The Concept of CSR -
An empirical study of practitioners' CSR conceptions

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**Abstract**

Decades of scholarship reveal a great heterogeneity and complexity of meanings and approaches for the understanding of the concept of Corporate Social Responsibility (CSR). Yet practitioners, despite the conceptual confusion in theory, operate in daily business upon their own interpretation of CSR. In this thesis I am interpretive in nature and present my understanding of the perception of CSR by six practitioners. As methodic for knowledge creation I applied the Grounded Theory approach. I focused on the practitioners’ interpretations, justifications and motivations for their implementations of CSR policies, thereby going beyond an explanation of specific practices and approaches. The practitioners perceive a changing society which demands corporations to enhance social responsibility efforts in order to be legitimized. Furthermore, the language of CSR has been adopted within the last 10 years. Several factors are accountable for the practitioners concern about CSR issues. Employee motivation and reputation factors are core drivers for the adoption of CSR practices and policies. I suggest that the practitioners operate upon the ‘business case for CSR’ concept, where stakeholder expectations are met and competitive advantage is enforced. Finally, I conclude that the observed understanding of CSR in practice and theory is deeply problematic due to its delivered promises and limitations. I, therefore, call for a regulation based discussion of CSR where social and environmental questions can be transparently addressed.

**Keywords:** CSR, corporate social responsibility, concept, perception, conception, discourse, drivers, disclosure, limitations, aresponsibility, Austria
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1. Introduction

My starting point is the Weberian suggestion that social action can only be explained and understood by grasping the meaning of actions as intended by the actors. The actor’s interpretation of their surrounding enables them to act meaningful and create their reality in social interaction. Being aware of the actor’s concepts and propositions of objects and words, and sets of meanings facilitates understanding of social action and the actor’s thinking.

My leading idea is that the actors view of ‘Corporate Social Responsibility’ influences initiatives to create and form CSR activities within organizations and societies. The concept of the view of CSR refers to the ideas and conceptions of ‘corporate’, ‘society’ and ‘responsibility’ and the way of thinking how they relate to each other. The actor’s understanding of CSR cannot be separated from other ideas that people have. The understanding of the concepts relates to one’s personal attitudes and moral and ethical considerations. The responsibility for oneself and other’s, the perception of society and one’s place in it as well as the view of business within the society relate to a personal political ideology and philosophical system, propositions of an individual’s Weltanschauung.

1.1. Background

The discussion about CSR in academic literature has grown over the past couple of decades from a narrow and minor subject into a considerable and complex framework. The concepts’ means and ends appear these days in political, academic and public discourse and become increasingly central in everyday’s business decisions (Cochran, 2007; Dahlsrud, 2008).

One of the first academics, who discussed the topic of CSR, were Professor E. Merrick Dodd (1932 in Cochran, 2007) and Professor Adolf A. Berle (1931 in ebid.). In an exchange of letters, published in Harvard Law Review, Berle held the position that a firm has only responsibility to its shareholders; Dodd contended that managers have a wider responsibility than their shareholders. In his opinion corporate managers are responsible to the whole society. Dodd’s argument for social responsibility to the society was that the modern large company ‘is permitted and encouraged by the law primarily because it is of service to the community rather
than because it is a source of profit to its owners’ (Dodd, 1932, p. 1149, cited in Cochran, 2007, p. 449). The dispute between Berle and Dodd has been settled down in favor of Dodd’s consideration by Berle and his reasoning became the intellectual basis for the development of the concept of the firm’s responsibility to society (Cochran, 2007).

However, the notion of social responsibility of companies gained more popularity in the 1950s, when Abrams (1951) and especially Bowen (1953) conceptualized CSR further (Okoye, 2009). Since then, over the last 70 years, the topic of CSR had been become a wide subject of research and investigation with substantial literature and recognition. Despite extensive debate over the concept of CSR, the literature has been ambiguous over the definition of CSR. In fact, it can be said with certainty that no universally accepted definition of CSR exists (Van Marrewijk, 2003).

Several schools, prolonging certain ways of CSR, formed, however, rather contributed to further confusion and diverse interpretation of definitions and content. Attempts to map and analyze the various understandings of CSR reveal the complexity of the concept. This hardens the possibility to see progress in the discussion, where the identified object is missing (Okoye, 2009).

1.2. Problem Discussion

Despite the still ongoing discussion over content and meaning in academics, it appears that in praxis companies operate on a concept of Corporate Social Responsibility (Whitehouse, 2003). As Hester (1973, p. 25) argues while, “… there has been no general agreement as to the meaning of corporate social responsibility or how it should be implemented … businessmen enthusiastically have adopted the concept …” Notwithstanding the year of publication, it can be said that Hester’s observation is still valid (Angus-Leppan et. al., 2010). The resolving of the ambiguity by the individual actor’s raises the question what definition they employed in order to operate on it. This concerns those who deal with CSR issues and chose to implement CSR policies. Of specific concern in academia has been the way of thinking and acting which solves the apparent tension between the duty to ‘profit maximization’ and certain stakeholder interests (Dunfee, 2008). The involved actor’s engage into creating reality for themselves and others. The notion of sensemaking and sensegiving becomes crucial. Actor’s enact meaning out of the flow of experience and set them in relation with their frame of reference (Weick, 1995).
hope to show, not to demonstrate, what the term ‘social corporate responsibility’ has possible meanings to its actors in their frames of reference.

Okoye (2009, p. 623) concludes, ‘while a universal meaning for CSR is not necessary, there is still the need for a common reference point ...’, suggesting the development towards a core concept. This thesis aims to shed light on a variety of actor’s perceptions of CSR and its meanings that practitioner construct and are able to communicate to such extend that they can work on it, providing ground for the conceptualization of a core concept of CSR. In contrast, the variety of understandings shall be also displayed and grasped in order to give sense by referring to possible specific points of references. Thus, the individual actor’s meaning shall be shown and understood, giving insight into possible attributions, schemes and ethical and moral conceptions in respect of their understanding of Corporate Social Responsibility.

Of specific interest are thereby the individual conceptions of ‘Society’, ‘Corporate’ and ‘Responsibility’, since I assume that those three mainly enhance and affect the individual actor’s conceptualization of CSR. In the frame of this thesis the conceptions are set in relation to each other. The understanding of the conceptions becomes crucial in order to grasp in what way they relate to the concept of CSR and constitute its specific meaning. Therefore, the thesis not only attempts to reveal the individual actor’s meaning of CSR, of interest is also the understanding of each ‘sub word’.

Due to the nature of the research, conclusions should be understood as time bounded and cultural specific. The concept of CSR underlies the dynamics of discourse, where meaning and propositions is continuously renegotiated or fostered in social interaction (Foucault, 1997). Thus, findings should be considered as snap-shots of the actor’s understanding. The focus of the research lies further on the perceptions of a small sample of Austrian actors, which defines the cultural context.

1.3. The purpose and the research questions of my thesis
The purpose of my thesis is to explore the individual actor’s way of thinking of Corporate Social Responsibility. More specifically, due to the contested nature of the CSR concept, in this thesis, I seek to contribute to the development to a core concept of CSR, which includes various meanings on the basis of perceptions of practitioners. For this research I intend to understand the perceptions of actor’s, who are the driving force in pursuing and implementing CSR activities. In order to reflect the ambiguity of the concept, the actors’ diversity in respect of their industry they are working in and form of CSR activity shall be as large as possible. The research addresses two questions: (1) What are the actor’s individual conceptions of ‘corporate’, ‘social’ and ‘responsibility”? (2) What concepts of CSR do the actor’s hold in relation to question one and conjoin a core concept of CSR?

1.4. The structure of content

My thesis is divided into five parts. The first part introduces into my thesis, the thesis purpose and my research questions are presented. In part two, I outline and motivate my chosen methodological approach for this thesis. There I show how I conducted my studies. Part three deals with the features of the concept of CSR; in order to enhance our understanding of the concept I present the evolution of the concept in academia and, in an Austrian context, politics. Here I argue that CSR is an essential contested concept, meaning that various discourses about the actual content and its implications exists, deriving from various goals and motives to govern the discourse. In the part four I present and discuss my interpretations of the practitioners’ perception of CSR. Various meanings and conceptions of CSR exist. Some of them are divers, while others are similar; however, themes emerged that encompass individual interpretations. In this part, I set my findings in relation to the theoretical and political debate around the concept of CSR. In part five, I present my conclusions of my study, where I answer my research questions and propose a certain direction for further research.
2. Methodology

If consistently followed, with the aim to create knowledge, the presumptions of reality constitute the methodological view, methodic and further formulated problem and conclusions. This section is about my ultimate presumptions, how they relate to a methodological view and what methodic they constitute in respect to my research.

2.1. About Methodology

Every human being has certain presumptions how his/her environment looks like and what his/her role is like. This is done on a daily basis mostly in a subconscious way. How the world is seen affects how we look at problems, try to solve them and further what we identify as problem (Arnbor & Bjerke, 2009). In the same way, the methodic we choose reflects our understanding of the subject, but also shapes both the way we think and what we notice. Methodology labels the approach of gaining, analyzing, interpreting, understanding, and presenting knowledge (Corbin and Strauss, 1998). Although research is often depersonalized, individuals create knowledge and they follow their views of reality. The approach of creating knowledge tells therefore more about the researcher himself than about the knowledge itself. Researchers make perhaps unconsciously assumptions about the reality they operate on, whether they are made or not, they act as if these assumptions are made. The choice of methodology declares the presumptions made by the researcher and renders his/her perspective of reality. What reality is stated to be varies by the view on it by the creator of knowledge as well as on the methodic that he/she chooses to apply (Alvesson & Sköldberg, 2009), constituting huge differences on the perception and understanding on the subject whether one regards it as a whole system, taking interdependencies into account, or as something analytical and stable, which is underlined by perpetual causal relations. It is different again whether reality is seen in a social constructivist view by the researcher (Arbnor & Bjerke, 2009). Then, phenomena depend on a certain context and evolve in social interaction of the involved actors. The perceptions of individuals on phenomena are centered as well as the dynamics of social interactions. (Arbnor & Bjerke, 2009). Thus, research becomes more complex than in the first views.
2.2. My ultimate presumptions

First of all and probably the strongest notion in respect of my chosen approach for my creation of knowledge is that I believe that objectivity and a general truth do not exist, since actors create their own reality by actions (Arbnor & Bjerke, 2009). I regard reality as socially constructed in mutual relation to others. Individuals enact meaning out of their flow of experience and set it in relation to their frame of reference (Weick, 2001). One’s interpretation and understanding of experience is shaped by previous experience and is therefore highly subjective. The individual’s understanding of reality leads one’s actions and therefore partly influences the surrounding, as it is want to be seen, however, the surrounding influences one at the same time and frames understanding (Weick, 2001). My view upon reality corresponds with the Arbnor and Bjerke’s methodological approach of the actors’ view (2009).

2.3. Applying the actors view

Research in the actors view ‘aims at delivering what is potential in what is factual’ (Arbnor & Bjerke, 2009, p. 135). However, the potential has to be found within the actor’s frame of reference, since the factual is constructed in social interaction. An upbringing of the potential of reality means that I engage actively into the creation of reality presently. We human being construct our world through externalization of our understanding, and our thinking’s conditional is our language (Sokolowski, 2008). Knowledge creation occurs therefore in a dialogue, where ‘the word is the instrument’ (Arbnor & Bjerke, 2009, p. 136). In a dialogue, where talking and listening takes place equally, I am actor and researcher where I act and reflect upon my original opinions, attempting to go beyond my already existing knowledge (Bjerke, 2007). The creation of knowledge occurs therefore as a synthesis of thesis (original understanding) and antithesis (the other’s exposed understanding). The moment of clarification of thesis and antithesis, factual and potential, is characterized by an honest question, which is asked ‘when you know that you don’t know’ (Arbnor & Bjerke, 2009, p. 136), or as I want to put it, ‘when I ask for something, for which I don’t know the question.’ The contradiction itself of thesis
and antithesis characterizes the concept of dialectics, which converses the matter of subject from different perspectives.

