their religion embodies a strong work ethic (for the first two groups).\(^{48}\)
- The dimensions of CSR that individuals felt companies should be held most responsible for associated with reducing the harm that products did to the environment, respecting equal opportunities among employees and operating profitably and paying fair taxes, although Islam and Buddhism appeared to be exceptions.\(^{49}\)
- Concerning the conformity of the findings with the general priors about how different denominations should act, the evidence was broadly consistent with the teachings of the different religions. For example, Muslims are supportive of holding companies responsible for addressing poverty and charity, which are basic tenets of Islam but do not in general expect companies to uphold equal rights between genders, which are dealt with in a rather different way within Islam where genders are given equal value but different rights.\(^{50}\)

### 4.5 Identifying CSR dimensions

In this plethora of definitions and approaches, there is still need for a definition for the purpose of the case studies. The literature review of the definition of CSR is necessary in order to provide an overview of the historical development of the concept. However, the literature merely presents an account of available definitions, which is an insufficient basis for understanding how CSR is currently socially constructed and perceived in the corporate world.

\(^{47}\) Brammer p. 237  
\(^{48}\) Brammer p. 237  
\(^{49}\) Brammer p. 240  
\(^{50}\) Brammer p. 240
Dahlsrud has studied 37 different definitions of CSR and identified 5 different dimensions through content analysis of existing CSR definitions. His analysis shows that the existing definitions are congruent and draws the conclusion that the confusion is not so much about how CSR is defined, as about how it is socially constructed in a specific context.  

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>The definition is coded to the dimension if it refers to</th>
<th>Example phrases</th>
</tr>
</thead>
<tbody>
<tr>
<td>The environmental dimension</td>
<td>The natural environment</td>
<td>‘a cleaner environment’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘environmental stewardship’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘environmental concerns in business operations’</td>
</tr>
<tr>
<td>The social dimension</td>
<td>The relationship between business and society</td>
<td>‘contribute to a better society’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘integrate social concerns in their business operations’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘consider the full scope of their impact on communities’</td>
</tr>
<tr>
<td>The economic dimension</td>
<td>Socio-economic or financial CSR aspects, including describing in terms of a business operation</td>
<td>‘contribute to economic development’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘preserving the profitability’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘business operations’</td>
</tr>
<tr>
<td>The stakeholder dimension</td>
<td>Stakeholders or stakeholder</td>
<td>‘interaction with their stakeholders' groups</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘how organizations interact with their employees, suppliers, customers and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>communities’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘treating the stakeholders of the company’</td>
</tr>
<tr>
<td>The voluntariness dimension</td>
<td>Actions not prescribed by law</td>
<td>‘based on ethical values’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘beyond legal obligations’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>‘voluntary’</td>
</tr>
</tbody>
</table>

Source: Dahlsrud

In the absence of a formal definition of CSR, I used these dimensions to evaluate the CSR programmes/activities in the companies that I studied.

51 Dahlsrud p. 2
4.6 CSR in Financial Statements and Advertising

While traditional financial statements do not contain information about CSR activities, companies do have methods to make stakeholders aware of these activities. Some disclosures are of socially irresponsible activities, and are made by groups outside the companies such as the publication by government bodies of company’s release of toxic waste. To counter this involuntary release of information, some companies use other channels to make stakeholders aware of their CSR activities. For instance, companies use various advertising channels not only to provide stakeholders with CSR information, but also to enhance their reputation with respect to CSR activities.\(^{52}\)

A number of companies voluntarily make disclosures about their CSR activities and still others expend resources to have these disclosures reviewed. One prevalent view for the voluntary disclosure of these actions is that adopting environmental and social actions beyond legal requirements, initiating dialogues with broad groups of stakeholders, and altering their operations toward more sustainable practices, help companies gain trust, consensus, and legitimacy.\(^{53}\)

There is an indication that customers do respond to socially responsible messages and increase their sales from corporations that disseminate this information. CSR disclosures can produce “Halo Effects” for all products of a company and increase sales in the near term. Companies that communicate their socially responsible activities may also be able to charge higher prices and can more easily gain access to financial markets.\(^{54}\)

In order for companies to achieve benefits (short or long term) of their socially responsible activities, stakeholders must have information about these CSR activities so as to be able to act and to exercise some influence over the corporate decision makers. In addition to informing stakeholders about the actual activities of company, the willingness to make CSR disclosures may also change perceptions of the company by the broader stakeholder community.

\(^{52}\) Akisik p. 259
\(^{53}\) Akisik p. 261
\(^{54}\) Harens p. 42
4.7 Evaluating CSR programmes

Another way of evaluating company's commitment to a CSR programme is provided by authors Tuominen and Altonen in *Corporate Social Responsibility Excellence Criteria*, where they provide tools for evaluating CSR programmes based on the Malcolm Baldridge Performance Excellence framework.\(^5^5\)

The authors maintain that CSR activities are successful when they are a part of the organisation's normal activities. If social responsibility is understood as an integral part of the managers' responsibility for the organisation's operations and their development it tends to be more successful.\(^5^6\)

In my interviews I used the self-assessment tools as a basis for the questions that I discussed. We also discussed if self-assessments of the CSR programmes were a part of the business operations. When evaluating the CSR programmes I used the Malcolm Baldridge Performance Excellence framework

\(^{55}\) Tuominen p. 6
\(^{56}\) Tuominen p. 6
The system operations are composed of six Baldridge Categories are in the centre of the figure that define the organisation, its operations and the results you achieve.\textsuperscript{57}

**Leadership, Strategic Planning, Customer Focus** represent the leadership triad. These categories are placed together to emphasise the importance of a leadership focus on strategy and other customers.

**Workforce focus, Operations Focus and Results** represent the results triad. The organisations’ workforce and key processes accomplish the work of the organisation that yields the overall performance results.

All actions point towards **Results** - a composite of health care, patient and customers, market, financial and internal operations performance results, including workforce, leadership, governance and social responsibility results.

\textsuperscript{57} Tuominen p. 10
The horizontal arrow in the centre of the framework links the leadership triad to the results triad, a linkage critical to organisational success. Furthermore, the arrow indicates the central relationship between **Leadership** and **Results**. The two-headed arrow indicated the importance of feedback in an effective performance management system.\(^{58}\)

**Measurement, Analysis and Knowledge Management** are critical to the effective management of the organisation and to a fact-based knowledge driven system for improving health care and operational performance. Measurement, analysis and Knowledge Management serve as a foundation for performance management system.\(^{59}\)

When applying these principles on a CSR programme the following framework appears. **NB:** Customer focus (Number 3 in the model above) is not included below, as customer relationship management is not directly related to CSR.

