

CSR, Sustainability, Ethics & Governance

Series Editors: Samuel O. Idowu · René Schmidpeter

Samuel O. Idowu

Stephen Vertigans *Editors*

# Stages of Corporate Social Responsibility

From Ideas to Impacts

 Springer

# **CSR, Sustainability, Ethics & Governance**

## **Series editors**

Samuel O. Idowu, London Metropolitan University, London, United Kingdom

René Schmidpeter, Cologne Business School, Germany

More information about this series at <http://www.springer.com/series/11565>

Samuel O. Idowu • Stephen Vertigans  
Editors

# Stages of Corporate Social Responsibility

From Ideas to Impacts

 Springer

*Editors*

Samuel O. Idowu  
London Metropolitan University  
London Guildhall Faculty Business & Law  
London, United Kingdom

Stephen Vertigans  
School of Applied Social Studies  
Robert Gordon University  
Aberdeen, United Kingdom

ISSN 2196-7075 ISSN 2196-7083 (electronic)  
CSR, Sustainability, Ethics & Governance  
ISBN 978-3-319-43535-0 ISBN 978-3-319-43536-7 (eBook)  
DOI 10.1007/978-3-319-43536-7

Library of Congress Control Number: 2016956556

© Springer International Publishing Switzerland 2017

This work is subject to copyright. All rights are reserved by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made.

Printed on acid-free paper

This Springer imprint is published by Springer Nature  
The registered company is Springer International Publishing AG Switzerland

# Foreword

Companies around the world can no longer ignore the importance of an integrated CSR and sustainability strategy. The topic is a key focus of the United Nations, which aims to foster the transition to a sustainable world by 2030. Seventeen ambitious Sustainable Development Goals were published, which should remain at the centre of the global political and economic agenda. While these targets point us in the right direction, proper implementation requires a thorough understanding of how ideas can be turned into reality to create real impacts. Therefore, this editorial piece comes at the perfect time to help organisations realise their goals and the potential of a sound CSR strategy. In this book, Samuel O. Idowu and Stephen Vertigans share with us a collection of international literature from academia and practice, demonstrating the various stages of CSR as well as examples of its integration in companies worldwide. The editors capture the interrelated essence of sustainability through an intellectual discussion on critical components at professional, conceptual and strategic levels. As revealed here and in the editors' numerous prior publications, successful business and a deeply rooted CSR strategy go hand in hand. Companies today must shift their focus to the long-term prosperity of the organisation as well as the complex and interrelated ecosystems (environmental, social, economic and political) within which it functions. Without this holistic management perspective, businesses run the risk of basing important decisions on mere narrow and short-term economic gains—which will only lead to the further collapse of the global economic system rather than the achievement of the above-mentioned United Nations Sustainable Development Goals. Still, after the decision is made to focus on CSR and sustainability at the core of business operations, managers must determine which steps will be most effective and efficient. It is not only about dreaming of a better world—but about making it happen by combining entrepreneurial drive, innovation and the vision of a sustainable future. The issue remains that CSR is a multifaceted discipline requiring managers to assimilate concepts, which may be completely different from the areas in which they are trained. This should, however, not be seen as a barrier to sustainable development but rather an opportunity to broaden the talents of the

workforce by encouraging new ways of think out-of-the-box ideas. The articles in this book were selected from experts spanning a wide array of industries from different countries around the world. The authors offer unique perspectives on stimulating topics such as awareness amongst female entrepreneurs in Nigeria, perspectives of upper management in Polish firms, Japanese CSR strategies and the social relevance of corporate initiatives, pragmatic approaches of CSR design principles in Scandinavia and many more. Not only are different countries and global regions represented, but the examples also draw from a diverse range of globally relevant industries. This book offers a clear deliberation on the past, present and future of CSR and how companies should be thinking to strive towards the achievement of the United Nations' Sustainable Development Goals. No matter how big or small your entrepreneurial dreams are, this publication offers wisdom that can help turn them to into realities that have positive impacts on your bottom line and the world around you.

Cologne Business School  
Köln, Germany  
April 2016

René Schmidpeter

# Preface

Within governments, industries, organisations and communities around the world, CSR continues to grow in prominence. Large, medium and small businesses increasingly develop CSR policies, national governments now expect more than revenue from companies operating in their countries, different industries are keen to adopt CSR rhetoric and approaches and communities look to CSR initiatives as a way to overcome localised and widespread, historical and contemporary problems that may or may not be connected to particular business activities.