2.4. My research

2.4.1. My applied research methods

The research which I have done to gather and exploit data in a meaningful way is based on two pillars: dialogues with practitioners and literature studies. I limited my selection of possible dialogue partners by choosing people employed by companies which were rewarded with the TRIGOS price. The price rewards companies for their engagement in CSR in four categories ‘market’, ‘society’, ‘workplace’ and ‘ecology’, besides a specific project that companies submit, the integrality of their CSR efforts in the companies is assessed. The establishment of the TRIGOS award resulted in cooperation of Non-Governmental Institutions (NGO’s) such as ‘Caritas’ (caritas, at), ‘SOS Kinderdorf’ (sos-kinderdorf.at) and ‘Österreichisches Rotes Kreuz’ (roteskruz.at), the Federation of Austrian Industry and the Austrian Federal Ministry of Economics and Labour (Konrad et al. 2008; trigos.at, 2011)

In that way, I was able to make assure that the designated dialogue partners had substantial experience with CSR activities that provided the basis for an inner conceptualization to be studied, which finally was my reason to concentrate on companies rewarded with the TRIGOS price. Furthermore, I could expect to a certain degree a diversity of CSR conceptions due to the four categories, for which the price is given.

Around 100 companies where priced with the TRIGOS award in the last six years. I contacted 22 companies, asking them if I could learn from the person, who is responsible for their CSR activities, where I alluded to their obtained price. Six companies where in respect of their resources and time able to help me. Due to my time limitations, I did not contact more companies since I would have been not able to enter into dialogue with more people.

My dialogue partners were two CSR representatives (one of them authorized signatory) and four CEO’s of small, medium and large enterprises. Due to the controversy of the subject and possible hidden motives I guaranteed to all dialogues
partners anonymity. The dialogues lasted between 60 and 120 minutes with an average time of about 80 minutes. My dialogue guide was semi-structured, where I had some open questions prepared before I started the dialogues, then a series of unprepared prompts to seek clarity of response and maintain discourse. The dialogues took place in week 13 to 14 in 2011. I entered into dialogues with people whose companies offer services and products. They operate in six diverse industries. The companies’ numbers of employees were between 6 and around 800. Some of the respondents companies have been in existence for more than 100 years; others have been started up in the last couple of years. I therefore believe to have studied a wide range of possible CSR conceptions, due to the variety in industry, presumed CSR core area, enterprise size and age. The cooperation with each individual has been, in my opinion, extremely rewarding as it enabled me to gain insights and to perceive different perspectives of the CSR concept in practice.

During the whole knowledge generation process I kept a logbook, writing down observations and ideas. My research is based on qualitative data, gathered from the dialogues which I conducted. The process of generating my theory is based on the grounded theory concept, which was developed by Barney Glaser and Anselm Strauss (1967). In the following I will describe this approach and its implications.

2.4.2. The grounded theory concept

A cornerstone in theorizing is qualitative research and the analysis of qualitative data. Glaser and Strauss (1967) understand reality as complex and ambiguous, which is captured by investigating the individual’s meaning and understanding of phenomena in conversation with the concerned actors. The ‘acid test of pazing attention to respondents’ is the key ‘where the focus of a research project should’ be (Strauss & Corbin, 1998, p. 38). This requires the researcher to interact emotional intelligent in order to gain a whole understanding of the phenomena, since conception are always attached to an human aspect. It is therefore essential to look at the gathered data from different perspectives, in order to grasp the ambiguity and intricacy to provide a picture, which explains reality as close as possible. Technical as well as non-technical literature can thereby widen the

1 Due to the anonymity I guaranteed I can not name the industries in detail.
perspective of the researcher, however, the interpretation and understanding shall always be attached to the actual findings. Strauss and Corbin (1998) provide a methodology which provides mainly ‘guidelines’ for the phases of systematical data analysis, theoretical integration, and evaluation, which helped me to look beyond the factual and enhanced my creativity and understanding for the potential. Analysis of the data shall bring to appearance how complex the world is. No matter how well the researcher thought out his ideas at the beginning, there are always twists and turns during the research (Strauss & Corbin, 1998). Therefore, analysis concerns rather the researcher and his conceptions than the data itself, because ‘we are not that smart as we think we are’ (Strauss & Corbin, 1998, p. 55). Strauss and Corbin offer guidelines to question and answer one’s own conception of reality and how to grasp the multiplicity of meanings within the data in order to theorize. Theoretical integration describes the forming of theory based on the analysed data. Basicaly, in this phase a core idea is chosen were various other themes are build. In respect of the evaluation of validity and realibility, it depends in a qualitative study very much on the purpose and kind of research. Furthermore, since the researcher is actively involved in the sensemaking process the findings and presentation of them have to make sense and need to be plausible to the reader. Furthermore, a qualitative study should be grounded in data but still creative in its conceptualization. The qualitative analysis is artful and scientific. It is an art to make a theory out of the conceptualization of the data on the basis of insights and it is a science to clear missing links and bring in a logic, which enables understanding of the theory (Corbin & Strauß, 2008).

2.4.3. **Gaining understanding by grounded theory**

In this section the stages of my knowledge creation will be depicted, which shall contribute to an understanding and reconstruction in respect of my creation of knowledge. The pre-understanding is the pre-knowledge which relates to the issue in focus and leads one’s attention, understanding and analysis. Thus, the pre-understanding co-determines what is seen and reflected on. Before I encountered my thesis topic I mainly gained knowledge of CSR through literature studies regarding it in the course ‘Business Ethics and Corporate Social Responsiblity’ at the Johannes Kepler University, Austria as well as in the Masters’ Programm
‘Leadership and Management in international Context’. There, for example, I studied the concepts of corporate social responsibility, (Scherer & Picot, 2008; Friedman, 1970) Stakeholder Management (Rappaport, 1986; Freeman, 1982), corporate and global citizenship (Scherrer & Palazzo, 2007; Scherer et. al. 2006), and business ethics (Ulrich, 1999). However, we are limited in our awareness of our pre-understanding, since most of it is deeply unconscious.

In order to be open for new insights, I reflected upon that which I knew and approached the topic with an open attitude by reading and being exposed to unknown literature and angles. Thus, I believe, I was able to broaden my mind at least as far as possible and partly deconstructed my basic assumption of the topic. Before the next step, I believe to have reconceptualized my understanding of the topic several times and was aware that a multiplicity of perspectives exist within each personal frame of reference, that which is valid and truthful for itself.

In the next step, I encountered the field by entering into dialogue with my interview partners. To illustrate the next step and my experience of gaining understanding, I would like to borrow a metaphor of being a traveler from Kvale (1996, p. 3): A traveler explores unknown territory and wanders freely in the landscape. On his journey he meets local people and asks them questions. He gets to know their stories and their lived worlds, where he ‘converses with them in the original Latin meaning of conversation as wandering together with.’ The traveler might not only gain new knowledge, it can also urge a reflection process, where he himself might change. Diving into new value systems, others’ experiences and customs leads the traveler to a new self understanding. Previously taken for granted beliefs and interpretations can be challenged and a transformative process between two conceptions might take place. On my journey, I entered into six dialogues in eight days with six perceptions of my topic and six personal world views; each of them unique and individual for itself. In every dialogue two worlds met with different pre-understanding. I could say, the perception that I grasped broadened my view on my topic, I gained (another’s) understanding and after each dialogue I left the meeting as a different person, where I saw myself and the topic in another view than before. Thus, at the beginning of every dialogue on my journey I had another pre-understanding and after each dialogue new insights were applied to my existing knowledge. The journey deepened and challenged my conception of CSR, in that sense that I also constantly re-interpreted what I have heard and knew. A holistic view could have been gained where the interpretation, meaning and perception merged and understanding deepened.
Following the qualitative data gathering, I went on to systematical ‘insight gathering’ (Czarniawska-Joerges, 2004), by applying the grounded theory methodics. I analyzed the data for possible meanings, which I might had not thought of, and tried to generate a big picture. My conceptualization continued by creating creatively core categorizations, where I looked for relations and patterns between the perceptions and themes. Finally, after entering into dialogues, insight gathering and theory construction I began with the writing process. The knowledge which I gained in the conceptualization of Corporate Social Responsibility had to be made from the implicit to the explicit. However, this stage also made me aware of gaps between my ideas and links to the data. There, I had to face what I understood and which needed to be more development into a consistent and traceable theory. Often, I recognized that if I want to know I need to know more; thus, I exposed myself further into literature studies to conceptualize my topic and dismissed or found links that strengthened my ideas until they felt ‘right’ (Corbin & Strauss, 2008, p. 274). A challenge also occurred during the writing process. I had to make assure that my text is interpreted by the reader in such a way that the meaning is interpreted as far as possible as I intended it to be. The challenge was therefore to state the connections and contexts that led me to my ideas and understanding. In these stages my conception of CSR was constantly re-interpreted and re-constructed, since new insights had to be set in relation with prior understanding. On my journey, I gathered data and insights, further conceptualized them through literature studies and reflection. During my research, I also acknowledged studies (Murillo & Lozano, 2006; Whitehouse, 2006; Fassin et. al. 2010) with an similar purpose and approach as this thesis has. The findings of these studies have inspired me in my conceptualization and interpretation of my empirical data. Thus, in my research I came across with potentials of meanings in stories which I unfold and differentiated through my interpretation of them. The theory that I used to facilitate interpretation is grounded in data and the empirical data that I interpreted is grounded in theory. Thus, my knowledge of CSR evolved out of theoretical frameworks and empirical data.

2.4.4. My Thesis Structure
In the first part, I will present my theoretical insights and provide an explanation for the ambiguity of the concept in relation to its evolution. Thereby I distinguish between an theoretical and political discourse about the concept of CSR.

The second part deals with the actual findings and interpretation and discussion of them based on the theoretical framework that is presented in the first part. Thus, I aimed to provide answers to my research question by conceptualizing what I have found and connected to the theoretical preexisting knowledge, thus theoretical framework, interpretation and discussion is interwoven. Further, the second part shall give understanding of my empirical findings by my interpretation of them to deepen comprehension of the story which I want to convey. I believe that this approach will help the reader to generate a holistic view of the concept of CSR, displaying the complexity and high degree of interrelatedness between ideas and disciplines.

I am aware that the structure contrasts from the conventional guidelines for doing theses, however, at this point I want to recall Strauß and Corbin (2008, p. 37), who suggest to follow your intuition and what feels ‘right’. In that sense, a intertwined structure of my thesis felt right. Furthermore, I did not want to lose the connections between the theoretical framework, findings and interpretations, since I believe that this also mirrors the process which I made on my way to gain understanding and the feeling of grasping the topic. I presented the perceptions of my dialogue partners when they seemed, to me, to fit. Overall, however, undoubtedly, that what I present is my perception and conception of CSR, since my personal understanding is inevitably inherent in my thesis. I suggest to read the thesis at once, in order to grasp the intended holistic view and connections. However, although, I refer several times to prior and forthcoming text passages, I believe that most of the interconnectness can be conveyed. At this point, there is only one left to say: enjoy.
3. The Phenomenon of CSR

In this chapter, I provide an overview of the historical evolution of the concept of CSR. Scholars developed and identified various definitions and perspectives of CSR. The origins of the conceptualization of CSR are presented and a general overview of the academical literature is demonstrated.