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\(^{58}\) Tuominen p. 11

\(^{59}\) Tuominen p. 11
<table>
<thead>
<tr>
<th>Area</th>
<th>Assessment criteria</th>
<th>Questionnaire #</th>
</tr>
</thead>
</table>
| Launching and maintaining the CSR        | • The leaders organise the process of defining the company's ethical operating principles and values  
• The leaders develop and apply social responsibility management programme as part of the organisations and quality system  
• The leaders agree who the company's stakeholders are                                                                                                           | Questions 1-6                    |
| programme                                |                                                                                                                                                                                                                     |                                  |
| Leadership (1)                           |                                                                                                                                                                                                                     |                                  |
| Planning and Communicating the programme | • The programme is based on the company's own values and objectives  
• The programme is based on measurements and surveys of the organisation's ability to fulfil its social responsibility  
• The knowledge and information needed for planning, managing and implementing the programme has been collected and is being updated regularly                                                                                          | Questions 7,8 and 10             |
| Strategic Planning (2)                   |                                                                                                                                                                                                                     | Question 9 and 14                |
| Knowledge and Information needed for the  | • The personnel is encouraged to participate in implementing the CSR programme  
• An active dialogue on the CSR programme is encouraged within the organisation  
• The company has good relations with the media and the public sector  
• The company manage financial matters in such a way as to fulfil the requirements of social responsibility                                                                                                                | Questions 12-13                  |
| CSR programme                            |                                                                                                                                                                                                                     | Question 12                      |
| Measurement, analysis and knowledge      | • Processes and products are developed through procedures that take social responsibility into account  
• The CSR programme are used to strengthen customer and community relations  
• Key performance results achieved through the CSR programme  
• People result achieved through the CSR programme                                                                                                               | Questions 12, 14-15              |
| management (4)                           |                                                                                                                                                                                                                     |                                  |
| Implementing the programme: People       |                                                                                                                                                                                                                     |                                  |
| Workforce focus (5)                      |                                                                                                                                                                                                                     |                                  |
| Implementing the programme: Partnerships |                                                                                                                                                                                                                     |                                  |
| and Community Operations focus (6)       |                                                                                                                                                                                                                     |                                  |
| Reflections on the programme in the     |                                                                                                                                                                                                                     |                                  |
| processes                                |                                                                                                                                                                                                                     |                                  |
| Operations focus (6)                     |                                                                                                                                                                                                                     |                                  |
| Results achieved through the programme   |                                                                                                                                                                                                                     |                                  |
| Results (7)                              |                                                                                                                                                                                                                     | Questions 13-14                  |
4.8 Motivations for a CSR programme

As a part of my investigation of the motivations behind the CSR programme I inquired whether the CSR programme is a part of advertising. This would then indicate that the company's commitment to CSR is not completely altruistic, although it could be argued that the company wants to lead by example and inspire other companies to do the same.

Andrew C Coors argues in his article “Corporate Social Responsibility – or Good Advertising” that when a corporation voluntarily engages in a social responsible activity, it does so to advertise its behaviour, differentiate its product, increase market share and boost profits. For example, enter any Starbucks and you are surrounded by ads explaining how socially conscious Starbucks is. BP is now “Beyond Petroleum” in an attempt to persuade consumers that the company is not “Big Oil”, or indeed British.  

He argues that the reason for CSR is an attempt to increase sales and profits, hence the advertising. A company would not make an anonymous donation to a charity or buy 30 seconds of silence on the radio, therefore CSR is advertising. His point is that when consumers’ preference change, companies' change their behaviour. If enough consumers change their preferences to purchase more socially responsible products, then companies will meet that demand because they are trying to maximise profits. In his view, a company that engage in CSR activities should be using these activities to garner customers and increase profits, or else management is not fulfilling its duties to the shareholders.

4.9 CSR in a corporate marketing perspective

Whilst CSR may or may not have a strong effect when it comes to consumer marketing, it is valuable from an organisational perspective. In a study focusing on the social identification and organisational identity, the authors found that the CSR was an optimal managerial tool for

60 Coors p. 10
61 Coors p. 11
promoting alignment between multiple corporate identities which leads to key benefits for the company.\textsuperscript{62}

The authors argue that the business end should be not only profit maximisation but also, value creating, business survival and the satisfaction of societal needs.\textsuperscript{63} This is articulated by the six C's as the elements of its guiding philosophy. These are articulated from the company's perspective such as “Character” (what we are) “Culture” (what we feel we are, “Conceptualisations” (what we are seen as) “Constituencies” (who we seek to serve) and “Communication” (what we say we are).\textsuperscript{64}

In their study they draw the conclusion that when companies communicate their CSR programme internally and engage employees in CSR activities the employee identifies with the company and it builds loyalty and pride.\textsuperscript{65} This identification also builds an upward spiral in the sense that what a company's internal stakeholders believe it is (e.g. an ethical bank) informs their actions and activities, which then in turn increases the consumer's belief in the authenticity of the company (as opposed to green-washing).\textsuperscript{66}

\begin{footnotesize}
\begin{enumerate}
\item Hildebrand p. 1353
\item Hildebrand p. 1355
\item Hildebrand p. 1355
\item Hildebrand p. 1355
\item Hildebrand p. 1359
\item Hildebrand p. 1357
\end{enumerate}
\end{footnotesize}
5 Case Studies

In the case studies, I try and find the answers to the following questions:

1. What is the company's CSR programme? Is it only the bare minimum, i.e. the 2 lowest ones in the pyramid or is more than that? What is the company's attitude towards the legitimacy of CSR?
2. Which dimensions, as defined by Dahlsrud, are applicable to the CSR programme? Which dimension is mostly stressed by the interviewee? Is there a difference depending on religious denomination?
3. How is the programme faring towards the Excellence criteria as defined by Tuominen?
4. Is this excellence consistent with what is being reported in annual reports/official communications/media?
5. Does the company subscribe to a shareholder or a stakeholder view? Is the commitment to CSR a normative or a business case? How does this fit with the religious views of the interviewees?
6. How does the religious denomination of the employees influence their view of the company and the CSR programme?

5.1 Case Study 1 - Facebook

Facebook is an American company offering online social networking services. It was founded in 2004 by a group of students at Harvard University. Facebook became the largest social network in the world with more than one billion users as of 2012. Company headquarters are in Menlo Park, California.67

From the film The Social Network (where one of the founders Mark Zuckerberg is being portrayed as ruthless and without ethics) to pervasive public discussions of privacy, there is no denying that

67 Facebook definition http://academic.eb.com.ezproxy.its.uu.se/EBchecked/topic/1366111/Facebook
Facebook has become a dominant force in public life. One in four Internet users actively visit Facebook every day, and if the website were a nation, it would be the third largest in the world.

There is no academic writing on the subject of Facebook's CSR. There is only academic writing on how Facebook is a part of other companies CSR strategy when they use Facebook as a communication vehicle. Facebook is also credited for playing a significant role in how political action is framed during major events, such as the US 2008 presidential election and the “Arab Spring” protests.

To investigate Facebook's CSR may first appear paradoxical since the company is a by definition a “social” network. However, Facebook's users are not the company's only stakeholders and its operations have an impact on the environment. The company's mission is described as “to give people the power to share and make the world more open and connected. People use Facebook to stay connected with friends and family, to discover what is going in the world and to share and express what matter to them.”

5.1.1 Facebook’s CSR programme

Facebook does not have an official CSR programme or provide CSR reports. Nevertheless, Facebook is still participating in a lot of activities of a CSR nature. When applying the dimensions as defined by Dahlsrud on Facebook's activities, these are the findings:

5.1.1.1 Environmental dimension

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68 Privacy CSR: Facebook Fails Users Once Again
69 Schoon p. 70
70 Kim p. 343
71 Schoon p. 71
72 About Facebook
www.facebook.com/facebook/info?tab=page_info
Facebook has a dedicated page to its commitment to the environment, where the following is stated:

“With one billion people around the world using Facebook, our greatest opportunity to effect environmental change is through the power and reach of our platform. We are working to develop programs and initiatives that can enable and empower people on Facebook to get engaged in environmental issues and solutions. By enabling millions of people from diverse backgrounds to easily connect and share, Facebook can play a unique role in promoting efforts to achieve a sustainable future.

