From Corporate To Shared Social Responsibility: Community Governance and Social Capital Creation Through Collaboration

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Authors:

Davide Galli

Assistant Professor of Management

Università Cattolica del Sacro Cuore, Italy

Marco Elefanti

Full Professor of Management

Università Cattolica del Sacro Cuore, Italy

Giovanni Valotti

Full Professor of Public Management

Università Bocconi, Italy

Extended Abstract

Traditional approaches on corporate social responsibility (CSR) are concerned with the definition of a model that identifies the mechanisms through which the adoption of tools and practices of social responsibility by a company translates into better economic and financial performances. Such approaches emphasize possible medium / long term advantages that a company can obtain introducing instruments of corporate social responsibility. Despite the increasing number of initiatives undertaken by companies in order to meet the needs of one or more individuals in the community, the core issue about overall benefits that society as a whole would gains from such initiatives still remains background. As extended as is, the number of stakeholders taken into account by the individual company never comes fully to cover persons who in a territory, regardless of their interest towards the company, have a need and are not able to satisfy it. By adopting the traditional approach to the analysis of corporate social responsibility, is likely to enhance the positive consequences for companies, when those consequences are there, and neglecting if those consequences are beneficial for the community entirely.

In the paper perspective, it appears to be more interesting to analyze the concept of corporate social responsibility by expanding its boundaries. It assumes the social capital of a territory as the most important content of corporate social responsibility and of the social responsibility of all other actors playing in the same territory. Thus, processes by which economic actors produce and use through their activities the social capital present in their community become the real focus. The expanded concept of corporate social responsibility in terms of contents suggest to extend also the denotation reflecting about categories of subjects to which the concept refers. In this sense, the paper aims to consider social responsibility as an important element not only with reference to companies, with their production activities, but also to other categories of institutions, such as public administrations and no profit organizations.

In this expanded perspective, the diffusion of a socially responsible approach becomes relevant when it involves all actors operating in a territory basing upon the sharing of visions, values and goals about sustainable development and social inclusion. Furthermore it appears to be appropriate to talk about social responsibility only when this responsibility results shared in a context of mutual commitment. Because of this principle, the paper aims to identify a set of hypothesis about mechanisms that support the definition and development of Social Shared Responsibility initiatives.

Key Words

corporate social responsibility, social shared responsibility, community

Introduction

Have now gone almost 30 years since the publication of R. Edward Freeman (1984) *Strategic Management: A Stakeholder Approach*. It's also thanks to this book the Corporate Social Responsibility (CSR) issue has been catapulted in management studies. The expectations towards companies both from the private and the public sector have since that changed considerably (Shamir, 2008). As a result of this increasing attention, the issue of CSR has become ubiquitous, engaging in a kind of coalition supporters from various fields and authors from various scientific disciplines. On the one side there are those that highlight the potential of CSR basing their support primarily on evidence of some good practices. These supporters suggest that the transition from a traditional model of business-related companies to a model of corporate citizenship can be realized following a pragmatic approach and through competition. This approach tends to place in the background elements such as power asymmetries, structural barriers, the role of the state, the internal conflicts in groups and negotiation processes (Hopkins, 2003; Holliday et al., 2002; Porter and van der Linde , 1995, Frederik, 1978/1994).

On the other side there are those who tend to minimize the contribution of CSR by reducing it as a sort of ecological make up or opportunistic stance taken by companies to divert public attention and to legitimize their activities. These perspectives tend to emphasize the structural conditions of contemporary capitalism, which would operate as a fundamental obstacle to development of a more philanthropic approaches (van Oosterhout and Heugens, 2008; Cutler, 2008; Greer and Bruno, 1996; Klein, 2000; Richter, 2001). Part of this literature tends also to demystify the topic of CSR and focus it in terms of the need for an alternative regulatory approach (Kitazawa, 2007).

Although much of the literature oscillates between these two opposites, it appears increasingly to be necessary the adoption of a more critical approach, based both on theoretical and empirical assumptions, that make possible to identify the role of business in a modern community governance and develop potential and limitations of CSR initiatives (Crane et all, 2008; Levy, 2008).

The contribution we propose is developed with the aim to contribute to overcome some of the major limitations that literature evidences on this topic:

- the emphasis on empirical approach based on anecdotes and practices;
- the lack of investigation about the impact that business decisions generate in their context;
- the underestimation of complexity of institutional arrangements and relationships that lead to a gradual evolution and deepening of social responsibility in the business;
- the weak reference to theoretical framework, i.e. institutionalism, that can help understanding why companies adopt CSR initiatives and how these initiatives take place in different historical moments, places and contexts;

These limits reflect in research paths on CSR that mainly relate to experiences carried out by single companies or specific groups of companies (Matten and Moon, 2008). In parallel, some studies focus on defining the role that Governments and some international organizations can play in supporting the diffusions of such initiatives (Benz and Frey, 2007; Bovaird, Loeffer and Martin, 2003).

In the present contribution we assume that CSR issue can be addressed in terms of social capital dynamics inside a community of companies, with their shareholders and stakeholders, public administrations, nonprofit organizations and individuals. This approach follows recent contributions that suggest to reinterpret, if not exceed, the CSR issue in terms of shared value (Porter and Kramer, 2011). Companies are seen as one of the actors inside a community, that have the task to use responsively and contribute to the generate a share value. In this broader perspective, the CSR initiatives, ultimately aimed at increasing the private economic capital in a more ethical way, has to evolve toward initiatives make in order to increase the share social capital of a community, thus contributing at its sustainability (Putnam, 2005).