3.1. CSR: Ideas, Definitions and Discourse

While the term Corporate Social Responsibility has become a significant business issue in management education and research (Matten and Moon, 2004; Palazzo and Scherer, 2006), I conclude that there exists no precise meaning of the concept. A review of the concept shows that CSR has various definitions, revealing a multitude of changing and different meanings, in academia and practice (Carroll, 1979; Hertz, 2001). The ambiguity around the concept of CSR is perhaps best illustrated by Votaw:

it means something, but not always the same thing to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behaviour in an ethical sense; to still others, the meaning transmitted is that of ‘responsible for’, in a causal mode; many simply equate it with a charitable donation; some take it to mean socially conscious; many of those who embrace it most fervently see it as a mere synonym for ‘legitimacy’, in the context of ‘belonging’ or being proper or valid; a few see it as a sort of fiduciary duty imposing higher standards of behaviour on businessman than on citizen at large. (Votaw, 1983, p. 11, citied in Withehouse, 2003, p. 301)

Connolly (1983) concludes that the ongoing discourse about the CSR concept may be due to three reasons. First, the concept is ‘appraisive’ or ‘valued’. Since for example not many managers would say to be ‘socially irresponsible’ – in fact the concept is inherently value-laden due to moral implications of assuming responsibility that concerns each individual. Second, the CSR concept is ‘internally complex’. It entails, for example, the balancing of ethical, social, economic and legal responsibilities. Third, the concept has relatively ‘open rules of application’. CSR is
voluntarily and no clear definition or categorization of CSR activities exists. Furthermore, certain groups, i.e. business, shareholders, consumers, NGO’s, tend, in the debate, to define CSR differently - depending on their individual aim to respond to it.

As other concepts, such as ‘democracy’ (Callie, 1956), the attributed meaning of CSR is part of a wider discourse about its implications and application (Ählström, 2010; Dobers & Springett, 2010). Discourses are by its nature open to interpretation and reinterpretation, where the concerned concept is problematic and contested due to divers motives and goals from those who govern, develop and contribute to the discourse. Foucault (1977) suggests that discourses are constitutive and productive; reality is constructed in social interaction. And as Kureishi (2003, p. 4) asserts, ‘After they’ve been told for a while, stories can turn into politics, into our institutions, and it is important that they seem just the way things are, and the way they have to go on being.’

Consequently, I believe, in order to understand the perception by practitioners and the concept of CSR it is inevitably to analyze the concepts origins, conceptual evolution and actual content from a theoretical and political perspective. Despite the apparent ambiguity, I believe, that it is possible to provide inherent characteristics and themes of the concept which are recurring in the discussion about CSR. Therefore I give a short historical overview of the concept and its underlining reasons for the creation of corporate social responsibility. At the end of this chapter, I will analyze the prevalent discourse. This approach shall also provide the reader a common understanding of the terms of CSR.

### 3.2. The Evolution of the Concept

The history of the concept of CSR is long and various (Carroll 2008). Evidence of companies’ about the social impact of their operations can be traced back for centuries (Carroll, 1999). The writing about CSR, however, is largely a product of the 20th and 21st century, especially the last 60 years. The body of literature, previously mainly concerning the western world, especially the USA, has widened its practices and experiences in a global context, especially in the context of developing countries (Visser, 2008).
Although a responsibility of the company has been earlier noted, as in the introduction shown, a valid discussion of the concept of CSR began 60 years ago, because, since that time, the concept has been shaped by research, practice and theory (Carrol, 1999). For the purpose of an overview of provided definitions of CSR and its evolutionary process, it makes sense to me to center therefore our attention to the beginnings of CSR and to go further to perspectives of CSR which are prevalent in today's academic literature. The aim is thereby to point out what has been discussed and what has been meant at these days. Space does not permit to go into far detail; however, my goal is to provide a foundation for an understanding of the empirical data and its implications in respect of interpretation and relevance for the current discourse of CSR. The debate of CSR moved through various stages due to unethical business practices, corporate scandals, changes in the public opinion and moreover, economical, social and political frameworks. However, the point of departure of the theoretical discussion seems to be Bowen’s consideration of corporate social responsibility (Mark-Ungericht & Weiskopf, 2006; Cochran, 2007; Carroll 1999).

3.3. The beginnings of CSR

The publication by Howard R. Bowen (1953) of his book *Social Responsibilities of the Businessman* is generally recognized as the beginning of the corporate social responsibility movement. His believe of social responsibility was guided by the idea that companies were centers of power and that their decision making influences the lives of many citizen. He states his definition of social responsibility of businessmen by saying ‘It 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 the objectives and values of our society’ (Bowen, 1953, citied in Carroll, 1999, p. 270). He refers thereby to the ‘social consciousness’ of businessmen who are accountable for the consequences of their actions, which goes wider than covered by pure profit-and-loss calculations. Although Bowen regards social responsibility not as a panacea in business, he argues that it contains an important truth that must be a principle of business’s decisions in the future (Van Oosterhout & Heugens, 2008). This stance point has been consistently with other definitions as it is pointed out by Carroll (1999); for which he suggests to call Bowen as the ‘Father
of Corporate Social Responsibility’, since his argumentation still marks the modern discussion on the topic.

Over the decades, the debate over the concept’s content of corporate societal responsibility has frequently shifted. Writers, including Davis (1960; 1967; 1973), Carroll (1979) and Preston and Post (1975; 1981) continued to find an appropriate definition and clear content of CSR. In 1960, Davis suggested that the firm’s social responsibility goes beyond pure economical interests (Blindheim & Langhelle, 2010). Later, Davis (1973) defines CSR as ‘the firm’s considerations of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm to accomplish social benefits along with the traditional economic gains which the firm seeks.’ Preston and Post (1975) adds the notion, that business and society are mutually dependent systems. The firm has, therefore, to adhere to performance standards, in specific to law and public policy processes, since them both share the same environment (Crane & Matten, 2004).

3.4. Corporate responsiveness

However, while the academic debate over content and definition went on, in practice, firms began to face a new situation. Cochran states (2007) that the modern civil society movement, involved in consumer and environmental related issues, began at the time of the publication of Ralph Nader’s (1965 in ebid.) book, *Unsafe at Any Speed* and Rachael Carson’s (1962 in ebid.) publication of *Silent Spring*. Meanwhile the Vietnam War in the 1960s and beginnings of the 1970s contributed to the formation of the movement with significant permanent influence on the business world. Companies, since then, have to fear undesired media attention provoked by activist groups and NGO’s by being perceived as unethically and irresponsible, leading to tarnished reputation and also unwanted regulation and legislation (Cochran, 2007). As a result, companies’ focus shifted from corporate social responsibility to corporate social responsiveness. Sethi (1975) coined this term, it has been elaborated by Carroll (1979) and refined by Wartick and Cochran (1985). Basically, it means that the firm has to respond to various social pressures. Over the past decades the range of appropriate responses has gained great importance in practice and academics.
Several attempts have been made by scholars to address appropriate responses to social obligations by companies. The Committee for Economic Development (1971) developed a ‘three concentric circles’ approach. The circle consisted of an inner circle, which included the basics for the economic functioning of the firm – growth, products and jobs. The intermediate circle draws upon the sensitive awareness on changing social values to maintain the economic functioning of the firm. The outer circle suggested the new responsibilities that companies have to assume for the betterment of society. Carroll (1991) noticed a shifted focus of academia from CSR to corporate social responsiveness. The argument was that CSR exclusively focuses on the motivation and business obligations, without consideration of the firms’ performance and actions.

However, due to the missing link, how a firm can assume its social obligation and at the same time orientate towards economical concerns, Carroll (1979) includes this notion into his definition of CSR and adds to economic and legal obligations, ethical and discretionary responsibilities. In 1991, Carroll elaborates these ideas further and presents the model ‘The Pyramid of Corporate Social Responsibility’, which ‘encompasses those corporate actions that are in response to society’s expectations ...’ (p. 42). The pyramid has four components which are based on each other. The foundation suggests economic responsibilities, thereupon legal, ethical, and philanthropic responsibilities. He suggests thereby, for example, business contributions of time and financial resources.

During the 1990s, most of the theory seems to attempt to convince companies to assume responsibility, which goes beyond profit maximization, regardless of social pressures, focusing on voluntary acts and legal ways to do so (Dobers, 2009). However, in the current literature, I observe, a trend to research of the kind of management that enhances the integration of CSR in business.

### 3.5. The business case for CSR

A turning point over the discussion on CSR has been the seminal article by Porter and Kramer (2002), ‘A Competitive Advantage Through Corporate Philanthropy’, which gained wide recognition in academia and practice (Hallin & Gustavsson 2009; Ditlev-Simonsen & Midttun, 2011). Porter and Kramer (2002, p. 5) point out that ‘in the long ran (sic!) [...] social and economic goals are not inherently
conflicting but integrally connected.’ They build their theory upon their cluster approach to business strategy (Porter, 1998). The idea is that a competitive advantage can be generated by collective social investments within a cluster which can lead to improve the situation of all participants, including the company. Social responsibility can therefore be assumed by emphasizing projects which provide financial returns by social investments (Porter & Kramer, 2007). They apply this principle on (strategic) philanthropic actions (Bruch & Walter, 2005) by companies but suggest an approach which assumes financial returns in the long run, that offsets the costs for the social investments. The concern, thereby, is a financial one, suggesting a business strategy, which focuses on the core competences of a company in order to be more efficient, when responsibility is assumed (Kurucz et al., 2008). Porter & Kramer (2002) address by their idea a long ongoing debate of whether companies should assume social responsibility or only try to maximize their profits. They claim to have solved a struggle which originated by the famous provocative New York Times essay ‘The social responsibility of business is to increase its profit’ from Milton Friedman (1970). Friedman (1970, p. 5) argues that business has only one responsibility, to increase profits while rules and regulations imposed by the government have to be adhered to. He argues for free competition and open markets without fraud and deception. It is the businessman’s responsibility, therefore, to increase profits on behalf of the stockholders. Philanthropy has to be, in his view, only exercised by private individuals, since it would decrease companies’ profits and competitiveness. Porter and Kramer, however, argue to combine the pursuit for profit and social commitment by a value creation approach where social responsibility is assumed there where it pays and/or competitive advantage is gained.

One major perspective of CSR is corporate social investing (SRI). Guay et al. (2004, p. 126) defined SRI as ‘a subset of broader investment theory, with the ethical component made explicit and expressly specified.’ Cochran (2007) traces this development back to the activist movement of the 1960s and 1970. It mainly occurred during the time of activist boycotts of firms, because of their business activities in South Africa. The main idea is that groups have the possibility to enact power on firm policies and practices through market mechanism. Individuals can thereby make a small difference by their choice what product of which company they purchase. If many individuals in unison do that a major difference can be made. Sparkes and Cowton (2004) notice that SRI became increasingly influential
in the USA and Europe. They also state (2004, p. 45), that the SRI began from a small number of investment funds to an investment philosophy adopted by a growing proportion of large investment institutions, i.e. pension funds and insurance companies’. NGO’s became thereby also important players as Guay et al. (2004, p. 125) suggest, ‘NGOs have opportunities to influence corporate conduct via direct, indirect, and interactive influences on the investment community, and that the overall influence of NGOs as major actors in socially responsible investment is growing ...’ Cochran (2007) contents that SRI strengthen by this way local communities, addresses climate change issues and groups, affected by the firm.