Since our founding we have been committed to operating Facebook in a way that minimizes our environmental impact while ensuring our long-term sustainability. Toward that end, we have invested tens of millions of dollars in operational efficiency and in many cases share our learning and expertise with other companies for free. We also design sustainability principles into a range of business processes, including procurement, real estate, waste management and transportation. We are proud of our young company’s environmental record and we continue looking for ways to further embed sustainability into our everyday business.”

The following activities support this claim:

• Facebook launched a “Corporate Renewable Energy Buyers’ Principles” in 2014 and has since convinced 19 more companies, including Volvo, Adobe, Ebay and Cisco to sign the appeal.  
• Facebook joined Alliance to Save Energy and the Digital Energy Solutions campaign  
• The company's Menlo Park offices are state-of-the-art green infrastructure combining sophisticated energy systems, water-saving features and healthy building materials. The

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73 Green on Facebook  
https://www.facebook.com/green/info?tab=page_info  
74 WWF Powering Businesses on Renewable Energy  
http://www.worldwildlife.org/pages/powering-businesses-on-renewable-energy  
75 Facebook boosts green credibility  
http://www.environmentalleader.com/2010/11/05/facebook-boosts-green-credibility/  
76 Best innovative sustainable design winner Facebook  
company's offices in Lulea is “powered by locally generated hydro-electric energy”, which is “100% renewable”. 77

- Facebook also measures and shares its energy use, energy mix, and carbon footprint, stating that “tracking and sharing this kind of data continues to be an important part of how we hold ourselves accountable for the efficiency of our operations and our environmental impact, and how we uncover opportunities to improve both”78. According to this Facebook's carbon footprint per person on the site was .000294 metric tons of CO2e. The company states that a Facebook user's usage for the entire year still had about the same carbon impact as a medium latte.

5.1.1.2 Social Dimension

Facebook's initiatives in the social dimension consist of various activities around the globe, below are some examples.

5.1.1.2.1 Long-term activities with a social dimension

Facebook's main long-term CSR activity is the Internet.org initiative. Internet org is a partnership between Facebook, Ericsson, MediaTek, Nokia, Opera, Qualcomm and Samsung. Its goal is to “make internet access available to the two-thirds of the world who are not yet connected, and to bring the same opportunities to everyone that the connected third of the world has today.”79

By developing joint projects, share knowledge, and mobilize industry and governments this project aims to bring the world online. It is stated that “these founding companies have a long history of working closely with mobile operators and expect them to play leading roles within the initiative, which over time will also include NGOs, academics and experts as well.”

77Facebook opens its first data center outside the US
78 Carbon and energy impact
https://www.facebook.com/green/app_439663542812831
79 Technology leaders launch partnership to make internet access available to all
The focus is on three key challenges in developing countries:

- **Making access to internet affordable**
- **Using data more efficiently**: by reducing the amount of data required to use most apps and Internet experiences.
- **Helping businesses drive access**: by supporting development of sustainable new business models and services that make it easier for people to access the Internet.

Since its launch in 2013, the programme has launched various initiatives apps and learning centres in India, Zambia, Rwanda, Ghana, Columbia and Kenya providing free Internet services. ⁸⁰

### 5.1.2.2 Short-term activities with a social dimension

Facebook also participates in various short-term initiatives; here are a couple of examples:

- **Nepal earthquake appeal**: following the earthquake in Nepal, Facebook added a message at the top of all users’ News Feed with an option to donate to International Medical Corps. By using Facebook’s Donate feature users were able to donate directly to IMC. Facebook also committed to matching every dollar donated up to $2 million. Facebook also launched “Safety Check” – a way to say you’re safe and check on others – in large parts of Nepal as well as areas in Bangladesh, India and Bhutan. This feature enabled millions of people to be marked “safe” and tens of millions of people were notified that someone they know had been marked “safe”. Facebook stated: “During times of crisis, we have seen people turn to Facebook to learn about what’s happening, share their experiences and support one another. By offering tools to help people donate to support those in the affected areas and check on loved ones, we’re hopeful that together we can promote safety and help urgent resources reach those who need them.” ⁸¹

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⁸⁰ *Internet Org by Facebook*
https://www.internet.org/press

⁸¹ *Support Nepal earthquake survivors*
• **Australia anti-bullying** Partnering up with Australian anti-bullying initiative called “Speak Up Against Cyber-bullying”, Facebook began embedding public safety messages into Australian users’ news feeds in an attempt to stop cyber-bullies. Anti-bullying educational videos appeared on Australian teens’ suggested posts, and similar videos were also be targeted to parents. Marc Brackett from Yale University worked with Facebook to develop what he called an “emotionally intelligent bullying prevention” system.

• **Organ donation** In May 2012, Facebook announced that users could post their organ donor status to their Facebook Timelines. During the weeks after the initiative launched, there was a significant uptick in donor registration in all US states. On the first day of the launch, there were 13,054 new online registrations — a 20-fold spike from the prior average of 616. The campaign was then extended to the UK. Mark Zuckerberg made the following statement upon the launch:

  “Facebook is really about communicating and telling stories. We think that people can really help spread awareness of organ donation, and that they want to participate in this with their friends. And that can be a big part of helping solve the crisis that’s out there.”

- **Ebola campaign** In November 2014 Facebook announced a three-pronged approach to fighting Ebola with a donating-button on top of every newsfeed, promoting health education posts from UNICEF at the top of newsfeeds in places affected by Ebola and donating satellite terminals to remote parts of Africa that are fighting Ebola.

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83 Facebook bullying messages http://hereandnow.wbur.org/2013/07/23/facebook-bullying-messages/
84 Facebooks organ donor feature encourages more people to get on the list http://healthland.time.com/2013/06/18/facebooks-organ-donor-feature-encourages-more-people-to-get-on-the-list/
85 Organ donation campaign (NHS UK) http://www.organdonation.nhs.uk/campaigns/partners/partners_facebook.asp
86 Organ donation (Adweek) http://www.adweek.com/socialtimes/organ-donation/390724
5.1.1.3 Economic Dimension

Apart from the initiatives reported under Social Dimension, which would also have some impact on the economic dimension in terms of supporting business operations, Facebook has also provided access to a programming language, Hiphop for PHP, which allows its servers to do the same amount of work with half the number of servers. Facebook has open-sourced the programming language enabling other companies can achieve the same energy-saving benefits. It has been reported that Drupal.org, Wikipedia and others are testing their own versions of HipHop.  

5.1.1.4 Stakeholder Dimension

Facebook has different stakeholders: employees, users, society groups etc. Below please find a couple of examples of Facebook's activity in these areas:

- **Employees** Facebook is famous for taking good care of its employees and it is an Equal Opportunity and Affirmative action employer. There is free food, a healthy work/life balance and a doctor, chiropractor and physical therapist on the work premises.

- **Society** In 2011 Facebook donated 500,000 USD to Living Effectively – an organisation that supports the development and implementation of energy-efficient products, technologies, and services. Its aim is to
  - save consumers and businesses money
  - drive innovation and productivity
  - support a cleaner environment
Another natural stakeholder group would be Facebook Users, although I have yet to find CSR-related activity to report in this thesis.