Although the intentions and impacts of CSR crosscut domains and multi- and interdisciplinary approaches are acknowledged, ideas surrounding CSR and organisational practices continue to be compartmentalised. These factors contribute to CSR policies and activities being developed in specialised blocks which often fail to connect business planning with financial controls, legal advice with shareholder demands, community expectations with government sovereignty, supply chains with social value, environmental targets with different stakeholder demands and CSR goals with longer term strategic goals. Within organisations, the separation of CSR as a distinct set of ideas often dominates, isolated within detached programmes and rigid departmental boundaries. Governments and companies develop unconnected CSR programmes which Non-Government Organisations (NGOs) often deliver without robust, consistent corporate guidance and support. Hence, despite the growth in the field of CSR and enhanced ways of understanding about the concept and practices, fundamental weaknesses in both knowledge and practice remain. Considerable human and financial investments are being underutilised and frequently wasted. Consequently, instead of focusing upon disparate and disconnected projects, CSR needs to be positioned as interconnected processes of development and delivery. In short, there is a lack of joined-up thinking across organisations, government departments, NGOs and academics about how CSR programmes should be developed, implemented and measured.

Within academic literature, similar approaches can be noticed. Texts will tend to focus on distinct components that isolate CSR within business spheres or develop strategic approaches that detach CSR from wider corporate objectives and



collaborative partners; governance becomes the primary function of monitoring and reporting while conversely explorations of stakeholders over-concentrate upon either shareholders or community demands. Hence, attempts to view and outline CSR as processes which interlink the corporate and community with a beginning, middle and end are lacking. The intention of this book is to build upon some of the existing strengths within the literature and to propose multidisciplinary insights into how processes of CSR can be more extensive, coordinated and outcome focused. The insights provided in this collection are expected to enable the phases of CSR to be outlined from ideas to impacts. In this collection, papers in the eleven chapters that comprise the book can help identify and explain what needs to be happening at the different stages of CSR incorporating the development, implementation and monitoring of strategies, policies and ideas.

It is hoped that the attempts made by these authors help to crystallise many of the impactful ideas CSR has brought on to the twenty-first century corporate scene. Many of the chapters in the book have pointed out that CSR has now moved on from ideas to demonstrable impacts which will help not only this generation but also future generations; we all need to continue to innovate in the area to make this happen.

London, UK  
Aberdeen, UK  
April 2016

Samuel O. Idowu  
Stephen Vertigans

# Acknowledgements

We wish to take this opportunity to express our gratitude to a number of people who have contributed to another successful addition to the literature on corporate social responsibility. We are grateful to all our contributors, fifteen of them, who have provided us with first-class research papers on the theme of the book.

We are also grateful to a number of our friends and colleagues who have either directly or indirectly contributed to successfully completing this edition of the book on *Corporate Social Responsibility: From Ideas to Impacts*.

We are grateful to our respective families for their forbearance during the process of ensuring the smooth coordination of all the activities that culminated into getting the book to a finished product.

Finally, our colleagues at Springer are acknowledged with the warmest regards possible for ensuring a first-class finish to the end product.

We apologise for any error or omission that may appear anywhere in the book; no harm or disrespect was intended to anyone.

# Contents

## Part I Professional Corporate Social Responsibility

- 1 The Rationales of Lawyers, Accountants and Financial Analysts in Shaping the EU Agenda on CSR . . . . . 3**  
David Monciardini
- 2 Corporate Social Responsibility in Nigeria: Drivers and Barriers Experienced by Female Entrepreneurs When Undertaking CSR . . . 25**  
Adebimpe Lincoln
- 3 From Ideas to Impacts: CSR in the Eyes of Top Managers in Poland . . . . . 47**  
Maria Aluchna

## Part II Conceptual Corporate Social Responsibility

- 4 Solutions or Legitimations? How the Conceptualization of Organizational Identity Shapes the Social Relevance of CSR Initiatives in Two Japanese Corporations . . . . . 67**  
Scott T. Davis
- 5 Corporate Social Responsibility: Theoretical Underpinnings and Conceptual Developments . . . . . 99**  
Mark Anthony Camilleri
- 6 Relationships Between Corporate Social Responsibility and Strategic Planning . . . . . 121**  
Catalina Sitnikov and Claudiu Bocean
- 7 Walking the Second Mile before the First: A Corporate Social Responsibility Conundrum? . . . . . 139**  
Nirmala Lee

**Part III Strategic Corporate Social Responsibility**

**8 Balancing Organisational Design Principles: A Pragmatic Scandinavian Approach to CSR . . . . . 163**  
Hans Christian Garmann Johnsen, Richard Ennals, and Halvor Holtskog

**9 Authentic CSR and Leadership: Towards a Virtues-Based Model of Stakeholder Dialogue and Engagement. The Loccioni Group Experience . . . . . 179**  
Mara Del Baldo