Another strand of CSR (Ditlev-Simonsen & Midttun, 2011) or which overlaps with CSR (Hallin & Gustavsson, 2009) is the notion of Social Entrepreneurship. Ditlev-Simonsen and Midttun (2011) categorize social entrepreneurship under the heading of a social innovation approach. Social entrepreneurs apply the principles of business and entrepreneurship in order to solve social problems. Cochran (2007, p. 451) states ‘the reason for their existence is not to maximize return to shareholders, but to make a positive social impact.’ The main focus lies thereby on the needs of low-income populations, while markets are created which provide the firm a foundation for survival. Social entrepreneurs seek therefore a first mover advantage on markets which are unexplored, where they acquire deep knowledge of the market and developed strong relations to partners (Kanter, 1999).

Over the literature research I also emerged myself into other topics and overlapping themes of CSR as for example corporate social performance, which is the pragmatic response to social pressure due to the notion that a firm has ethical obligations (Callan and Thomas, 2009; Carroll, 1979); corporate citizenship, which regards the firm as a responsible citizen and business ethics. Furthermore, I will refer to theories into more detail during the discussion of the empirical findings.

3.6. CSR in Politics

that especially these actions lifted the discourse about CSR out of a mere academic debate ‘to a more public level and to the level of political decision-making.’ In the light of the societies’ changes to higher awareness towards ethical business practices the European Commission recognizes (2001, p. 4) ‘a variety of social, environmental and economic pressures (emphases added)’. And if the companies respond is not adequately to these pressures, ‘society could place increasing costs on unsustainable business practices, and customers may not choose to purchase associated products and services. Ultimately this process may alienate the company from the rest of society, resulting in reduced reputation, increased costs […] through erosion of this license to operate (Hill, 2001, p. 32).’

Parallel to other CSR initiatives on a European level (see for example European Commission 2004; 2006) numerous member states have tried to facilitate CSR practices.

One of the first public initiatives in Austria was formulated by the Special Government Representative for the Capital Market in 2002 (Austrian Working Group for Corporate Governance, 2002). In the same year, however, another pro-active step has been taken to promote CSR activities. The Austrian Federal Ministry of Economics and Labour and the Federation of Austrian Industry decided to jointly formulate a CSR guiding vision for Austrian businesses with several NGO’s in a stakeholder dialogue (Konrad et al. 2008). The papers’ aim was to raise awareness, which Konrad et al. (2008) assert, six years after its initial, as being successfully accomplished. The paper is entitled Economic Success, Responsible Action: CSR Austria Guiding Vision in 2002 and 2003 (CSR Austria 2003). The ‘CSR Austria Guiding Vision’ has 16 principles:

*Social responsibility means . . .*

* . . . successful economic action:*

- reliable and trustworthy
- long-term, value-oriented decisions
- fairness in a competitive environment
- being a role model

* . . . involving others:*

- employees are partners
- promoting social integration
- taking into account the concerns of stakeholders
- helping to improve the situation in other countries
orientation towards the environment and the future:

- observing the precautionary principle
- economic solutions for ecological challenges
- taking consumer interests into account
- encouraging sustainable development at global and regional levels

a committed implementation effort:

- adopted principles are a frame of reference
- transparency through information policy
- cooperating in a spirit of partnership
- further development of promising measures.

I regard especially the title as interesting, ‘Economic Success, Responsible Action ...’, hereby indicating an attempt to balance business interests and responsibilities towards society and environment, or as Konrad et. al. refer (2008, p. 272) to CSR, ‘a holistic concept aiming at the integration of social and environmental aspects into daily management routines.’ As the European Commission defines CSR (De Schutter, 2006), the ‘CSR Austria Guiding Vision’ regards CSR as business self-regulation and ‘social control’ through NGO’s and other stakeholder groups.

3.7. Analyzing the Theoretical and Political CSR Discourse

My outlining of the evolution of the concept and actual content in the theoretical and political discussion enables me to analyze the theoretical framework of CSR. As I explained above, it is important to be aware that discourses can foster or legitimate particular interests, where conditions just seem natural and beyond question (Foucault, 1977). Taken for granted assumptions can further ‘freeze the contemporary social order’ (Alvesson & Willmott, 2003, p. 17).

First of all, the theoretical predominant discourse about the actual content of CSR policies is loose enough to interpret various activities as CSR, providing scant criteria for the attribution or distribution of ‘responsible’ behaviour and actions depending on the individuals’/groups’/companies’ motives and purposes for CSR. This might also allow an increasing number of companies to adopt CSR policies. I assert also a loose definition of CSR for the ‘Austrian Guiding Vision’. This might
lead to an adoption of policies that can set off labeled CSR activities only marginal from ‘traditional’ business behaviour, having little positive impact upon society and environment (Hanlon, 2008).

The emergent academic and public discourse promotes that CSR contributes positively to a successful business development, as it is especially seen by the *business case for CSR* and *socially responsible investments* that I explained above (see for example also Vogel, 2005). Profitability is a taken for granted core issue in the prevalent academic discourse of CSR. This might be due to the dominant pressure of the capital market for stock-listed companies. Problematic might be that this approach could lead only to a marginal altering of ‘traditional’ business behaviour, where core processes remain unchanged, since the core assumption of an trade-off between profitability and social responsible behaviour exists. Thus, responsible behaviour depends on how much it is worth in financial terms. Furthermore, the prevalent discourse promotes the ‘usage’ of CSR as public relations instrument, which is supported by positivistic academic research (Scherer & Palazzo, 2007).

In the prevalent academic discourse of CSR, it is also centrally emphasized that policies and activities can be voluntarily adopted by companies, which go beyond legal frameworks (Fougère & Solitander, 2009), as it is the case in the Austrian political CSR discourse (Mark-Ungericht & Weiskopf, 2006). A problematic issue might be that due to the missing regulation little accountability of CSR policies is implied.

Probably the strongest notion in respect of my analysis of the prevalent political and academical discourse is that CSR is regarded as inherently good for the society, as it is assert by the newspaper *The Economist* in a survey of CSR in 2005 which writes, CSR ‘has won the battle of ideas.’ This shows that the concept gained the upper hand over Friedman’s famously notion against CSR, who suggests that it weakens the economy and further a societies’ wealth creation.

However, I am referring to the prevalent or predominant contemporary discourse in awareness that also opposing discourses exist, that attempt to insert their understanding and specific meaning of CSR into the concept of CSR. In fact, the
opposing discourses for the ‘true’ meaning of CSR reflect the contested nature of the concept as I explained above.
4. CSR in practice

In this chapter I present my empirical findings and connect them with the literature in order to provide deeper insight for interpretation and insight. The perception of the respondents is presented, outlining their approach towards making understanding CSR and their major concerns and driving factors for it. Furthermore, similarities and differences in their definitions of CSR are presented, which shall reflect and show the variety of possible meanings in respect of the concept in practice. Finally, this chapter ends with the underlying objectives of CSR in the beholders perception as I interpreted the findings.

4.1. The Perception of CSR

Despite the theoretical discussion, companies created their own understanding of CSR in practice which they work on (Cramer, 2006). I discovered different conceptions by the respondents of CSR, which shall provide the ground for my conceptualization and reasoning about CSR. The following is therefore my view on CSR, grounded on my understanding of my empirical findings. In order to explain the meaning of the concept of CSR, it became apparent to me, that the respondents used examples and referred to their specific practices, which they had carried out in their companies. Thus, CSR is apparently conceptualized with a clear reference to the respondents own corporation’s culture and history. In that way, the term is defined in every day’s live, where propositions are attributed and meaning is created.

4.2. Organizational Integration

I recognized that all respondents had the perception of CSR that it has to be anchored in everyday business practices and processes. This means, in the perception of the respondents that it needs to be fully supported by the CEO in order to be effective and visible. Furthermore, in most of the respondents’ views, it has to be part of the companies’ philosophy. Another point of reference about the importance in a company is the department or position which embodies CSR. In the studied companies CSR issues were handled by the CEO’s, a department
hierarchically directly under the CEO or authorized signatory. Thus, a strong importance of CSR in the companies that I studied is indicated.

I recognized, by analyzing the individual respondents sayings that some themes about CSR evolved again and again. Thus, I was able to identify characteristics of CSR, which are based on various understandings of the concept. One major issue that emerged was the importance of sustainable business operations, widely discussed in academia (Kallio et al. 2007).

4.3. Operating Sustainable

Sustainable development became a key issue in the CSR debate (Ditlev-Simonsen & Midttun, 2011), since the book ‘Our common Future was published, where the Bruckland Commission (United Nations, 1987, in Marcus & Fremeth, 2009) argued that the paths of economic growth are unsustainable. Sustainable development has been defined as ‘meeting the needs of the present without compromising the ability of future generations to meet their needs’ (cited in Marcus & Fremeth, 2009, p. 18). In respect of this, the commission suggested economic growth that was simultaneously environmentally and socially sustainable, which became known as the ‘triple bottom approach’ by Elkington (1994), who mainly formed this perspective. He presented a vision from a purely financial focus of industry to a broader one, which orients towards environment and society as well. Elkington recognizes a radical shift that has now penetrated business strategy as a major issue. In this context, scholars developed concepts which engage into strategic environmental concerns that deal with its managerial implications (Orlitzky et al, 2010).

During my research, I observed that the term sustainability is heavily in usage, escalating, for example, to treating employees ‘sustainable’. Some respondents used the term sustainability in the context of a sustainable development in respect of economy, environment and society. However, I recognized that all of my respondents used the term sustainable (development) and CSR interchangeable. This stays in accordance with a recent study from Fassin et al. (2011), where 26 managers attributed to both CSR and sustainable development the same meaning. Orlitzky et al. (2011, p. 12) suggest, in order to be sustainable, a long-term
relationship with multiple stakeholders to ‘balance the needs’ in the decision making process of companies.

Having Orlitzky’s suggestion in mind, I want to turn to the next section. The stakeholder theme emerged in my analysis as central in the perception for the studied respondents. The respondents referred to it as responsible approach to meet the interests of stakeholders. I believe that an elaboration of the stakeholder approach is useful, since it explains and gives reasons for the importance of sustainability to the respondents, as I interpreted the dialogues.

4.4. Taking Care of Stakeholders

The stakeholder theory builds part on the open system perspective, and is strongly linked with the organizational theory, where the organizational connection with its environment are of crucial importance for the company (Ditlev-Simonsen & Midttun, 2011). It was developed during the 1960s and it became known in the 1980s as the ‘stakeholder perspective’. In this perspective the company attempts to identify those groups which might deserve an interest in the companies’ decision-making process. According to Freeman (1984), the firm has therefore to clarify which interest groups have a stake on the firm, its action plans and goals and has therefore to engage in active negotiation with them, leading to collaboration and/or reconciliation of differences (Ditlev-Simonsen & Midttun, 2011). The main idea is therefore that the company should not operate solely on one’s own behalf and that the identified or unidentified interest groups have a stake on the companies’ actions, since they might be directly or indirectly affected by them. Although, the companies have no obligations to serve the interests of their identified stakeholders, I observed in my research that stakeholders exert, at least a minor influence on the companies’ decisions making process, practices and policy.

However, the Stakeholder approach exhibits also some difficulties in practice. In theory, it is still unclear how a company can reconcile competing interests and determine stakeholder importance and priority, when it comes to decision making processes (Dunfee, 2008). Since the theoretical discussion over the stakeholder approach waned from 1990 on (Carroll, 1999), it is therefore perhaps surprising that in practice the language of stakeholding is common among the respondents. I
assume, therefore, that this is due to the ability to point out from heterogenic people to specific homogeneous groups, that under the umbrella of the concept of CSR. Furthermore after the categorization of people, activities can be easier aimed at and affects measured.