5.1.1.5 Ethical Dimension

Whilst some of the activities listed above meet the criterion of being “above the law”, Facebook has not identified their code of ethics (beyond what is legally required) in a charter or mission statement.

5.1.2 Evaluating the CSR programme by applying the Baldridge Excellence criteria

This part of the thesis discusses how Facebook's CSR activities measure up to the Baldridge criteria by looking at interviews, annual report and the media. As Facebook does not have an official programme, we discussed the activities listed in the previous section as a CSR programme.

5.1.2.1 Leadership - Launching and maintaining the CSR programme

Whilst the Facebook leadership team has not officially communicated a CSR programme, there is a feeling that it is imminent amongst the interviewees. The marketing manager described the activities as “drip-feeding before a big launch”.

This notion is also supported by what has been reported in the press with speculations on whether the Ebola initiative is a part of a new strategy venturing into healthcare. In the annual reports,
there is no budget or commitment communicated to starting a formal CSR programme.\textsuperscript{94}

According to the interviewees, there has been no formal process of defining the company's values or ethical operating principles. However, there is a strong sentiment that “Facebook is an ethical company, but it is young, so we are working through processes and establishing our identity. We are venturing into new territory, but a company that treats its employees so well is a not going to unethical – that would be schizophrenic.” as the software developer expressed it. This is also supported by the reviews of Facebook on Glassdoor.com, where the company is rated 4.4 out 5.\textsuperscript{95}

When discussing ethics with the interviewees they all expressed the similar sentiments, regardless of religious denomination (Catholic, Hindu and Protestant) of what corporate ethics entails: treating employees well, caring about the environment and giving back. The software developer (Hindu) expressed that he was convinced that Facebook’s leadership team is well aware of its responsibility to do good – “otherwise that will come back and bite you”. It is hard to know whether this is due to his Hindu faith or experience of software programming, although it is my interpretation that this is due to his cultural and Hindu background – especially in light with the metaphorical language used and less with the concerns of Facebook leadership team real concerns about “being bitten” because of their lack of good deeds.

5.1.2.2 Strategic Planning - Planning and Communicating the programme

The activities that Facebook have been engaging in is in line with what the company mission is, e.g. “connecting people”. For instance, in the case of the Nepal earthquake campaign, the Safety Check feature, is in line with the company mission where it is used for something good. This notion also reinforced in the interviews: The product manager said: “We really do connect in the company via Facebook as well. Everything is open, including new projects and there is a high level of trust between teams. When Mark and his wife gave money to Ebola we all knew about it and it inspired

\textsuperscript{94} Facebook annual reports  
http://investor.fb.com/annuals.cfm  
\textsuperscript{95} Glassdoor review of Facebook  
http://www.glassdoor.com/Reviews/Facebook-Reviews-E40772.htm
us to also contribute.”

The mission to connect is also ingrained in the company culture. The marketing manager says: “It is really open here and I have met so many people that I normally wouldn’t have. One of my colleagues and I even went to an ecumenical service together one Sunday, something that I normally would not have done as I am Catholic. If people are connected they also understand each other better and there will be less friction and polarisation in the world.”

This description is also reported in the media and the overall atmosphere on Facebook campus. There is no communication about the strategic planning behind the CSR activities in the Investor Relations literature. There are no measurements or formal evaluations mentioned in the interview discussions or in the Investor Relations literature.

5.1.2.3 Measurement, analysis and knowledge management - Information needed for the CSR programme

In its activities Facebook seem to gather the information needed to launch the Green Programme and Internet.org. The other initiatives, e.g. Ebola and Nepal, the activity is more tactical, as is expected since these events is not something that you can plan for.

What is interesting is that there are not targets set up with regards to the long-term initiatives. For instance, the aim is to reduce carbon footprint, but there is not timeline or specific numerical goal communicated. The same applies to Internet.org, which aims at connecting the 2/3 of the world who don't have Internet access, but there is no timeline or plan communicated on the site or to the employees.

96 Mark Zuckerberg Facebook posts
https://www.facebook.com/zuck/posts/10101696761533081
97 What are some interesting facts about working at Facebook?
http://www.quora.com/What-are-some-interesting-facts-about-working-at-Facebook
The answers are vague “It's Mark's vision. But we are so open that I can ask him next time we have a company hang-out”, says the product manager. I have not yet had feedback on this.

5.1.2.4 People Workforce focus - Implementing the programme

It is undoubtedly clear that Facebook are recruiting for long-term employment and needs assessment. Every interviewee feels supported and that the company has a fair and motivating rewards system.

People's health is looked after and there is an openness and dialogue and questioning is actively encouraged. The product manager: “It is all about how you and the company can thrive. We feel so supported and appreciated here and I am not afraid to question anyone, not even my manager.”

The product manager expressed surprise at the level of care the company showed e. “I am a German protestant, so I am used to hold myself to a very high work ethic. Here everyone is so grateful and sometimes I am being asked to go home and rest.” The software developer seemed less surprised at this commitment to taking care of employees, which could be explained by the Hindu belief in Kharma and the universe being interconnected.

In Investor relations reports it is communicated that Facebook is an equal opportunity and affirmative action employer.

The media is full of articles about the open and great atmosphere on the Facebook campus and books are written about how you can get employed by Facebook.  

5.1.2.5 Partnerships and Community Operations focus - Implementing the programme

98 What it's like to work at Facebook
Facebook has partnered up with various companies and charities in its activities. There seem to be a mixed bag with regards to the relationship with the media, the public sector and the investors. Currently there are three different lawsuits pending regarding:

1. Sharing users' private information illegally (Facebook shared information on a user's purchase of an engagement ring before he'd proposed to his girlfriend)
2. Ownership of deceased user's digital data (a mother was denied access to her son's account and sponsored stories was sent by a deceased to his friends.)
3. Misleading investors prior to its initial IPO, purposely inflating growth forecasts in order to manipulate IPO stock price upward.  

There have also been some question marks surrounding the legality of the organ donation-feature launched. There are organisations that claim that although this is well-intended, it might not be the roaring success as they thought, since a Facebook update is not sufficient to be an organ-donation consent.

In the interviews this was partly explained by the nature of Facebook's success and the jealousy that comes with it. The marketing manager says “It is human nature – if someone does really well, we cheer for a while, but then we want to drag him down. It is the same with us. Google has also had trouble with the media and its tax strategy. When you are this successful, you can't win with the media. When you are innovative and cross new boundaries, it is even harder.” This view is also echoed in my discussions with the marketing manager. Interestingly they share a Christian faith. The interviewee of Hindu faith thought that time would show that Facebook is an ethical company.

5.1.2.6 Reflections of the CSR programme in the process

On the topic of whether processes (including sales, product development, customer relations) are designed to guaranteed social responsibility, there is a strong sentiment that Facebook employees

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99 Has Facebook heard of corporate social responsibility? 
https://toddbacile.wordpress.com/2013/09/30/has-facebook-heard-of-corporate-social-responsibility
100 Pena p. 65
live up the value of trying to connect people around the world for the greater good.

“We care about the world. That is why we wanted to prevent cyber-bullying and help in Nepal. We live and breathe our brand and we genuinely think that the world will be a better place if people can communicate more freely.” says the product manager.