**10 Corporate Social Responsibility and Farm Animal Welfare: Towards Sustainable Development in the Food Industry? . . . . . 205**  
John Lever and Adrian Evans

**11 The Implementation of CSR Management and Stakeholder Relations in Japan . . . . . 223**  
Kanji Tanimoto

**Index . . . . . 243**

## List of Contributors

**Maria Aluchna** is associate professor at the Department of Management Theory, Warsaw School of Economics (SGH), Poland, and Academic Director of CEMS MIM at SGH. She studied marketing and management at the Warsaw School of Economics where she graduated in 1998 with an MA (Econ) degree. She specialises in corporate governance (ownership structure, board, executive compensation and transition economies) as well as in strategic management and corporate social responsibility. She was awarded Deutscher Akademischer Austauschdienst (DAAD) scholarship for research stay at Universität Passau and Polish-American Fulbright Commission scholarship for the research stay at Columbia University. She received Polish Science Foundation award for young researchers (2004 and 2005). Since 1998, she has been working at the Department of Management Theory, at the Warsaw School of Economics obtaining PhD degree (2004) and completing habilitation procedure (2011). Currently, Maria Aluchna teaches “Corporate governance” (in both Polish and English for CEMS programme), “Transition in Central and Eastern Europe” (in English in cooperation with the University of Illinois, Springfield) and “Strategic management” (in English). She also serves as the faculty advisor for case competition of Warsaw School of Economics student teams and is the lecturer of the Summer University Warsaw. She is the member of the editorial team of Journal of Knowledge Globalization and European Journal of Economics and Management as well as of the Polish journals—Przegląd Organizacji [Organization Review] and e-Mentor. Maria Aluchna is the member of European Corporate Governance Institute (ECGI), European Academy of Management (EURAM), the editorial teams of Journal of Knowledge Globalization and of the Polish journals—Przegląd Organizacji [Organization Review] and e-Mentor. She is also the Academic Director of the Community of European Management Schools (CEMS) programme at Warsaw School of Economics. She is the team member at the law firm Głuchowski, Siemiątkowski i Zwara.

**Mark Anthony Camilleri**, PhD (Edin.) MBA is a resident academic of marketing at the University of Malta. Currently, he lectures marketing-related subjects in a joint/dual master's programme run by the University of Malta in collaboration with King's College, University of London. Dr. Camilleri has finalised his full-time Doctorate in Philosophy (PhD) in 3 years' time at the University of Edinburgh, Scotland. He holds relevant academic experience in teaching and lecturing business strategy, marketing and operations management at undergraduate and postgraduate levels (in the UK, Malta and Hong Kong). Moreover, his professional experience spans from project management and strategic marketing (including market research, management information systems (MIS), enterprise resource planning (ERP) and customer relationship management (CRM) to public relations, marketing communications, branding and reputation management (using both conventional tools and digital marketing). He accepts consulting engagements with business enterprises, non-profit organisations and charitable foundations. Mark enjoys working with small business owners, scientists, artists and scholars to help them explore new sources of competitive advantage!

**Mara Del Baldo** is Assistant Professor of Entrepreneurship and Small Business Management and of Financial Accounting at the University of Urbino (Italy), Department of Economics, Society and Politics.

She was also a visiting professor at the University of Vigo (Spain), the Jurai Dobrila University of Pula (Croatia) and the New Bulgarian University of Sofia (Bulgaria). Her main research interests include entrepreneurship and small businesses; corporate social responsibility; sustainability and business ethics; SMEs and networking strategies; financial and integrated reporting; ethical, social and environmental accounting (SEAR); and gender(pink) accounting. She published in different Italian and foreign journals as well as in national and international conferences proceedings and books. She is a member of Italian (SIDREA—Italian society of business economics and accounting, SISTUR—Italian Society of Sciences of Tourism, ASPI—Association for the study of SMEs) and International scientific communities, including the European Council for Small Business, the Centre for Social and Environmental Accounting Research (CSEAR Italy) and the European Business Ethics Network (EBEN) Italian Chapter. She works as reviewer and is an editorial board member of several international journals.

**Scott Davis**, who originally came from Australia, has lived and worked for over thirty years in Japan. Previously a researcher at the Japan Institute of Labour and a Professor at the School of Management at Reitaku University, Davis has held the position of Professor of Strategic Corporate Social Responsibility at the College of Business at Rikkyo University in Tokyo since 2006. Davis also serves as a member of the board of directors of the Seven & I Holdings Corporation, the Bridgestone Corporation and the Sampo Japan Nipponkoa Holdings Incorporated and is a corporate auditor of the Nissen Holdings Corporation. Davis consults for many of Japan's major corporations, industrial associations and government and international agencies on strategic and organisational issues.