In my research, I discovered that all of the respondents claimed to consider the interests of their stakeholders. However, this implicates difficulties concerning the grouping of them (Whitehouse, 2006). Boundaries are drawn, dividing those who classify as stakeholders and those who do not. As in the literature suggested, respondents also distinguish, as I interpreted their sayings, between an inner circle and outer circle. As one respondent said it, “however, certainly, every stakeholder group constitutes different claims and has expectations towards us. It certainly cannot be that all stakeholders have the same priority (Respondent E).”

This categorization stays in accordance with Clarkson’s (1995) typology. He distinguishes between ‘primary’ and ‘secondary’ stakeholders, which mainly depend on their exertion of power. The primary group typically consists of shareholders, investors, employees, customers, and suppliers. Further, it comprises a group which is called public stakeholders, consisting of governments and communities. The government is regarded as which levies taxes, but provides therefore the business enabling infrastructure, “In this respect, it is practically like that the government with the money, delivered by the company, establishes the infrastructure (Respondent A).” However, as most of the respondents expressed, the government also has a strong influence on them due to regulation laws and other obligations that must be obeyed. According to Clarkson (1995), the primary stakeholders are of special importance, since they are regarded as being able to exert power on the company that can have a major impact on the companies operations. The secondary stakeholders are those who are less important, since they are not capable to endanger the survival of the company. However, a categorization of a company is meanwhile an act of power, since solely the company decides which groups of stakeholders deserve attention and which not.

The importance to the distinction between primary and secondary stakeholders lies in the companies awareness that primary groups need to be considered into the decision making process as it has been also stated by the respondents I studied. The chosen groups resemble to some extend the importance of the shareholders, since the management regards their potential affects as crucial in terms of success and failure. Clarkson, therefore, suggests considering especially primary
stakeholders and other non-shareholders interests besides the interests of shareholders.

4.5. Unpacking the Concept of CSR

All of the respondents conceptualized CSR with a focus on operations that meet the expectations of the stakeholders. Half of the respondents hold partly this perception, but expanded their companies’ responsibility for a sustainable environment. For two respondents, this expanded view did not go far enough, other stakeholder were included as co-operation partners, schools and universities, or neighbors, employees’ families and charitable trusts. One representative of a company put it, for example, in these words,

“You have certainly responsibility for your ... that are the classic stakeholder groups, to which you have responsibility. When you take ‘company F’ then you have responsibility to your customers, to whom you do your service, and meet the customer expectations, and also that it is in the expectations of the law. To the society in which you operate, to the employees, and we have a big responsibility to the public authorities. I would say, here, since we have asset locations, there are the close neighbors, abutting owners, which we have. We did there a widespread stakeholder analysis. (Respondent F)”

This quote is exemplarily for included stakeholders, asserting responsibility towards. While other respondents where partly more blurry about their stakeholder commitment, it became clear to me that for all respondents an underlying concern of CSR is to secure a successful business development by enhancing or maintaining reputation and employee motivation.

“That’s far out, but image is always the sum of all [CSR] activities. How do my employees behave, how did I equip my branch office, am I modern and friendly, am I lightish and feel my people [employees] good? Do I have a good publicity; am I on a positive way? Do I have no scandals? Do I care about the public? Everything to it, how do my leaders behave, my employees, my board of directors – that is my image. (Respondent A)”
One respondent, by asking why they applied for the ‘trigos’ (trigos.at) award, put it in these words: “We do CSR [activities] - we are of the opinion that we deserve him and because of image reasons, we do the effort to submit project documents (Respondent C)”, or as a representative from ‘company D’ said it, “So, indirectly, I support with good CSR work also my product, as well as my branch office, and the sales department.”

However, by saying that CSR is a reaction towards external pressures, I do not want to claim that the respondents do not identify positively with their claimed CSR policies and further positive impacts on the society. I recognized by some of the respondents a rather enthusiastic approach towards CSR, however, it is also seen as a necessity for doing business,

“We, I mean my company, we think already ahead, what when the water will cost something, a lot, which will come. How should I clean then? To think ahead is assuming responsibility; when the other [competitor] does this, then, I'm left; I don't know what to do and can close my company, because other’s do that (Respondent A).”

Thus, in the perception of most respondents an efficient allocation of resources complies with doing ‘good’ and securing the survival of the company. CSR in the perception of the respondents CSR encompasses actions to meet their stakeholders’ expectations. This raises the question of what can be regarded as appropriate taking social responsibility in the perception of the respondents.

4.6. The notion of philanthropy

As above outlined, many scholars regard philanthropy as appropriate CSR response towards stakeholder expectations (Carroll, 1979; Cochran, 2007).

Philanthropy, however, was not by all of my respondents regarded as CSR actions as I noticed. Two opposing views about donations emerged. In the following I will outline the respondents’ ‘A’, ‘D’ and ‘F’ understanding of the relation between philanthropy and CSR.
The respondents ‘D’ and ‘F’ regarded philanthropy as CSR actions. One respondent expressed it in this way, while the other formulated it in a similar way, “In a large part, the community lives from companies ... you sponsor the cultural club, brass music club, you look at the cultural live, that the cultural in the community is enhanced. There where the people meet. Where they can communicate... (Respondent A)” On my question why the respondent donates money, he answers, ‘Yes, look, it is useful, look, in the way that my company is attributed with a positive image.” Thus, philanthropy is regarded by the respondents as a possibility to enhance the reputation. This notion about philanthropy has been also suggested by Porter and Kramer (2002; 2006), as I outline above, who propose a strategic approach towards CSR, that contributes to a successful business development in the long term.

However, this view about CSR was opposed by one of my respondents. This is shown in the following quote,

“one problem, in my point of view, is that it (CSR) is often referred to charitable measures, and you see it only as action that costs us something, yes, to donate one time here, another time there and that’s it – as it should be not in our perspective. But we say, it should be like that you can see a meaning behind that ... because I say, when I donate something there is certainly a positive effect for the moment, but is only a single action, yes, and we want [...] to think in all our activities about the topic of CSR, to include it and apply these measures (Respondent F).

In her perception, CSR is not to donate money to institutions and organizations, but to include it into the daily business activities. Several factors might be to consider for there differing views on philanthropy, as I believe. First, respondent ‘F’ had the perception that philanthropic acts might not have a long lasting positive affect upon society. This concern has been also stated by the two respondents in favour of donations; however, they claimed that they choose donations which are on the one hand effective in respect of reputation gains and, on the other hand, have a long lasting effect as respondent ‘A’ pointed out, philanthropy shall “help people to help themselves.” Further, respondents’ ‘F’ opinion against philanthropy might reflect that donations can not always be made visible so that compliance with the survival of the business goal can not be achieved. Visibility of the donating company is important in order to be identified by stakeholders with the actual
philanthropic action. In respect of this concern, the respondents ‘A’ and ‘D’ stated that it has to be guaranteed beforehand that advertisement with leaf letters, banners, etc. can be done.

Secondly, charity actions emphasize rather the amount of money that is donated, than who spent it, which would be not sufficient in order to create a higher awareness and reputation of the company, while a positive impact is claimed to be achieved. This argument, in the perspective of meeting the stakeholders’ expectations, might be vanished by guaranteeing beforehand that the donations and the donating company will become public, in order to reach the stakeholders minds as the two respondents ‘A’ and ‘D’ claimed to practice.

The final reason against philanthropic acts, as I believe, might be that donations could be suspiciously regarded from the public as one-time activities only to raise the image of the company, instead of being perceived as socially responsible firm. This contrary view might occur through different understandings in respect of the approach to donate money. The two concerned respondents had the perception that their companies are widely known for their claimed philanthropic actions by the public, due to their constant philanthropic actions in the past, thereby avoiding the perception of ad hoc donations by the public which might be considered as pure marketing actions, as I believe (more to that later). This corresponds with Arvidssson (2010), who argues that CSR activities must correspond to the assumed social responsibilities in a historically perspective with the aim that it feels natural to the companies’ stakeholders. Furthermore, both companies had a certain budget for their donations, setting the background for a strategic approach, which, as I think, might avoid the difficulties as being associated to one time givers. A strategic philanthropic approach seems therefore, in respect of the two respondents’ perception of stakeholder concerns, to be a necessity in order to be identified as natural and to avoid the attribution by stakeholders as one time givers. In that sense, both advocates of philanthropy as CSR, reserve that people have to feel that you mean it honest and without assumed expectations as one of them put it “But it is certain, when I don’t do it with honesty, that’s the thing, the people discern that immediately in total, when I don’t stick to it what I do [...] CSR does not work. (Respondent A)” Here it depends on the society itself, whether it sees it as authentic or not (more to that in the section ‘Driving Factors for CSR’).
From demonstrating the set of problems and the respondents’ reasons for and against philanthropy, I want to turn to my next section. I identified a core criterion for the selection of CSR activities and definitions of CSR policies, as I interpreted the dialogues.

### 4.7. CSR is local

In general, I observed that the studied companies’ claimed CSR policies and actions where rather various, ranging from donations for communities’ cultural life, education, employee safety, to sustainable usage of resources. Thus, a wide definition of potential CSR activities has been adopted; however, despite the variety of CSR approaches, I identified a criterion which fitted to all except of one respondent’s conception of CSR.

In the respondents’ perception, it was crucial that the CSR activities carried out by the company have a regional impact. As I interpreted their sayings, I believe, that this aim derives from the general perception that the company operates in a network (Rowley, 1997), which means that by strengthening the network, also the company, as part of it, benefits (Porter & Kramer, 2002). CSR policies are determined in respect of meeting the stakeholders’ expectations, which might be not very surprising. However, interestingly, as the respondents indicated, the company claimed to put a considerable amount of time into finding out what the stakeholders expect. For the same reason, some respondents educated themselves by visiting seminars, provided by NGO’s or carried out studies to determine what CSR policies and acts are the most appropriate to meet stakeholder demands.

The studied companies claimed to aim to fulfill stakeholder expectations with the attempt to balance both internal and external pressures. One core aspect for the respondents is thereby that employees can easier identify with CSR activities that have an impact on their local surrounding or themselves, as one respondent put it by giving the example of donating for the reforestation of the tropical rainforest,

That is definitely a respectable thought and is for sure meaningful, but it is so far removed from our core business, that neither our employees can identify with it, because the employees says, ‘yes, that’s nice, it is important to save the
rainforest, but what has this to do with me personally?' I mean, there flows money, how should I say, ... where nothing happens in the heads, yes. (Respondent F)

Thus, as I interpret their concern for a regional impact of CSR activities, in the perceptions of the respondents, CSR policies and activities address internal and external people’s needs, in a way, that it is meaningful for them in respect of identification. By this approach several (local) social needs can be fulfilled while the survival of the business is secured. Furthermore, the respondents claim to choose CSR activities with local impacts, since they believe, thereby, to make better decisions in terms of effectiveness and efficiency due the companies’ proximity to the stakeholders.

4.8. Adopting the terminology of CSR

For those respondents’ companies which are old enough, the adoption of fragmented issues, concerning such aspects as morality, safety, environmental issues, donations, employee motivation and corporate image to the overarching CSR terminology had been taken place over the last 10 years, as one respondent put it, ‘Since a while, I say since the turn of the millennium, it [CSR] becomes a real business theme (Respondent ‘E’).’ I regard this time period as relatively short, since the concept of CSR has been discussed for longer than 60 years in academia (Carroll, 1999). However, although I cannot proof a clear relation, I can say that the time period corresponds to the political discussion in Europe and Austria (as I outlined above), which I assume has influenced the respondents’ companies’ decision making process as it has been its intention.