In the Investor relations’ reports, there is no section on how this manifests itself, and in the media there is a debate on whether Facebook is really concerned about social responsibility when it comes to its users. Facebook has been called “the definition of privacy failures” and is being accused to “try and a new policy, see what kind of reaction it gets and retract if it is extremely negative”.

The general opinion in the media seems to be that Facebook designs products that compromise its users' privacy rights as a mean of pleasing its advertisers. Even in the case of Internet.org, Facebook has received criticism for security and privacy flaws, as it turns out that “it is unsustainable to offer the whole Internet for free”.

5.1.2.7 Results - Results achieved through the programme

The results achieved through Facebook's CSR activities seem to be most obvious with regards to employees, in the interviews, all respondents are very loyal and the company's activities contribute to their commitment to stay.

“I could get a job tomorrow, Silicon Valley's job market is booming at the moment and headhunters call me every day. But I like it here, and when Mark said that we were going to donate all that money to Nepal [interviewee is of Asian descent] I felt that this was another reason for me staying

101 Facebook fails users once again
102 Is privacy dead?
103 Net Neutrality debate: Facebook’s Internet.org has privacy, security issues
here.” says the software developer.

There is no reporting in the Investor Relations reports on results of the CSR activities listed above, although the 2MM donation will probably be listed in the Q2 earnings report 2015. The media and society as a whole seem to be ambivalent to the results of Facebook's CSR activities.

5.1.3 Religion and the different dimensions

When discussing the different dimensions with the respondents, there is a genuine commitment and passion when discussing all aspects of the CSR programme. However, the Hindu respondent spent most time and put most emphasis on the environmental aspects of the programme. In addition to this, we also discussed the Nepal initiative at length, although that might be explained by nationality rather than religion. Both Christians (Catholic and Protestant) were focused on the social dimension and discussed how Facebook can contribute to helping people in developing countries to get access to the Internet.

5.1.4 Conclusions Case Study 1

Based on the investigations and questions stated in the beginning of this thesis, below please find key conclusions, or at least indications:

Facebook is a company that adheres to the stakeholder view of the world, but the main priority is still the shareholders. This is natural since it is a very young company. There are some great initiatives launched by the company, but there is always a consideration to the shareholders. For instance the Internet.org will bring more Facebook users and thereby more revenue. The green initiative was launched after a very public spat with Greenpeace and a desperate need to improve its image as the company was losing users and advertisers.104

104 Facebook boosts green credibility
http://www.environmentalleader.com/2010/11/05/facebook-boosts-green-credibility/
This is also supported by the fact the Ebola initiative was reported to support its new health care strategy. Apart from its organ-donation programme, following Sandberg's Harvard reunion, Facebook never intervened in the past to facilitate health care issues. Even when the ALS Ice Bucket Challenge was ripping through the application at the speed of light, Facebook didn’t build any product features, like a donation button, around it. According to Reuters, Facebook was considering a variety of strategies, from releasing standalone healthy lifestyle apps to promoting group communities where people can discuss illness and wellness issues.105

Facebook's activities in the CSR space are all very tactical and reactive. For instance, the anti-bullying initiative was launched in Australia, with a population of 23 million people. Could this be because Australia has most of the most stringent anti-bullying laws in the world and Facebook needed to avoid another PR-disaster? The organ-donation programme came about because Sheryl Sandberg met with her old classmate at their Harvard reunion, not as a part of a company strategic initiative. Whilst Facebook does not seem to be opposed to do something good, it does not seem to prioritising it either. This calls for caution, after all users are leading this dance and they might be less interested in sharing their data if things go too far.

On the other hand, the interviews showed a very strong commitment to its employees and an open company culture. All interviewees were of different religious denominations but all felt strongly that Facebook is an ethical company operating within the framework of the ethics dictated by their respective religion.

It also needs to be considered that Facebook is young company and in an early stage of organisational development, but nevertheless shown a considerable interest in social responsibility. Therefore CSR activities are more normative case that business case. It would be safe to assume that the tactical nature will probably change in the future.

Going forward, Facebook is now facing two main challenges as far as its CSR program is

105 Facebook plots its first steps into healthcare
http://www.reuters.com/article/2014/10/03/us-facebook-health-idUSKCN0HS09720141003
concerned:

1) defining a clear global strategy that encompasses all activities linked with social responsibility (environment, employees’ empowerment, healthcare and education)
2) using the adequate tools to communicate on it to ensure that its efforts in this area are recognised.

5.2 Case study 2 – Procter & Gamble

Procter & Gamble (hereinafter referred to as P&G) is a major American manufacturer of soaps, cleansers, and other household products. The company was formed in 1837 manufacturing candles. By the early 21st century P&G marketed products in several major areas: health and wellness (prescription medications, digestive aids, mouthwashes, toothbrushes, and toothpastes); house and home (cleaning products, detergents, paper towels, coffee, and snack foods); personal and beauty (fragrances, deodorants, cosmetics, shaving supplies, and hair colour); baby and family (diapers and tissue, cleansing products, and moisturizers); and pet care, including pet foods.106

P&G serves nearly 5 billion people around the world with its brands and it is present in 180 countries. P&G market capitalisation is greater than the GDP of many countries.

P&G defines its mission as follows:

“We will provide branded products and services of superior quality and value that improve the lives of the world’s consumers, now and for generations to come. As a result, consumers will reward us with leadership sales, profit and value creation, allowing our people, our shareholders and the communities in which we live and work to prosper.”107

106 Procter & Gamble Company Definition
http://academic.eb.com.ezproxy.its.uu.se/EBchecked/topic/477830/Procter-Gamble-Company>
107 P&G Purpose
5.2.1 P&G CSR Programme

There is some academic writing on the subject of P&G, including CSR activities in India and CSR partnerships with other actors.\textsuperscript{108}

P&G has a formalised CSR programme which launched formally over 30 years ago. The company has been providing CSR reports for the last 16 years sharing progress and reinforcing commitment.\textsuperscript{109} The programme has an objective that ties into the overall mission of the company:

“We see success as creating value for consumers and shareowners and leading the consumer products industry with effective and lasting solutions to environmental and social sustainability challenges.”\textsuperscript{110}

When applying the dimensions as defined by Dahlsrud on Procter & Gambles CSR programmes these are the findings:

5.2.1.1 Environmental dimension

Environmental sustainability is a key priority and listed first in the 2014 CSR report with the following activities:

- **Less waste in manufacturing** with a goal of sending no manufacturing waste to landfill. Some progress has already been made with only 0.4% of all incoming materials being disposed of as waste. This has also have created more than $1.6 billion in value for P&G through cost savings and revenue generation in the last seven years.

- **Supplier Sustainability** P&G has a Supplier Sustainability Scorecard, making

\textsuperscript{108} Rajni. p. 1-12  
\textsuperscript{109} P&G Sustainability reports  
\textsuperscript{110} P&G Sustainability Overview  
data management more efficient and actionable. The Scorecard tracks supplier performance on key environmental measures, enabling P&G to evaluate improvement over time in terms of carbon, energy, water and waste performance. P&G aims to increase data collection, thus its ability to work with key strategic suppliers in reducing its collective and environmental footprint.