**Richard Ennals** is Professor of Working Life and Innovation at the University of Agder (Norway), Professor of Skill and Technology at Linnaeus University (Sweden) and Emeritus Professor of Corporate Responsibility and Working Life at Kingston University (UK).

**Adrian Evans** is a Senior Research Fellow at The Centre for Agroecology Water and Resilience (CAWR) at Coventry University. His current research seeks to understand food and drink consumption practices, especially in relation to exploring the ethics, sustainability and resilience of different types of food consumption. He has a particular interest in understanding the embodied nature of food consumption practices. He also researches the cultural and political embeddedness of different markets for food and drink and he explores the inter-connections between food consumption and systems of provision, distribution and ownership.

**Bocean Claudiu George**, PhD, is an Associate Professor. She obtained her bachelor's degree with major in Accountancy and Informatics in 2000, from the Faculty of Economics, University of Craiova, Romania. In 2004, she obtained her master's degree in Business Administration, also from the Faculty of Economics, University of Craiova, Romania. In 2007, she was awarded her PhD in Economics, also from the Faculty of Economics, University of Craiova, Romania. In 2015, she was awarded her Habilitation title in Management, by the Academy of Economic Sciences, Bucharest, Romania. Since 2002 the present date, she has taught and researched in the Faculty of Economics and Business Administration, University of Craiova, on modules such as Human Resource Management, Corporate Social Responsibility, Organisation Theory and Business Economics whilst working in collaboration with others on both national and international projects with local and international Universities and Organisations.

**Hans Chr. Garmann Johnsen**, PhD, is professor of work life science at the University of Agder, Norway, and adjunct professor at Gjøvik University College, Norway. He is managing editor of *European Journal of Workplace Innovation* ([www.ejwi.eu](http://www.ejwi.eu)) and leader of Centre for Advanced Studies in regional innovation strategies.

**Halvor Holtskog**, PhD, is assistant professor at Gjøvik University College, Norway.

**Nirmala Lee** was a senior banker and banking consultant at international banks for two decades in London and elsewhere prior to joining *London Metropolitan University*, where she holds the position of *Associate Professor of Banking and Finance* in the *Guildhall Faculty of Business and Law*. Dr. Lee is a highly experienced academic and has provided University-wide leadership in strategic planning, policy development and review in regard to teaching and learning and

related issues in various roles including as HE policy and strategy advisor to the University's Deputy Vice-Chancellor. Her teaching expertise includes commercial and investment banking, financial regulation and compliance, bank lending, financial markets and personal finance. She has been a visiting lecturer at universities and bank training centres including at Doha, Nice and Poitiers, and in 2014–2015, she was appointed as *Visiting Faculty and Scholar of New York University*. Nirmala has retained her links with the banking industry through her involvement with the *Financial Services Authority (FSA)/National Institute for Adult Continuing Education (NIACE)'s* Financial Literacy Advisory Group, *Financial Services Skills Council* and other bodies. She has been responsible for the meeting of University and Industry by developing links with *Standard Chartered Bank* and the *International Compliance Association (ICA)* in the facilitation of financial learning. In their "National Strategy for Financial Capability in Higher Education" (2009) disseminated to all universities as an exemplar for raising student interest and enthusiasm for personal finance, the *FSA* (now *FCA*) refers to *London Metropolitan University* as one of only four universities awarded the *FSA* grant for "unique ideas" for the creation of a module on financial capability within a formal university award, the unique idea being her innovative *CoBAL (Competency based Action Learning)* curriculum that facilitates more effective financial decisions. Her publications include a leading textbook on *Principles of Lending* prescribed as core reading for banking practitioners writing the Chartered Institute of Bankers' professional examination entries in "Dictionary of Corporate Social Responsibility" published by Springer, Berlin, and Research Report for the *DfES* "Financial Literacy Education and Skills for Life" published by the *National Research and Development Centre for Adult Literacy and Numeracy (NRDC)*. She has presented papers internationally at World Bank/IMF conferences held in San Antonio, Texas; Barcelona; Havana; Nicosia; Prague; and Hong Kong. She is an e-Learning Reviewer for the *Chartered Institute of Securities and Investments* and reviews for the journal *Africa Education Review*, Routledge, Taylor and Francis Group. A gold medallist from her master's programme and a PhD from the University of London, she is *Fellow of the Higher Education Academy (FHEA)* and *Fellow of the Chartered Institute of Bankers (FCIB)*.