However, as some of the respondents suggested, the adoption of the terminology of CSR is just a part of an overall adaptation to stakeholder expectations. “This is certainly easy for us, because we have always done that. We only need to edit it professionally, as said in a nice report, which we just hadn’t had before.” (Respondent ‘D’). However, the introduction of the language of CSR raises the question why companies regarded this move as necessary. This is especially of interest, since some respondents claimed that their policies have actually not been changed over the years, but simply set under the label of CSR. In the next section,
I will therefore present what I interpreted as the major reasons for the move to the implementation of the terminology of CSR.

4.9. Driving factors for CSR

In my analysis of the empirical data, I identified several reasons, which seem to account for the respondents’ apparent eagerness to be seen as a ‘good’ company. One universal driver for adopting and maintaining CSR activities was to meet the expectations. However, this is due to a perceived change by the respondents of society’s expectations towards companies.

A changing society

All respondents hold the perception that the general society became more aware of companies’ activities regarding their impact on environment and society.

In the past it was just ... you did it voluntarily. And now it becomes more and more on track that a company, no matter which, has to show it to the public, that they do something in that area. (Respondent D)'

In the perception of most respondents this development has direct implications for their CSR policies and activities. The believe over the awareness of the stakeholder ‘forces’, as one respondents expressed it, the company to adapt and improve social commitment. My observation thereby stands in accordance with Beole et al. (2001, p. 122) viewpoint who states that companies are ‘confronted by the growing power of key stakeholder groups and the complex links between them [. . .]. The time has passed when the interests or activities of all but the most obvious stakeholder groups could be conveniently overlooked.’ In particular, I identified, that for the respondents the customer opinion is the most important, since the respondents perceived them as exerting the most power on the company, as one respondent expressed it, “the core is for us certainly the customer, because if we can not satisfy him, we will not secure our long term sustainable continuance of the company.”

Stated from all respondents has been the nuclear incident, in Japan, which has been declared as a diverse example of ethical behaviour and social responsibility,
from which I interpret that the prevention of corporate image damage in public is one of my respondents’ major concerns by implementing CSR policies. Stated by one respondent has been also a higher awareness of responsible business practices by the public, since begin of the financial crisis in 2008. Another factor, which relates to the public is a higher frequency of scandals in media, leading to general higher awareness in public; one respondent put it in these words, “through the media work, yeah, because it is permanently brought up, and because we simply have problems”, thereby referring to recent scandals such as the Enron case. Such an incident would therefore have a crucial impact on the awareness of stakeholders, which makes it worthy to adopt and improve CSR policies in order to maintain reputation. As Motion and Weaver (2005) point out, organization which do poor in CSR and media relations risk damaging their credibility to opposing views in respect of CSR. This also points out the importance of positive media relations. Being perceived by stakeholders as socially responsible can also provide an edge over other firms.

Thus, I conclude that the respondents try to live up to the expectations of their stakeholders, and be continuously prepared to change, if the norms and expectations of society are changing (Cochran, 2007).

However, I believe it is interesting to know if the perception by the studied respondents corresponds to the in the literature actual presumed consumers’ actions. I emerged therefore myself in empirical data about consumer behaviour as the respondents had the perception that (potential) consumers care about CSR practices, as for example philanthropy, which might have a perceived positive impact on the environment and society. Furthermore, four of my respondents offer and promote products with an emphasis on its positive ecological and social impact. These respondents further believe that products, which are environmentally friendly and under socially ‘good’ conditions produced and distributed matter for the consumer.

Unfortunately, I could not find reliable and adequate information about the attitude-behaviour relation of consumers in Austria. I therefore swerve to studies in the UK, where perhaps the concept of CSR is most widely discussed. I am aware that the data can not be directly translated to the Austrian consumer market; however, I believe that major similarities between the Austrian and UK market
exist. Both countries have a similar economical standard and are culturally western shaped, thus, studies from the UK could enhance our understanding of the concept of CSR.

Although studies confirm that ethical consumption in the UK is growing, which is also stated in the Austrian press (orf.at, 2006; diepresse.at, 2006), ‘sales in the area of ethical goods still represent less than 6 % of the overall consumer market’ in the UK (Bray et. al., 2010). Bray et al. (2010) notes that 30 % of consumers describe themselves as ‘ethical purchasers’, however, only 3 % of their purchases reflect their professed ethical standards. Similar results have been conducted by Hughner et al. (2007) who show that consumers with attitudes which would suggest a preference for organic food (between 46 and 67% of the population in the UK), only translate this into 4 - 10% of their purchases. Young et. al. (2010) point further out that the sales of ethical goods did not increase in the last three years and refers to an ‘attitude-behaviour gap’ or ‘values-action gap’. Young et al. (2010, p. 22) conclude that ‘being green’ needs time and space in people’s lives that is not available in increasingly busy lifestyles and that there ‘may be only a very small minority of consumers who have very strong sustainable lifestyles (Young et al., 2010, p. 30)’. Another explanation for a low proportion of ethical consumers is given by Bhattacharya and Sen (2004, p. 2004), ‘if CSR plays a role at all in purchase, it matters at the margin and they are unwilling, even if they view the CSR initiatives positively, to trade-off CSR for product quality and/or price.’

In respect of these findings, I conclude that the perception of the respondents of increased awareness by the general public of CSR policies and activities may not accurately reflect the majority of consumers in their behaviour. However, as some of the respondents stated, their targeted consumer group might be especially those which are more aware of ethical practices, thereby generalizing from personal experience with their stakeholder groups’ to general public conception. Furthermore, although CSR activities might not directly transfer into higher sales, CSR activities can provide a blanket insurance against cases of irresponsible behaviour which gained public attention as stated by Eisingerich (2010).

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2 I draw my assumption upon the Human Development Index (HDI) which compares indices of education, life expectancy and standard of living (per-capita GNI), where Austria is ranked 25th and the UK 26th in 2011. The HDI has been developed by the United Nations. The indexes are annually published in the Human Developments Report, which is part of the UN Development Programme (dhr.undp.org, 2011).
While consumers might be unaware or even disinterested in companies CSR policies and practices, scandals such as the Tesco case can gain public attention on the virtue of NGO’s (Motion & Weaver, 2005).

The Power of Non-Governmental Organizations

The power of NGO’s on corporations’ decision making has been stated by most of the respondents. One respondent put it in these words,

There are enough examples, when you take clothes producer, which become cabin fever, when they recognize that for example Greenpeace or Ai, or any other NGO-Organisation (sic!) look up at something and discovers, ‘oops!’ but there are clothes produced by child labour and before that we had said that we are a CSR company and we growth sustainable and we care about our employees. These are certainly things, which madly damage the company immediately.

Therefore, in the respondents’ perception, NGO’s are able to detect unethical practices and can influence the public as ‘opinion maker’, thereby possible damage the corporations’ reputation. This stays in accordance to Cochran’s (2007) notion, who notes that NGO’s increasingly focus attention by successfully influencing corporate decision-making process to enlarge their responsibility for social and environmental issues (Ählström & Egels-Zandén, 2007). These findings would therefore undermine Clarkson’s contention that the primary stakeholder groups deserve the most attention in the decision making process, since NGO’s are more aware of corporate practices and ethical behaviour and form mainly the opinion of consumers (Whitehouse, 2006). Furthermore, the empirical findings suggest that the power of NGO’s is divers from industry to industry. Only two respondents referred to NGO’s as stakeholder groups. One of the two concerned industries where thereby the fashion industry, which is known for its public scandals (Ählström, 2010)

Therefore, I believe, that the respondents’ choice to engage into CSR policies is mainly the result of perceived external pressures which sets the framework for companies actions. I also conclude that the implementation of CSR policies might be only secondarily a personal choice of the respondents.
**CSR, political institutions and regulation**

In respect of regulation, most of the respondents strongly advocated that CSR must be voluntarily and therefore not regulated. Their claimed reason for this approach is that governmental institutions are not able to accurately regulate CSR measures, since CSR has to be seen in the individual context of each company. The respondents justified this by saying that only the company knows how to assume CSR at best, referring to a variety of aspects, which mainly concerned costs and efficiency of CSR activities. Further, some claimed that they stay in contact with stakeholders in a stakeholder-dialogue, where activities are decided on the consensus of all parties.

Scherrer und Palazzo (2006, p. 72) suggest that corporations gain legitimacy through a ‘politicization of the corporation’. Thereby, corporations engage into public discourse where consensus among all participants is achieved upon the best reason, following the Habermasian idea of discursive ethics (Scherrer & Palazzo, 2006). Thus, in that sense, a corporation fills the gap between governmental intervention and social needs by taking up a political role (Scherer & Palazzo, 2007). However, such an discourse ethics requires, besides the agreement on the most reasonable argument an approach which seems to me most often unrealistic due to the second requirement that power plays no role. My research, however, leads me to the believe that such an approach was by none of the respondents in use. I rather had the impression that CSR activities and policies where claimed that were best compatible with the companies long term goals.

Despite the respondents’ perception that CSR must be voluntarily, all respondents referred to regulations as ‘meaningful agreements on rules of play in society’, which constituted for most of the respondents the minimum requirement in order to be seen as socially responsible. I believe, here, it is important to emphasize that the respondents regarded alignments to government regulations as CSR, especially then, when, in their perception, due to economical reasons additional activities beyond regulation can not be carried out. This notion stays, therefore, in contradiction to the general conception that CSR is voluntarily and necessarily beyond regulation frameworks.

There have been also stated concerns from two individuals in respect of the regulation of CSR. Both expected that CSR will be further regulated in the future,
meaning that today’s voluntarily CSR actions, will be tomorrow’s regulations, as one respondent put it, ‘the story is this, that you already recognize today’s social trends or developments in order to take responsibility before it actually will become law.” Therefore, assuming responsibility as the stakeholders require is a necessity in order to stay competitive and secure the survival of the company. Because ‘who does not go with the time, goes with the time” (Respondent A).

Therefore, the respondents hold the perception that CSR will be in the future regulated and acted in respect of their conception of society and lawmaker by implementing CSR policies also as a thought of risk management. One respondent further stated, “That’s the deal. We regulate ourselves so that government doesn’t need to. And doesn’t need to do it badly”, from which I think that the assumption of the respondent hereby is that further regulation could change the competitive position, which makes it worthy to communicate to the lawmaker that responsibility is voluntarily assumed by the corporation with positive affects on society and environment.

Furthermore, CSR regulated by the lawmaker could not only enforce CSR activities and thereby create costs to be legitimized by the society but also affects the companies’ core business, which might lead to fundamental changes, threatening the survival of the business (Porter & Kramer, 2006; Ahlström, 2010).

Since, in fact, no regulation of companies’ CSR activities is done by Austrian governmental institutions (Mark-Ungericht & Weiskopf, 2006), I want to draw my analysis by referring to Reis’ (2004) notion that the spread of CSR ‘ideologies’ blurs the traditional distinction between authority and markets, which constitute the contrasting principles of social organisation. This situation reflects the wider global shift to enhance and secure corporate responsibility in cooperation with the efforts of social movements, the impact of public opinion and NGO’s.

**CSR and Employees**

Another factor, which I see as a driver for improving and maintaining CSR commitment is given by the notion of the employees. Thereby, three aspects evolved, which seemed to me essential concerning employees and the concept of CSR.
• First, the majority of respondents had the perception that their companies’ CSR policies are valued by their employees. Thus, it is considered, that the companies’ employees are proud to work for the corporation, which is supposed to lead to higher motivation and an ethical behaviour due to the leaderships’ role model function.