- **Renewable Resources** 54% of the virgin wood fibre used in P&G tissue/towel products is certified by Forest Stewardship Council, exceeding the goal to have 40% certified by 2015. This was done in collaboration with the World Wildlife Fund’s Global Forest and Trade Network (GFTN) and its network of forestry experts from around the world.\(^\text{111}\)

There are additional examples in the 2014 sustainability report.

### 5.2.1.2 Social Dimension

P&G’s has an outspoken ambition to “investing in the communities, in which we live, work and serve.”\(^\text{112}\) The program aims at “providing daily essential products when and where they are needed most and perform at their best, responding to disasters and other extreme needs.”\(^\text{113}\)

P&G's initiatives in the social dimension consist of various activities around the world. Below please find a couple of examples

**Long-term activities with a social dimension**

- **Children’s Safe Drinking Water** In 2014 The P&G Children’s Safe Drinking Water Program provided its 7 billionth litre of clean drinking water for children and families in need and helped save an estimated 42,000 lives. The program expanded operations in 17

\(^{111}\) P&G 2014 Sustainability Report p. 6  

\(^{112}\) P&G 2014 Sustainability Report p.2  

\(^{113}\) P&G 2014 Sustainability Report p.8  
countries, including Myanmar, Vietnam and India, and launched in Brazil.

- **Girls’ health** Always reached an additional 300,000 girls through its Protecting Futures Program, providing girls ages 12-14 with education on good personal hygiene, puberty, menstruation and personal care tips. The program, started in 2006, helps girls attend classes during their periods, and stay in school. The program has expanded from Africa to the Middle East.

- **Baby health**— as part of its commitment to happy, healthy development of babies – P&G created the Pampers Mobile Clinic Program, providing free basic health checks, health talks and products to mothers and their babies. This year, the clinics mark their 10th anniversary, reaching more than 1.8 million mothers and children in Nigeria, Kenya, Uganda and Pakistan. Also, the Pampers UNICEF vaccine program marked another year of working to eliminate neonatal tetanus, a preventable disease that claims the life of 58,000 babies in developing countries each year. The campaign, 1 pack = 1 vaccine, has donated more than 300 million vaccines and helped to eliminate the disease in 15 countries.

- **Clean Hands Healthy Kids** Campaign marked its 15th year of teaching hygiene to prevent childhood illness, absenteeism and even death. The program was launched in China based on global research that soap and water washing can prevent nearly 4 million children a year from dying before their 5th birthday. Today, the program is in schools across China, the Philippines, Pakistan and Mexico, reaching 4.5 million students a year. In many locations, the brand has helped build hand-washing and sanitation stations for children.

- **Cancer after-care** Pantene launched a hair-donation program called Beautiful Lengths eight years ago. This cause encourages youth, adults and even celebrities to grow, cut and donate their healthy hair to help provide free wigs to women in need. Pantene funds the creation of these wigs for cancer patients, and through their partnership with the American Cancer Society, distributes them free of charge to female cancer patients. To date, the program has collected 550,000 ponytail donations, helping distribute more than 34,000 real-hair wigs across the U.S. and in Canada, Australia and Israel in partnership with local cancer

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114 P&G 2014 Sustainability Report p. 8
associations

Short-term activities with a social dimension

Disaster Relief

• In November 2013, when the strongest storm ever to hit land whipped across the Philippines, P&G teams around the globe responded. Pampers, Safeguard, Duracell, Pantene and more than a dozen other brands joined together to help the 16 million people impacted and 4 million people left homeless. Together, P&G employees and P&G brands sent more than $3 million in personal care supplies, cash and P&G Purifier of Water packets to help. P&G also sent products and cash donations to help with more than 20 major disasters, including massive flooding in the Balkans; devastating tornadoes, flash floods and mudslides in the U.S.; wildfires in Chile; and earthquakes in Pakistan.

5.2.1.3 Economic Dimension

P&G commitment to effective business operations reverberates in its description of its core strengths:

• Investing in consumer research, which helps to identify opportunities for innovation and better serve and communicate with our consumers.
• Innovation and collaboration with a global network of research partners, and more than half of all product innovation coming from P&G today includes at least one major component from an external partner.
• Go-to-market abilities where P&G is consistently ranked by leading retailers in industry surveys as a preferred supplier.
• Economies of scale as one of the world’s largest consumer packaged goods companies, P&G

115 P&G 2014 Sustainability Report p. 9
116 P&G 2014 Sustainability Report p. 8
has scale advantages across our brands, businesses, operations and people. This allows P&G to share knowledge, transfer technologies, optimise spending and flow resources to better serve consumers and continuously improve efficiency and productivity.

• **Supplier Diversity** P&G continues to encourage Diversity & Inclusion beyond itself through its involvement in several important organizations that connects P&G with a diverse supplier base.¹¹⁷

### 5.2.1.4 Stakeholder Dimension

P&G has various stakeholders that are identified in its sustainability mission statement (my italics):

“At P&G, sustainability means making every day better for people and the planet through how we innovate and how we act. It is about delighting consumers with innovative products and services that are better for the environment. It’s about operating responsibly in our supply chain and treating our employees fairly. It’s about providing health and hygiene education to children around the world and responding to natural disasters. As the world’s largest consumer products company, we have both a responsibility and an opportunity to do the right thing and create change. We believe that innovation is the path to enabling those everyday changes, which can lead to significant impact.” ¹¹⁸

### 5.2.1.5 Ethical Dimension

P&G has publicised a Business code of conduct and Corporate Governance regulations. In addition to this, the company has set up helpline staffed by a an independent third party where they can be notified of an event or a discovery that suggests that there may have been a violation of: 1) the law; 2) their Worldwide Business Conduct Manual 3) a Company policy. ¹¹⁹ In terms of going

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¹¹⁷ *The power of Purpose at P&G*

¹¹⁸ *P&G Sustainability Overview*

¹¹⁹ *P&G Ethics and Compliance*
beyond what is required by the law, P&G operates on the two upper dimensions on the Pyramid.

5.2.2 Evaluating the CSR programme by applying the Baldridge Excellence criteria

This part of the thesis discusses how P&G's CSR programme measure up to the Baldridge criteria by looking at interviews, annual report and the media.

5.2.2.1 Leadership - Launching and maintaining the CSR programme

P&G's Leadership team embraces the CSR programme and it is implemented into everyday life in P&G according to the interviewees. The marketing manager said: “I have one of my targets directly linked to the Cancer after-care programme. If I don't meet this target I don't get my bonus. I never worked for a company that related bonuses to pro bono work before.”

The sales engagement manager: “Our principles and values are referred to everyday. Even when we were negotiating a new sales deal, we were still told by our VP that we had to bear our values in mind. He said that it would be better long-term and we could not look at the deal in front of us thinking only of ourselves in the short-term.”

This view is supported by the CSR reports and the Annual reports, where the CSR programme is an integral part of the reports and value creation. In the media there is very little controversy with regards to P&G's commitment to its CSR programme. Greenpeace criticised P&G for its use of palm oil in a report. P&G has now incorporated the reduction of use of palm oil in its sustainability plan.

When asked about the values and ethics of the company resonated with the moral code of their respective religion all interviewees agreed (two Protestants, one Catholic, one Muslim). The sales

120 Pulling back the shower curtain: Find out about P&G's dirty secret!
engagement manager (Muslim) was particularly pleased to see how the values were a part of the everyday conversation, not something that is “just on a poster on a wall, because that is the way it is supposed to be”.