**John Lever** is Senior Lecturer in Sustainability at the University of Huddersfield Business School. His current research interests revolve around the food industry, particularly farm animal welfare, halal and kosher meat markets and local food production; he has also a specific interest in the role of migrant workers in food supply chains. Much of this work is concerned with sustainable consumption and production and with building sustainable and resilient communities.

Farm animal welfare, FAW, sustainability, sustainable development, BBFAW, business case, benchmark, triple bottom line, supermarket, corporate retailers, environment, corporate social responsibility and moral case.



**Adebimpe Lincoln** holds an LLB and an LLM in Commercial Law from Cardiff University and an MBA in International Business and PhD in Entrepreneurship and Business Development from the University of South Wales. She also holds various teaching qualifications in Higher Education. She is a Fellow of the Higher Education academy and an Associate Member of the Chartered Institute of Personnel Development. She has over 12 years' experience in Higher Education and is currently an Assistant Professor in Saudi Arabia. She has held positions in Cardiff University, University of South Wales, and was a Senior Lecturer in Law at Cardiff Metropolitan University. She is the External Examiner for Undergraduate and Postgraduate Law and Professional Practice Programmes at Manchester Metropolitan University. Dr Lincoln has vast experience supervising research students. She has supervised a wide range of master's level research including MBA and LLM dissertations. She has also supervised students at doctoral level in the area of Entrepreneurship and Corporate Governance. Her research interests lie in the area of Female Entrepreneurship, Small and Medium-Sized Enterprise (SME) sector, Leadership practices of Nigerian Entrepreneurs, Corporate Governance and Board Diversity and Corporate Social Responsibility amongst Nigerian SMEs. She has published and presented a number of articles on SMEs and female Entrepreneurs in Nigeria.

**David Monciardini** is Senior Lecturer in Business and Society at Exeter Business School. He has a multidisciplinary background, which spread across Management, Sociology of Law and Accounting. He obtained the Int'l PhD "Renato Treves" in Law & Society (2013) for his socio-legal research on the emerging European regime of corporate non-financial reporting (i.e. social and environmental matters, human rights and anti-corruption). Before joining Exeter Business School in 2015, David worked as lecturer in Financial Accounting at the Free University of Bolzano (Italy) and research fellow at Ferrara Business School, where he did research on indicators for regional innovation policies. Currently, his researches focus on new forms of accounting for business performance that integrate financial and non-financial KPIs and on the role of transnational professional communities in setting the standards for corporate sustainability.

**Catalina Soriana Sitnikov**, PhD, is an Associate Professor. She graduated in 1995 with bachelor's degree with major in Informatics applied to Economics, from the Faculty of Economics, University of Craiova, Romania. In 1996, she graduated with master's degree in Human Resources, also from the Faculty of Economics, University of Craiova, Romania. In 2000, she completed her PhD in Management, again from the Faculty of Economics, University of Craiova, Romania. In 2015, she was appointed to the position of PhD Supervisor in Management, by the Faculty of Economics, University of Craiova, Romania. Also in 2015, she was awarded her Habilitation title in Management, by the Academy of Economic Sciences, Bucharest, Romania. Since 1995 to the present moment, she has taught and researched at the Faculty of Economics and Business Administration, University of Craiova, on

various subjects including Quality Management, Strategic Management, Management and Corporate Social Responsibility. Catalina has participated in many national and international projects whilst collaborating with local and international Universities and Organisations. Between 2001 and 2003, she was a visiting lecturer and researcher at Helsinki University, Lahti Centre, Finland, teaching Benchmarking and developing projects with partners from Japan, China, the USA, Spain, Portugal and France.

**Kanji Tanimoto** is Professor in Business and Society at the School of Commerce, Waseda University, Japan. He recently was Visiting Professor at the Free University of Berlin in 2010 and 2014. Prior to joining Waseda, he was a professor at the Graduate School of Commerce, Hitotsubashi University. He received his doctorate in business administration from Graduate School of Business Administration, Kobe University.

He is Founder and President of an academy: Japan Forum of Business and Society, which is the first academic society in this field in Japan. He is an editorial member of some journals and a guest editor of the special issue of *the Journal of Corporate Citizenship* Japanese Approaches to CSR, Issue 56, 2014. He serves on the programme committee of the International Conference on Corporate Social Responsibility at Humboldt University. He has been consulting and providing advices to leading Japanese companies on CSR management over the last 20 years. He also has engaged some government committees on business and society and social business.