• Secondly, employees are considered as ambassadors for the company. Employees, who can easily identify themselves to the companies’ operations due to CSR activities stay in contact with external stakeholders, thereby reporting and convincing others in favour of the company, as one respondent puts it ‘... When my employees go out [of the company], - that are multipliers, they talk with their friends.’ Thus, employee motivation and identification lead to higher reputation.

• Finally, thirdly, in the perception of the respondents, ethical and dedicated employees on job search look for companies which have a socially responsible reputation. Thus, CSR commitment leads in turn to wider recognition among potential employees and further to better selection choices. In this sense, it is reasonable to improve CSR activities, since in turn various benefits evolve.

I believe that these findings suggest a blurring between traditional Human Resources (HR) and CSR as I want to show in the following quote,

‘... if you look on the studies about image, one of the most important things is always then how you employees behave in front of those outside of the company, that is the customer and not the customers, which is mostly the image then. That’s the most important image component. Because, when that’s not right, over the long term, if all our employees would be unfriendly, then this would be on the length of time unacceptable, because then we make no deal anymore.

My empirical observation supports, thereby, the ideas of Hallin & Gustavson (2009), who present a true story of a middle manager in a company. Thereby, they assert that the concepts of HRM and CSR have been developed in different fields with well established practices, however, they identified similar values and features that both concepts have in common Human Resources has always been concerned
with employee motivation and further safety and performance issues. Several respondents, however, referred to by their CSR approach to the friendliness as well as to loyalty of employees; however, this is a motivational issue. Furthermore, it has been referred to safety and health issues as active CSR activities. These aspects indicate an overlap between HR and CSR, whereby CSR rather focuses on external and HR on internal matters. My reflection upon the perception of the concept of CSR thus goes in accordance with Hallin & Gustavson (2009) notion.

Win-Win for Business and Society

In general, the respondents referred to their CSR practices as win-win situation for society and business. As one of the respondents said, “when it goes well for the others, it also goes well for me (Respondent E), the companies have the expectations that most actions will have a positive impact on the companies’ success, “... I get for everything that I do beyond that [regulations and law] more positive feedback, […] that’s the drive” (Respondent D). This approach stays in accordance to the prevalent theoretical and political discourse about CSR, where CSR is categorized as ‘the business case of CSR’. It draws upon Porter and Kramer’s notion that CSR enables companies to generate a competitive advantage by assuming social responsibilities. Kurucz et. al. (2008, p. 84) define the ‘business case for CSR’ where a company ‘can perform better financially by attending not only to its core business operations, but also to its responsibilities toward creating a better society.’

As I outlined above, a win-win situation for the company refers thereby to improved reputation, employee motivation and selection choices.

4.10. Disclosing CSR

The area of the communication of CSR activities has received an increased focus in the last decade in academia (Arvidsson, 2009; Ihlen, 2008). Van Staden and Hooks (2007) argue that companies adopt a reactive or proactive approach in attempting to gain and maintain legitimacy by doing ‘good’ for the society. To approach CSR reactive means that companies react to events or crises which are considered with a potential to challenge the legitimacy of corporations in a society. In contrast, the
proactive approach means that the communication of CSR activities is executed in order to prevent public concerns about the legitimacy of the company. Neu et al. (1998) suggests that it might be difficult to assert which approach a company is following. Furthermore, Borglund (2009 in Arvindsson, 2010) argues that skepticism (Loughran et al., 2009) by the public about the actual ‘real’ CSR actions can be encountered by CSR communication which discloses both improvements and failures.

I recognized that all respondents where keen to communicate their CSR activities to a broad public. This has been said implicitly as presumption as well as explicitly, “[…] of course we try to communicate this [CSR activity], that we did something, because there is no help if we work in a silent cubbyhole and start this initiative, but they will never arrive at the people. [Respondent E]” Thus, as I interpret their responses, and concluded above in respect of philanthropic actions, it is generally a requirement that CSR activities can be made visible to stakeholders.

Overall, the respondents claimed to attempt to communicate their CSR activities to a wider public. As I interpreted the respondent’s sayings, CSR reports and obtained CSR prizes as well as advertisement in connection to philanthropic activities are first and foremost communicated in order to enhance reputation. The representative of company ‘D’ said that also CSR activities without PR efforts had been done, “but this is rather the exception.”

I recognized that the matter of legitimacy was for the respondents that I studied less of concern. I trace this back to the general respondents perception that their company is already fully legitimized by the public. I conclude that a strategic proactive approach for CSR policies and activities was adopted that maintains legitimacy and improves competitiveness.

Respondent ‘F’ claimed that her company has recently introduced a sustainability report. As she expressed, the report has the function to inform internally and externally about the progress in CSR issues. Thus, reports give orientation towards goals and measures for those who are less involved into CSR issues. However, I believe it is questionable whether sustainability reports can lead to sustainable
change, since progress reports are published each year, thereby actually focusing on short term ‘results’.

4.11. Label or substantial concept?

The perception that CSR has been done long before it was labeled as such, raises the question whether CSR itself can be just regarded as ‘fashion-trend’ or substantial concept, since only the classification/labeling of existing programs and policies would have neither a positive nor a negative impact on society. As I understood the respondents CSR activities bring nothing new for society as well as the promotion of them under other labels.

In fact, the concept of CSR offers companies the possibility to label *ad hoc* activities as CSR, which would impair the general ambitions of CSR research to substantial altering for the ‘good’ of the society. In fact, as I outlined above, some respondents stated their awareness of such practices, “to donate one time here, another time there and that’s it – as it should be not in our perspective (Respondent F)”. Another respondent explained those ‘improper practices in more detail,

“First, ...when a company does it [CSR] only, because it faces already the consequences, then, when it is losing customers, or thanks to the media, or because it feels corned due to a public discussion, because it is evil and so on. [...] and second, when companies do not have this but feel that they could do something in that area, in order to have a better reputation on the market, for whatever reasons. Those reasons are for me just not always perfect reasons. Certainly, it is better as if I would do nothing. [...] But this is, for me, not really CSR (Respondent B).

In the perspective of the respondents, therefore, CSR has to be anchored in the daily business practice, affecting various areas in business; *ad hoc* activities where regarded only as marketing activities on advantage of the concept of CSR. I regard this perception of CSR as remarkable since it reflects the general attempt about CSR that it goes beyond simple labeling of activities as CSR. The respondents therefore distinguish between marketing efforts and CSR, thus the statements indicate an interpretation of CSR which differs substantially from marketing, as it questioned from the perspective of critical theory in academia (Kuhn & Deetz, 2008; Fougère & Solitander, 2009). This shall be further underlined by the next
statement by one respondent, where she states her opinion about an actual event of a tribute to companies for their CSR activities, which she attended.

There are sitting in the hall great many managers, there are great many firms, NGO’s, the media and you get an award for a matter, which should actually go without saying (Respondent B).

The respondent asserts that some CSR activities are exaggerated. In order to convey my interpretation of the full meaning to the comment, I think, I need to state that the respondent regards CSR rewards rather skeptical, however, believes that the society and business world needs role models and therefore has to be put in the spotlight. Having added this, I assess thereby two meanings in respect of the practitioner’s perception on CSR. First, I assume that the actual presumed ethical behaviour is published as something, which does not reflect accurately the real actions and policies. Then, it could be said that they are shown in a way which emphasizes that an ethical action has been done, rather than the positive impact of CSR policies and actions. This concern about the labeling or ‘true’ practicing of CSR is the same as I elaborated above. Thus, in the respondent’s perception, companies might take advantage of the concept of CSR. Second, I believe that the respondent regards exaggeration also in respect of the impact and importance of the action. Hereby, as I interpret her sayings, she argues that CSR awards are given for actions which are not noteworthy, since she regards those actions as not an exemption from the ordinary rules of personal actions.

In fact, all of my respondents claimed to have anchored their CSR practices in everyday business. As in the section ‘disclosing CSR’ outlined, the respondents regarded it as evidence for their CSR concerns to provide material such as reports and awards that show actual practice. Their concern is also illustrated by the adoption of social responsible issues on websites, their business philosophies and the employment of ‘CSR coordinators’. Furthermore, the CEO’s that I entered into dialogue with, stated that they naturally have responsibilities as company owner which might be not very surprising. They refer to their responsibility as leaders who employ employees, fulfill the needs of their customers, pay taxes, provide demand for suppliers and earn their living, thus, are accountable that their business remains intact. This, in the perspective of the respondents is as well social responsibility.
4.12. **What, in respect of CSR, matters**

My analysis of the empirical data suggests that the concept of CSR has been adopted by the companies, deriving from a multitude of meanings regarding the purpose and/or expected outcome. I believe, as I interpreted the dialogues, which in respect of CSR a hierarchy of goals exist that begin first with the securing of a successful business development in terms of profitability.

The concerns about social responsibility is therefore to combine, social and economic benefit’ as Porter & Kramer (2002, p. 59) suggests, as a competitive advantage, where social needs can be aligned with corporate goals. Thus, the indicated approach of CSR as the business case aligns to the current prevalent discourse about the concept of CSR in academia and politics. All respondents indicated that the actual CSR activities need to be justified in terms of business reasons; therefore, in the perspective of the respondents, CSR activities must have the potential that the company can gain from these measures, as for example one respondent put it:

„In order to work professionally in the area of CSR it is certainly necessary that I document this. And that I have the chance that I do something good to my company through the documentation of my activities to the extern; that I make a positive public relation for the company and that my image improves” (Respondent D).

Thus, especially for the respondents who where representatives, it was essential that proactive CSR actions can be justified by ultimate gains for the company. The development of CSR strategies and priorities thereby shall guarantee benefits for the company and justify CSR activities to management boards.

If this underlying ultimate concern is satisfied, further aims are developed that focus to meet stakeholder interest/needs. As I outlined above, objectives of CSR relate most often to concerns of employee motivation, consumer perception and regulation settings.
Some respondent regarded society further as a network and business responsibility derives from the assumption that, if the society is weak, the company as part of society will be also weak. This stays in line with Drucker’s (2008, p. 217) notion that, ‘a healthy business and a sick society are hardly compatible.’ I observed that this notion has been also applied to competitors. Some respondents regarded a relationship with competitors based on mutual trust as crucial since the network as a whole can be to a certain extend strengthened through collaboration. Thus, in the perception of some respondents, CSR involves as well a partnership with competitors which are based upon mutual trust. I assert that this assumption of competitors as stakeholders derives from the idea of a network, where the company is part of, as it is suggested by Porter (1998).

However, the assumption that CSR has to have benefits for both business and stakeholders has limiting affects in respect of the considered range for CSR activities. It can be, therefore, questioned whether CSR of the companies would be done if positive outcomes in the perspective of the company cannot be achieved. These limiting affects have been also addressed by some of the respondents; however, the general opinion was that something ‘good’ for the society is still achieved by the company despite the intentions.

However, some respondents also referred to the difficulty to assert real benefits of CSR activities in respect of reputation gaining. Respondent ‘A’ put it into these words, ‘the half of the activities for advertising might be useless; I do just not know which half.” However, as he pointed out, stakeholder expect that companies engage into CSR activities, thus not to engage would damage the reputation certainly. CSR can be therefore also seen as risk management.
5. Conclusion

In this concluding section I present my essential insights, drawn from my empirical and theoretical research. Deriving from the discussion of my empirical insights, I answer my research questions; however, I also want to evaluate the concept of CSR in respect of the prevalent discourse and interpretation. In this sense, I conclude that, despite the variety of meanings, the practitioners’ conception of CSR suggests actions with vanishingly small positive impact upon society. In fact, I conclude that negative outcomes could derive, due to false promises to the external; however, although, the practitioners operate on the prevalent understanding of the content of CSR in theory and politics. Thus, my evaluation of the practitioners’ conceptions and theoretical concept of CSR is critical to its prevalent content and practice. Finally, I call for regulation-based articulation of CSR, with the attempt to hold companies accountable on environmental and social questions.