5.2.2.2 Strategic Planning - Planning and Communicating the programme

P&G has incorporated its values into their CSR programme. When Robert McDonald became CEO in 2010 he went even further. He elevated the company's purpose – improving the lives of the world's consumers – into a business strategy; improving more lives in more places more completely.121

In the interviews there is a pride in the CSR programme. The product manager says “As a mother of two, I am proud to work for Pampers. I now understand how important vaccinations are and how important it is for all children to get health care.” Whilst this is very admirable, it also needs to be pointed out that this view stems from the world view of the interviewee, as a mother raised in a system were Western medicine is the overall paradigm, this would be a natural thought. However, not all mothers share this view. There is a slight hint of the old colonial stereotype of the Western white woman coming to Africa sharing “superior” western practices in the statement or the way it is delivered.

On the media side there is no lack of communication of the CSR programmes. There are dedicated websites, information leaflets and the programmes are also a part of advertising campaigns and packaging. In the traditional media (newspapers etc.) there is little criticism of the programmes, but in the blogosphere there are critical voices. One blogger who wrote “Procter & Gamble are enthusiastic purveyors of a product that creates safe water for millions; yet they are also, and primarily, purveyors of multiple products sold to billions of people, that help turn seas, rivers and groundwater into a toxic, litter-strewn miasma.”122

121 Harens p. 90
122 Suddenly it all becomes clear
http://thesietch.org/mysietch/keith/2008/03/26/procter-gamble-suddenly-it-all-becomes-clear/
5.2.2.3 Measurement, analysis and knowledge management - Information needed for the CSR programme

P&G has clearly outlined what the goals and ambitions are in their CSR programme, for example with regards to “Renewable resources” the goal is to “ensure plants are powered by 30% renewable energy” by 2020. Other goals include “Save one life every hour by 2020” and “Reduce manufacturing waste to landfill to less than 0.5% of input materials”.

When discussing the knowledge and information-gathering with regards to the programme, the interviewees claimed that the programmes were developed and measured in the same way as all products within the P&G business. The head of corporate communications: “We are a data-driven company and we invest in research. We always measure ROI and we would never launch a product without doing our homework on market size, target audience and feasibility. We would not do anything differently with our CSR programmes.”

This statement is undoubtedly in line with the P&G culture, but it also shows how the interviewee is embracing the company culture without any critical thoughts. Yet, one of the P&G values is to “constantly improve” which is why it is striking that there is no expression of that behaviour in the interview discussing CSR.

There is no alternate view reported in the media with regards to the information and knowledge on P&G CSR programme.

5.2.2.4 People Workforce focus - Implementing the programme

Treating their employees well is a part of the P&G vision of “growing from within”. It is an equal opportunity employer with diversity programmes for women and ethnic minorities in place. There is also a separate diversity report as a part of the Investor Relations reports.124

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P&G employees are instructed to volunteer and give back to the community. In P&G West Africa, every employee has quantitatively measurable goal: how many people's lives have I touched this year. This sparked the setting up of a Pampers Mobile Clinic, and the launch of a text service providing tips on baby's health and hygiene. One interviewee said:

“I feel inspired that our product is a part of a mission to save lives. Also, our Pampers sales have soared and I know that babies will benefit from getting a better product. Diaper rash no more.”

The results and commitment from volunteering is a part of the P&G CSR report and there is a volunteering site set up for employees.\(^{125}\) In the media there have been criticism of P&G profiting from racial and gender stereotypes in its advertising yet publishing diversity reports on its investor relations corporate site.\(^{126}\)

5.2.2.5 Partnerships and Community Operations focus - Implementing the programme

P&G partners with various NGO's and organisations, e.g. UNICEF for the Pampers vaccinations and WWF for sustainability.\(^ {127}\) P&G states “we can make the biggest impact when we build partnerships with experts in industry, government, NGOs and academic communities. The challenges are complex and require collaboration to develop effective and lasting solutions. We improve the way we communicate sustainability through our brands to help consumers make more educated choices in how they choose and use products.”

The Head of Corporate Communications said: “we always want to work with the best, regardless whether it is an advertising agency or an NGO. We also like to associate ourselves with other

\(^{125}\) Corporate Volunteerism Bubbles Up for P&G Children’s Safe Drinking Water
http://www.causecast.com/blog/corporate-volunteerism-bubbles-up-for-pg-childrens-safe-drinking-water/

\(^{126}\) Procter&Gamble Corporate Crimes

\(^{127}\) P&G 2014 Sustainability Report p.3
superior brands, which is why the WWF and the UN is such a good match.”

This is where the respondent's world-views are abundantly clear, as there are many countries that would not consider the UN “the best”. The Western cultural paradigm is very clearly demonstrated in the P&G approach to identifying its partners and most likely also in what is “best” from a CSR perspective.

Undoubtedly P&G has formed many partnerships with NGO's and local communities, although there are also media reports of tax evasion in Argentina (where P&G has been operating for more than 30 years) and destroying local businesses in emerging economies like India.¹²⁸

5.2.2.6 Reflections of the CSR programme in the process

P&G takes a holistic view of its product development cycle and CSR. An example is shared in the 2014 Sustainability Report with a visual illustrating social impact, sustainability and environmental considerations throughout the product life cycle.

¹²⁸ Argentina suspends P&G's operations after accusing it of committing tax fraud
This claim is also supported in the interviews. The product manager said:

“We work really hard to meet our goals of carbon footprint when we develop our new products. I find it frustrating sometimes because it is hard to meet all expectations, consumers don't tend to think about what is environmentally friendly when they buy our products. Still we have to beat our competition who may not be as ethical as we are.”

Media reports a slightly different picture: P&G is criticised for doing cruel animal testing, interact, selling GMT goods where it is illegal and censorship (cancelling its advertising when criticised in TV news program).129

129 Procter&Gamble: Corporate Crimes
http://powerbase.info/index.php/Procter_&_Gamble:_Corporate_Crimes#cite_note-34
5.2.2.7 Results - Results achieved through the programme

In the CSR reports P&G clearly demonstrates the results versus the goals were set up in the CSR programmes. Going back to earlier examples the goal “ensure plants are powered by 30% renewable energy” by 2020 is reported to be at 8% in the 2014 report. Interviews support the picture of measurement of results:

“Everything has to be measured and quantified. I find it frustrating sometimes because in advertising it is hard to quantify a feeling that people get when they see your ad. However, that is how P&G got to where they are and that is the company ethos. They would never invest in CSR if they did not have goals to work towards.” according to the marketing manager.

The statement is interesting as the interviewee is talking about “they” rather than “we” inadvertently displaying a less coherent team-feeling than in previous statements. It gives the impression of a faceless group of executives planning their investments in boardrooms evaluating ROI (return on investment).

5.2.3 Religion and the different dimensions

All interviewees were passionate about all aspects of the P&G CSR programme and the company values. The Protestants put most emphasis on the social dimension, helping with vaccines in Africa (South-African interviewee) and the cancer programme (UK interviewee). The Catholic spent most of the time discussing the programme for equal opportunity, as did the Muslim interviewee. The Muslim also spent considerable time discussing the environmental aspects of the CSR programme.