His research interests are the relationship between business and society, corporate social responsibility, social business and social innovation. He has published numerous books and papers. Recent articles in English include “The Emergent Process of Social Innovation: Multi-Stakeholders Perspective”; *International Journal of Innovation and Regional Development*, special issue: Innovative Entrepreneurship, Vol.4, No.3/4, 2012; and “Does Foreign Investment Matter? The Effects of Foreign Investment on the Institutionalisation of Corporate Social Responsibility by Japanese Firms”, with K. Suzuki and A. Kok, *Asian Business & Management*, Vol.9, No.3, 2010. He had contributed to the Encyclopedia of Corporate Social Responsibility, Springer, 2012, and the Dictionary of Corporate Social Responsibility, Springer, 2015. He also authored or co-authored 13 books in Japanese on the subject of business and society.

## About the Editors

**Stephen Vertigans** is currently Head of School of Applied Social Studies at Robert Gordon University, Aberdeen, UK. His research interests include corporate social responsibility and political violence with particular interest at present in energy-related development in East and West Africa. In his publications, Stephen applies a sociological approach in order to try to enhance levels of understanding about the wider social, cultural and political processes which are instrumental in the success or failure of CSR policies.

**Samuel O. Idowu** is a Senior Lecturer in Accounting and Corporate Social Responsibility at London Guildhall Faculty of Business and Law, London Metropolitan University, UK. He researches in the fields of Corporate Social Responsibility (CSR), Corporate Governance, Business Ethics and Accounting and has published in both professional and academic journals since 1989. He is a freeman of the City of London and a Liveryman of the Worshipful Company of Chartered Secretaries and Administrators. Samuel is the Deputy CEO and First Vice President of the Global Corporate Governance Institute. He has led several edited books in CSR, is the Editor-in-Chief of two Springer's reference books—the Encyclopedia of Corporate Social Responsibility and the Dictionary of Corporate Social Responsibility—and is an Editor-in-Chief of the International Journal of Corporate Social Responsibility. He is also a Series Editor for Springer's books on CSR, Sustainability, Ethics and Governance. One of his edited books won the most Outstanding Business Reference book Award of the American Library Association (ALA) in 2016 and another was ranked 18th in the 2010 Top 40 Sustainability Books by, *Cambridge University, Sustainability Leadership Programme*. Samuel is a member of the Committee of the Corporate Governance Special Interest Group of the British Academy of Management (BAM). He is on the Editorial Boards of the International Journal of Business Administration, Canada, and *Amfiteatru Economic Journal*, Romania. Samuel has delivered a number of Keynote Speeches at national and international conferences and workshops on CSR and has on two occasions 2008

and 2014 won Emerald's Highly Commended Literati Network Awards for Excellence. To date, Samuel has edited several books in the field of CSR, Sustainability and Governance and has written four forewords to books. Samuel has served as an external examiner to the following UK Universities —Sunderland, Ulster, Anglia Ruskin and Plymouth. He is currently an external examiner at Robert Gordon University, Aberdeen, Teesside University, Middlesbrough and Sheffield Hallam University, UK.

# Stages of Corporate Social Responsibility: An Introduction

The need for corporate entities to act and behave responsibly has been widely discussed in the literature for more than fifty years (see, for example, Bowen (1953), Heald (1957), Carroll (1979, 1991, 2003), etc.) A lot has been done with regard to mainstreaming CSR in what both corporate and individual citizens of the world do. Not only that, many of the operational practices of both corporate and individual citizens of our world have been positively transformed and reoriented as a result of those CSR actions we are all expected to take. Corporate leaders are at the hub of many of these actions, which means that for an entity to be CSR conscious and effective in its drive to be socially responsible it must have a good system of governance in place. Three key aspects of corporate social responsibility often discussed in the literature in terms of governance are abbreviated ESG—Environment, Social and Governance. Many corporate entities which operate in different industries place a lot of emphasis on these three key areas of responsibility (see, for example, the Equator Principle in the Banking and Financial Services sector which corporations that operate in this industry must take cognizance of if they are based in North America and Europe). There are several other examples. Good governance has now been recognised as an essential requirement for any organisation that aspires to survive and prosper in whatever industry they operate in. This has become the case since a lot of weak governance-related corporate collapses and failures due to bad governance and scandals which have occurred in recent years in many countries around the world. Not only that, the recent global financial meltdowns which occurred between 2008 and 2012 have equally made governance an important issue in CSR.

Halal (2000) in his contribution to the—*Evolution of corporate governance* posits that over a period which spans more than a century, three models of corporate governance have evolved between 1900 and present date. Halal (2000) argues that Corporate Governance originally evolved from the traditional “profit-centred model (PCM)” during a period which he called the “industrial age—1900–1950”, it metamorphosed into another model he called the “social responsibility model

(SRM)” during the “Neo-industrial age—1950–1980” and now the model is moving towards what Halal (2000) refers to as collaborative working relations phase—the “corporate community model (CCM)”—the information age—1980—? Let us quickly explore Halal’s (2000) three stages in the evolution of corporate governance as depicted in Idowu (2010).