5.1. The limits of CSR

Deriving from the empirical data and with the aid of the discovered theoretical framework, I identified, interpreted and discussed various definitions and meanings of the term CSR. In fact, the concept of CSR proofs to be very flexible for the labeling of and justification for actions. References for CSR in practice ranged from actions as philanthropy to the installation of solar collectors to abidance by the laws as for example collective agreements. However, as well the motivation and justification for the attribution of CSR were various as I interpreted the empirical data.

Despite the variety, I identified one common goal which served as an orientation for the implementation of CSR policies. The respondents referred to the benefits deriving from CSR activities, which constituted the interpretation of the term CSR. Profitability and the survival of the business have been secured by all means, under which the concept of CSR is defined.

The meaning of corporation, in that sense, is devoted to its function in a society. My interpretation of the empirical data suggests that the understanding of the corporations’ function is limited to its capitalistic purpose to produce goods by
employing people, which fulfills the needs of customers. The wealth creation by the production of goods therefore constitutes the moral basis for further reasoning. As I interpret the empirical data, the definition of corporation is constructed around profitability, consumption and growth. I assert that the meaning of CSR activities is limited to this purpose of the corporation which means that due to the meaning of a corporation (CSR) activities necessarily align to the companies function in a capitalistic way. This meaning of corporation, and, moreover, the function of economy, therefore constitutes a prerequisite of CSR which is known in the academical discourse as the business case for CSR.

The social side of business, despite or because of a focus on the survival and development of the business evolves due to perceived exertion of power by the (changing) society upon the decision making process of companies and opportunities for differentiation. I identified variations among the respondents claimed CSR policies and activities, mainly depending on the perceived (local) context favorability, stakeholder characteristics and threats to legitimacy by the public. In contrast, my interpretation of the study suggests that corporations engage to meet social needs to differentiate their business from competitors in order to enhance their market position. Reputation gains and the improvement of employee motivation and selection are thereby identified benefits of corporate social responsibility, constituting the range of social concerns.

My study suggests that responsibility is, in the context of CSR, predominantly understood as deriving from the dependency of stakeholders on the organisation. This is due to the attributed organizational purpose, the overall responsibility to secure the survival of the business and enhance successful business development. Since those stakeholders are identified who are able to threaten this goal, I suggest that corporations engage into social activities and attempt to satisfy stakeholders in order to meet this goal. Thus, I identified a stakeholder approach, which is constituted upon the potential perceived pressures of groups and the attempt to meet their expectations.

5.2. The function of CSR

My studies suggest that the definition of CSR policies is based upon various perceived advantages of the concept of CSR. I suggest, that corporate social
responsibility is dominantly understood as a response to perceived significant pressures from various groups and, therefore, functions as a means of risk management, i.e. corporate scandals. I conclude that a proactive approach in the implementation of CSR policies is a means to address possible crises in the future. In that sense, CSR enables companies to disguise reactive crisis management into a proactive concern about social needs and environmental issues.

In contrast, I conclude that the term CSR is also understood as an instrument to increase the companies’ competitive advantage by enhancing reputation and employee motivation and selection with the aim to increase turnover. Thus, the underlying aim of profit maximization serves as a prerequisite for the implementation of CSR activities and policies. However, the alignment to this dominant goal constitutes limiting affects in the range of possible CSR policies due to the trade off between expected benefits and costs of CSR activities. Thus, I conclude that the major thinking of CSR in practice dismisses activities without expected overall positive outcomes in financial terms but with potential positive impact upon society.

5.3. Appearing socially responsible

Interestingly, however, my study suggests that the understanding of CSR in practice can be differentiated between ‘right’ and ‘false’ CSR activities. Thereby, the main criterion that I identified was the continuity in which CSR activities are carried out. While *ad hoc* activities are regarded as marketing efforts, thereby, refusing the categorization as CSR, there are indications that continuous activities with claimed positive impacts on society, however, aligned to the core business, are bundled under the term and understood as CSR. As I understand this approach, continuous activities are in the perception of practitioners a necessity, as I outlined for example by philanthropic actions, in order to be perceived as a socially responsible corporation. Thus, there are strong indications that a strategic approach towards a constant disclosure of CSR policies and activities is essentially in the conception of CSR in practice.

However, I conclude that this conception of CSR in connection with the core business does not necessarily differ from traditional business practice. In fact, I believe that this conception of CSR advocates the attribution of the favorable, in
The respect of the companies aims, ‘good’ meaning of CSR to preexisting business activities, since it is connected with various benefits in financial terms. Moreover, as I concluded above, the concept of CSR opens up the possibility to label various preexisting activities, instead of necessarily enhancing a possible positive impact upon society. I conclude, therefore, that the prevalent understanding of CSR in practice suggests, due to its major underlying consideration of profit maximization, the appearance of a social responsible corporation regardless of actual assumed social responsibility and positive impact for the society.

In fact, the prevalent academical and political discourse about CSR emphasizes the voluntarily character of CSR beyond regulation settings. Due to this, the definition of CSR is deemed to the corporations understanding of relevant societal responsibilities. Thus, the understanding of practices with seemingly less positive impact on society or no altering of core operations, but marginally beyond minimum legal requirements, is possible due to the loose definition of CSR. It offers little possible accountability, since it implies that a corporation owes nothing to anyone.

Furthermore, the concept of CSR suggests that accountability is also enforced by stakeholder groups of which customers are perceived as the most important stakeholder group. However, as I outlined above, studies reveal that only marginally customers translate their interest in CSR into actions. Thus, I argued, that the communication of CSR efforts might be mainly of usage for NGO’s. However, the disclosure of reports, awards and donations do not ensure accountability for any realized positive impact. While in the prevalent discourse, CSR is defined as voluntarily and beyond the law, I conclude that in practice definitions for CSR(?) activities are applied that do not go beyond regulation settings. In fact, as I outlined, seemingly usual business practices as, for example, the payment of employees according to the collective agreement enforced by the law or paying taxes are understood as CSR activities. Thus, I suggest that the concept of CSR is freely adopted for activities which might go only beyond minimum legal requirements or are not even considered as CSR according to the prevalent discourse and activities.

5.4. Responsible, areponsible or irresponsible actions
Without question the categorization of activities that go only along with legal frameworks are essentially misleading in respect of the prevalent discourse. However, I believe that also the idea that corporations act responsible for the general social ‘good’ and environmental purposes ‘causes demands from society that are never to be met’ given the interpretation by the practitioners that my study suggests, and, further, the legal framework that restricts agents to pursue shareholder value maximization (Fougère & Solitander, 2009, p. 222). Thus, I conclude that not more than minor changes above legal frameworks can be expected, in order to maintain legitimacy. In fact, my studies reveal that approaches which exaggerate the actual importance or impact of responsible actions are prevalent in the perception of CSR in practice. This constitutes an ‘aresponsibility’ (ebid.) towards the needs of stakeholders, where responsibility is only taken up in order to secure the survival of the business and/or enhance profitability. However, deriving from the aresponsibility towards nature and society, I assert ‘irresponsible’ (ebid.) action when promises are made by corporations that can not be delivered. Hereby, I do not want to say that the concept of CSR does not promote to act responsible, i.e. paying taxes, however, that the understanding of CSR in practice limits the range of possible actions and that corporations will not engage into social activities, which are not covered by the business case for CSR or even not by that. What is irresponsible is to give the impression that corporations care about social needs, which tarnishes their image and makes them untrustworthy (ebid.). This notion becomes especially apparent by the classification of activities as CSR which aligns to legal frameworks.

Moreover, my study suggests that CSR in practice is understood as a possibility to signal the lawmaker that social needs are met without the necessity of governmental intervention. I assert therefore CSR as a means in order to prevent the introduction of regulations that could threaten the competitive position of companies. Thus, as I outlined above, I assert a blurring of the traditional distinction between the governmental authority and markets. However, I suggests that the promotion of activities with marginal or no effects upon the betterment of society, as the concept can be understood by practitioners, is misleading on the cost of democratically legitimized intervention and therefore as well irresponsible in giving the impression of proactive social and environmental concern. I conclude that the concept of CSR is a means against lawmaker intervention, by lobbying for the voluntarily adoption by businesses of CSR policies.
5.5. **Final conclusions**

Finally, I conclude that the concept of CSR can be best understood by showing whose needs it serves. Business is the primary beneficiary of the adoption of CSR. I conclude from my studies that the predominant conception of CSR in practice suggests an instrumental usage of the concept for profit maximization. Profit maximization can be thereby consciously or subconsciously followed. However, the understanding of the concept of CSR suggests actions that enhance the profitability of the organization, instead of a focus on the betterment for society and environment.

Thus, I also conclude that the interpretation by practitioners of the term CSR as well as the prevalent discourse in academia and politics about CSR is deeply problematic. The conceptions of CSR in practice stay predominately in accordance with the business case for CSR, however, inner contradictions of the concept of CSR limits the range of possible positive effects upon society and environment and, moreover, can be misleading in its promises towards the public, in respect of the companies intentions. I share, therefore, Fougère & Solitander’s (2009, p. 226) made conclusion that the predominant CSR discourse is a means to the ‘more ideological rejection of regulation under neoliberalism.’ Furthermore, I want to assert that the practitioners’ understanding about CSR, as I believe to have proven, reflects such conception, consciously or subconsciously.

Furthermore, the loose accountability of CSR practices also leads to the conception that activities which go along with the legal framework are considered as corporate social responsibility. Thus, my study of the conceptions of CSR in practice strongly indicates that the realized positive impact of CSR on society and environment is likely to be minor due to the voluntarily characteristic and missing accountability of CSR.

In fact, empirical studies about the actual effects of CSR policies and activities show evidence that corporations create a responsible business discourse in response to critics from NGO’s in order to maintain legitimacy (Åhlström 2010; Fougère & Solitander, 2009). However, this is done to keep the practice unaltered in tact, where the CSR discourse is ‘decoupling’ from actual business practice (Åhlström, 2008, p. 70).
My final concern, therefore, addresses the discourse about the concept of CSR. Having in mind that the social order can freeze through constant repetition of stories, I call for a change in the discussion about CSR which addresses the limitations and irresponsible aspects of the, in the discourse, prevalent CSR conception. In that sense, I propose a transparent approach, enforced by regulation, towards the disclosure and realized positive effects by corporations upon society and environment, in order to make the world, beyond lip services and marginal alterings, a better place.
6. Reference List


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**Internet Sources**


7. Appendix

Dialogue guide

What is the role of business in society?
What is a successful company for you?
For whom do you exist?

What does *Corporate* mean for you?!
What does *Social* mean for you?!
What does *Responsibility* mean for you?!
What does *Corporate Social Responsibility* mean for you?!

What is the opposite of CSR, for you?
  - What attributes/characteristics are differing?
  - What are the most important for you?

What is for you a good company? Admirable/Role Model/Identification?
What is a bad company?
What role do you play in the company?
What role does CSR play in your company?
What arguments do you use in order to convince somebody who is sceptical of your ideas?
How do you communicate your CSR activities/(Vision)?
Why do you aim to convince people to engage in CSR activities?

How does it come that your company won the *trigos* price?
in relation to
  - the CSR issue you work with?
  - your role in the CSR issue?

What competing interests do you have to deal with and how do you balance them?
How do you judge success in your role for yourself, for others?
In your view, how important are performance targets in your role at the company?
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