130 Performance at a glance (P&G Sustainability)
5.2.4 Conclusions Case Study 2

In terms of whether P&G adheres to the stakeholder or shareholder of the world it is clear that the company positions itself in the stakeholder camp. This notion is supported by the interviews with employees, what is being presented in annual reports and also, partly, in the media.

However, there are couple considerations that deserves attention:

- P&G is the largest advertiser in the world. This, coupled with the fact that it is one of the most prominent marketing machines in the universe, enables the company to create a brand of a socially responsible company. It also dampens the willingness to criticise the company, as a large advertising budget might be lost. It is striking that it is mostly bloggers and state-owned media outlets being critical of the company.

- P&G has always been ahead of the advertising trends, and CSR advertising is a new trend. It seems like P&G is not only building its consumer brands, but also its corporate brand in line with this trend. This behaviour has also been noted in key competitor Unilever.\(^{131}\)

- P&G has nourished an “eco-system” of partnerships with various key players around the world. However, this might not only be for social responsibility purposes. New perspectives on corporate strategies dictate that companies compete much more on capabilities. Forming partnerships is key as very few companies can maintain all capabilities on their own in an increasing and competitive world.\(^ {132}\)

Given the considerations above, the conclusion is that whilst P&G is a case of a normative case, but there is a very strong element of a business case scenario as well, regardless of what the glossy and extremely convincing advertising will lead us to believe. As one interviewee said “everything is measured” so surely this applies to the business case of CSR as well? Going forward, P&G's CSR programme would benefit from allowing independent observers to work more closely with them, and also allow them to report back their findings.

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\(^{131}\) Procter & Gamble and Unilever adapt marketing to empowered consumers

\(^{132}\) Badaracco p. 43
There seem to a strong sentiment among the employees that this is an ethical company and regardless of religious denomination, all respondents feel that the ethics are in line with their religion. Given the fact that P&G is present in most countries around the world this is a testament to the universal appeal of its values and principles, but also its firm commitment.

6 Conclusions

The purpose of this thesis consisted investigating the main characteristics/dimensions of a CSR programme, which of those dimensions are being addressed in our case studies and the perception of those taking into consideration the religious denomination of the stakeholders. Is CSR regarded as legitimate or is it a deviation from a corporation’s core purpose (Shareholder vs. Stakeholder view) and what is the driving force behind the CSR programmes are - a normative or a business case?

The limitations of the study needs to be pointed out. First of all, the data collected is on a non-statistically significant sample size. It should therefore be regarded as a qualitative study. In addition to this, the interviewees came from different cultural backgrounds and for three of them English is not their first language (the same applies for the interviewer). Therefore there is a risk of misconceptions due to cultural and language differences. It is also difficult to discern how important religion is relative to other factors such as demographics, economic variables such as income and other country-specific institutional factors. Or as the old saying puts it “we see the world not as it is, but as we are.” In addition to this, there were no interviewees of Buddhist or Jewish faith.

The key findings in the investigation were:

Despite the fact there is no universal definition of CSR, there are common trends that can be identified, especially when it comes to the environment, employees and society as a whole. Even such diverse companies as Procter & Gamble (which have been operating a business for the last 175 years) and Facebook (which was founded in 2004) have similar dimensions - albeit different scales
and maturity - in their CSR activities. What was also interesting was that there was that all respondents seem to feel strongly about all different dimensions of CSR, regardless of their religious denomination. Maybe there is such a thing as a “Golden rule” as established in the Interfaith declaration for business ethics.\textsuperscript{133} At least that is what this study indicates.

Furthermore, there were some differences in which dimension that interviewee put most emphasis on. The Hindu respondent was particularly passionate about environmental issues, as was the Muslim respondent. However, there were no reservations on the topic of equal opportunity from any of the respondents, despite the fact that in Islam men and women are given different roles. The Christian interviewees were focused on social issues, which is in line with what Brammer found their study.

When looking at the shareholder vs. stakeholder view, it seems like a pure shareholder view is not something that either company subscribes to. This can partly be explained by the fact that when Milton Friedman suggested that a company's social responsibility was to increase its profits in the 1970's it was a different time with different values. Governments provided for the public good and the environmental challenges we are facing today had yet to be identified as an issue. Consumers were less discerning and public campaigning groups less vocal. Today, the landscape has changed dramatically. Citizens, businesses, entrepreneurs and NGO's often turn to each other rather than relying solely on the public sector to coordinate solutions to every problem.\textsuperscript{134} A company adhering to a shareholder view today would have a challenging time attracting employee talent and customers. What was also interesting was that the interviewee of Hindu denomination had a hard time understanding the Shareholder view. He found it an alien concept that a company could subscribe to a philosophy where it saw itself isolated (to an extent) from the rest of the universe. The interviewees of Christian and Muslim faith grasped the Shareholder concept – although they did agree or think that their company did – much more easily. Both the Muslim and Hindu interviewees saw their faith as an integral part of their working life, whilst the Christians seemed more prone to separating their working life from their religious life. As most religions seem to subscribe to the stakeholder rather than shareholder view, it would pose a morally challenging

\textsuperscript{133} Brammer p. 230
\textsuperscript{134} Eggers p. 4
position should the employees feel that their employer has different world view.

Another challenging question is whether Facebook and Procter & Gamble are engaging in CSR as a business case or a normative case?

In the case of Facebook, the fact that it is a young organisation needs to be considered, and there are still some severe privacy challenges that flaws their fundamental business model. Still, despite the fact that the company is constantly criticised and scrutinised, being questioned on its motivations, they keep on launching new CSR activities. Their motivations for doing this go beyond mere economic considerations (the ROI on the Nepal campaign must be negative). I found individuals in executive suits whose goals matched (partly) those of someone leading a social enterprise.

Employees joining Facebook are expected to aspire to higher ideals for their career than just generating merely pure profit. I found a sustained interest in seeking win-win scenarios between profit and purpose.

P&G has done a fantastic job building their brands, their business and their corporate social responsibility brand. Still, whether it is a marketing ploy or not, the employees are living the brand and the social responsibility becomes a self-fulfilling prophecy. Regardless of the motivations, there are some good things coming out of P&G;s partnerships.

For instance, P&G shared its competitive capabilities and expertise with non-profit organisation that have struggled with operations deficiencies for decades. After UNICEF partner with P&G, the vaccines distributed in Africa increased with more then 57 %.\(^{135}\)

Both P&G and FB sees this as a market opportunity. But there seems to be more to it than that from the interviews and materials I have studied. There will always be controversy surrounding large corporations and their activities. After P&G launched its vaccine programme there were protests from parents who believe that the vaccines cause autism. After launching their Ebola initiative

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\(^{135}\) Eggers p. 33
Facebook got criticised for not supporting other health issues. Sometimes it seems like it is a “no good deed goes unpunished as described” in Adage.\textsuperscript{136} These companies are seeing a advertising opportunity but this also helps NGOs to be more efficient. Is this making the shareholders a disservice? No, it is a win-win-win.

My own reflection is that although there is a lot of work to be done in the field of CSR, both academically and corporately there seems to have been some progress made in this field, which is encouraging. What is also encouraging is that all the respondents in the interviews all felt that their employer acted in accordance with the ethics in their religious faith. In a more globalised world this is something that will soon become a necessity, if it isn't already.

\textsuperscript{136} For Unilever and P&G no good deed goes unpunished http://adage.com/article/news/unilever-p-g-good-deed-unpunished/126853/
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