## **The Profit-Centred Model (PCM)**

Halal (2000) argues that the profit-centred model (PCM) was prevalent over a fifty-year period 1900–1950 when those at the helm of the governance of corporate entities, that is, managers, were expected only to focus on maximising the returns due to the providers of capital—shareholders with little or no regard for the adverse impact of their entities’ actions on other stakeholders including the environment, ironically whilst working in collaboration with some of these stakeholders—Employees, Customers, Suppliers, the local Community, etc., in order to achieve this single objective of profit maximisation. The interests of these other stakeholders were subordinated to that of the shareholders; in fact, the law in some parts of the world assisted this to happen. Lee (2008) recounts how Henry Ford in 1917 stood in a Michigan courtroom (having been sued by the Dodge brothers who were shareholders in Ford Motor Company) defending his decision to reinvest Ford Motor company’s accumulated profits on plant expansion whilst slashing the price of Model T vehicles in an attempt to demonstrate that corporations should encourage and build within their systems of governance some responsibility towards their other stakeholders. Lee (2008) argues that Ford’s idea of business as a service to society was not only derided by the company’s shareholders, but the court also granted the Dodge brothers’ request for maximum dividends with no regard even to the strategy the company was intending to embark on for the benefits of the company’s other stakeholders. The court’s decision in this case supports Halal’s (2000) conclusion of the profit-centred model which suggests that other stakeholders may probably benefit from the approach encouraged by the model, but their interests are considered as “a means to an end of profitability rather than goals in their own right”. It is also interesting to note that the PCM appears to be in agreement with Friedman’s (1962, 1970) argument that “business managers are only employed by shareholders to pursue only those strategies which maximise owners’ profits anything other than that is pure socialism; after all businesses are not established for eleemosynary purposes”.

## **The Social Responsibility Model (SRM)**

The second period—the SRM period—falls within Bowen’s (1953) *Social Responsibilities of the Businessman* book. It was during the time that Bowen (1953) attempted to theorise the relationship that should exist between business and society in terms of social responsibility. Halal (2000) suggests that the SRM was introduced in an attempt to correct some of the anomalies of the profit-centred model (PCM). Following Bowen’s book, several corporations had opted to follow a different route from the PCM’s period; they had identified the support and popularity the SRM was generating amongst some of the primary stakeholders, notably their customers and employees. The SRM according to Halal (2000) was basically about “doing good” if the entity aspires to simultaneously do well. Even though the SRM was an improvement on the ethos and doctrines propagated by the PCM, Halal (2000) argues that the two were mutually exclusive despite the interrelationship which should coexist between the two of them in order to bring about good governance. Each of them was focusing in opposite directions of the spectrum, thus preventing the enormous benefits which could ensue if they were linked in some way. This made their goals to conflict and being at odds with each other. Profit was important for the corporation to survive but doing good would inevitably reduce profit, as such the desire to want to pursue and see the model through was lacking. The model failed to pass the test of time. It was, therefore, inevitable and no surprise that a replacement to the model was sooner or later going to be necessary.

## **The Corporate Community Model (CCM)**

By 1980, the missing link between corporation and society had become apparent. The role corporate governance was expected to play in linking corporations and society together had also become apparent to business and society. Halal (2000) calls the period beginning in 1980 the “Information Age” and describes the period as one which heralds a shift in focus from “capital” to “knowledge”, since capital refers to tangible fixed assets which somehow wear out whether they are used or unused; knowledge, on the other hand, refers to intangible fixed asset which does not depreciate in value but appreciates in value over time when shared with others. It is this quality of “knowledge” that propels corporate managers to seek the sharing of information with their stakeholders since this course of action would contribute positively in meeting corporate strategies. The advent of the social media and information and communications technology (ICT) systems has made things better in this regard. Managers provide information to these stakeholders, and in return, they receive valuable information from them. The result of which would only bring about a better understanding, a decrease in the level of mistrust of management’s actions by these stakeholders and a better opportunity to jointly collaborate in order to solve both our economic and societal problems. The CCM has continued to thrive

since 1980 up until the present moment, and there appears to be an unwritten memorandum of understanding between the two sides—the community and corporations. The level of understanding has increased and a noticeable reduction in conflicts and frictions between the two sides now prevails. This perhaps explains why corporations are voluntarily following different strategies which are designed to help the environment and activate sustainable development actions. Taking similar actions to these some forty or fifty years ago would have been perceived as creating unnecessary increase in costs, thus reducing corporate profits and consequently shareholders' dividends.

Corporate Social Responsibility originally started as an idea with a seminal paper by Bowen (1948); it developed to a series of ideas through research and a series of debates and conferences. It has now transformed into a series of measurable impacts globally through concerted actions by all. Since 2000, the United Nations has put forward two sets of 15-year development goals—Millennium Development Goals 2015 and Sustainable Development Goals 2030. They are both designed to reshape our world in terms of social responsibility. The chapters in this book have successfully explored CSR from professional, conceptual and strategic dimensions and we hope you will increase your understanding of the field of CSR through your interaction with the volume.

A number of innovative impactful ideas have stemmed from CSR in different economies around the world. The literature is full of discussions about social entrepreneurship, social innovation, social intrapreneurship, microfinance, sustainable development and several other terms which have been coined in order to make our world socially responsible and at the same time sustainable for all inhabitants of this planet either now or in the future.

The eleven chapters which make up this book have successfully explored many of these issues. There are three Parts to the book. Part I on *Professional Corporate Social Responsibility* is made up of three chapters. Part II on *Conceptual Corporate Social Responsibility* is made up of four chapters. The final part on *Strategic Corporate Social Responsibility* is also made up of four chapters. Each chapter has addressed different issues that relate to the theme of the book. It is hoped that they meet your requirements with regard to how corporate social responsibility has transformed from what initially started as a series of *ideas* into a number of noticeable *impacts* globally.

London, UK  
Aberdeen, UK

Samuel O. Idowu  
Stephen Vertigans

## References

- Bowen, H. R. (1953). *Social responsibilities of the businessman*. New York: Harper Row.  
 Friedman, M. (1962). *Capitalism and freedom*. Chicago, IL: University of Chicago.  
 Friedman, M. (1970, September 13). The social responsibility of business is to increase its profits. *The New York Times Magazine*.



- Halal, W. E. (2000). Corporate community: A theory of the firm uniting profitability and responsibility. *Strategy and Leadership*, 28(2), 10–16.
- Heald, M. (1957). Management's responsibility to society: The growth of an idea. *The Business History Review*, 31(4), 375–384.
- Idowu, S. O. (2010). Corporate social responsibility from the perspective of corporate secretaries. In: S. O. Idowu, & Leal Filho, W. (Eds.), *Professional perspectives of corporate social responsibility*. Springer International, Switzerland.
- Lee, M.-D. P. (2008). A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead. *International Journal of Management Reviews*, 10(1), 53–73.

# **Part I**

# **Professional Corporate Social**

# **Responsibility**

Lawyers, Accountants and Financial Analysts  
Female Entrepreneurs  
Senior Polish Managers

# Chapter 1

## The Rationales of Lawyers, Accountants and Financial Analysts in Shaping the EU Agenda on CSR

David Monciardini

### 1.1 Introduction: European CSR Policies and the Role of Transnational Professional Communities

Entering the field of CSR reporting, anyone could feel understandably lost in a ‘forest’ of alternative formulas, which are often used as synonymous: sustainability reporting; social and environmental accounting; ESG (Environmental Social and Governance) data; non-financial information; etc. Going deeper into this issue, differences arise between those who talk about transparency, disclosure or corporate accountability. For each of these ‘entry points’ into CSR reporting, multiple choices are available to law- and policy-makers, which would radically change the mode and content of CSR reporting regulation (cf. Bebbington & Gray, 2001; Buhr, 2007; Crouch, 2010; Everett, 2004; Mason, 2005; Morgera, 2009). Disclosure should be left to companies’ discretion or mandated by law? What should a company report on? Which companies should be required to provide information? To whom managers should be held accountable for their decisions? How non-financial information can be verified? Adopting a depoliticised and under-socialised approach to this problem, until recently, most of the literature and the policy debate was taking for granted that we already know what this reporting entails. It was conventionally treated as a technical issue. However, more recently, the debate has become more explicitly ‘political’, particularly as law- and policy-makers have become increasingly active on this issue. There is a growing literature that goes beyond managerial and normative approaches and has revealed the co-existence of different, often competing, instances and interests (De Schutter, 2008; Dingwerth & Eichinger, 2010; Fairbrass, 2011; Kinderman, 2013). The study aims to contribute to this strand of studies on changes in CSR policies and politics,

---

D. Monciardini (✉)  
University of Exeter Business School, Exeter, UK  
e-mail: [D.Monciardini@exeter.ac.uk](mailto:D.Monciardini@exeter.ac.uk)