CSR theories and the company perspective

Traditional approaches to CSR are concerned with the definition of a model that identifies the mechanisms through which the adoption of managerial tools and practices of social responsibility by a company translates into better economic performances such cost and risk reduction, profit maximization, competitive advantages, reputation and legitimacy, synergistic value creation. A long tradition of scholars have examined this issue both theoretically (Carroll, 1979; Swanson, 1995, 1999; Wood, 1991) and empirically (Cochran and Wood, 1984; Graves and Waddok, 1994; Mattingly and Berman, 2006; Russo and Fouts, 1997), with a preliminary focus on conceptualizing, specifying and testing some relationship between corporate social performance and corporate financial performance. The results are decidedly mixed: a company that dedicates resources to fulfilling what are perceived to be its social responsibilities will financially perform either better, worse or the same as it might have done otherwise, depending on which studies we line up and consult. Some approaches emphasize possible medium / short term advantages that a company obtain introducing initiative of CSR. Others, based upon a long term perspective, identify a theoretical background.

In order to outline the CSR theme from a theoretical point of view it is possible to rely upon four theories about the responsibility of business in society, which can be considered contemporary mainstream theories: Shareholder Value Theory, Corporate Social Performance, Stakeholder Theory and the Corporate Citizenship approach. We assume that each of these approaches can contribute to build up a new definition of what is CSR.

Shareholder Value Theory comes from particular economic theory (Friedman, 1970). Generally this approach goes along with the agency theory assuming owners as principal and managers as agents. Adherents of this view considered CSR as a threatening dragon for shareholder value creation but some of the CSR initiatives that identify social contribution can be profitable also for shareholders, i.e. cause related marketing, corporate philanthropy in competitive context and strategies for the bottom of the economic pyramid. On this perspective there is an ideal level of CSR determinable by cost benefit analysis and depending on several factors (McWilliams and Siegel 2001). The main weakness of this stream is that in practice, shareholder maximization value frequently reflects short-term profits rather than long-term profitability.

Corporate Social Performance is a theory based grounded in sociology (Carroll, 1979 e 1991; Wood, 1991; Swanson, 1995; Schwartz and Carroll, 2003). This theory maintains that business, apart from wealth creation, also has responsibilities for social problems created by business or by other causes, beyond its economic and legal responsibilities. In a positive sense, corporate reputation is also related to the acceptance of the community where a company is operating (Lewis, 2003). In recent times, the social expectations considered in this model have become more specific in terms of actors, processes and contents. The main weakness of this approach is the theoretic separation of economics and ethics.

Stakeholder Theory is normative version based on ethical perspective (Freeman, 1984), the notion of CSR means that companies have an obligation to constituent groups in community other than stockholders and beyond that prescribed by law or union contracts (Jones, 1980). More recently some authors have insisted that the authentic responsibility in to create value for stakeholders, including local community, and suggested that the main goal of CSR is to create value for stakeholder without separating business from ethics (Freeman e Velamuri, 2006). This theory relates business to ethics and superseded conceptual vagueness of CSR by addressing concrete interests. A weakness concerns stakeholders representation in corporate decision-making.

Corporate Citizenship approach (Matten and Chapple, 2003; Matten and Crane, 2005) relies on political studies and assumes that be a good corporate citizen includes actively engaging in acts or programs to promote human welfare or goodwill (Carroll, 1991). Since 1990s this concept has expanded from its traditional meaning, suggesting that company is a part of the whole community and it reflects a profound change in normative understanding of how business organization should act in respect of stakeholders (Logsdon and Wood, 2002). Matten and Crane (2005) state that companies are active citizenships and exhibit citizenship behavior, but the company is neither a citizen itself nor does it have citizenship. Corporate Citizenship is the role of the company in administering citizenship rights for individuals, the company administers certain aspects of citizenship for other constituencies. A possible weakness of this stream is the lack of clarity about who is responsible for creating the standards for global citizenship.

The four mainstream theories briefly described identify as many perspectives in exploring a possible evolution of CSR but they still assume that CSR is about a company and its surroundings. We look at the single company in the broader context of its community. Despite the increasing number of CSR initiatives undertaken by companies in order to meet the needs of one or more actors in their community, the core issue about overall benefits that community as a whole would gains from such initiatives still remains background. As extended as is, the number of stakeholders taken into account by a single company never comes fully to cover people that inside a community, regardless of their interest towards the company, have a need and are not able to satisfy it. By adopting the traditional concept of CSR the focus remains exactly on the corporate dimension. This concept, even when observed from the four different theoretical perspectives, is likely to enhance the positive consequences for companies, when those consequences are there, and neglecting if those consequences are beneficial for the community as a whole (Porter and Kramer, 2011).

A social responsibility shared in the community

In a broader perspective, it appears to be more interesting to encompass the concept of CSR by expanding its content and boundaries. The company centered focus of the CSR concept can be extended beyond the assessment and balancing of the interests of different subjects as employees, suppliers, customers and the society (Donaldson and Preston, 1995) toward a more community centered concept that we propose to define Social Shared Responsibility (SSR).

According to Draft recommendation of the Committee of Ministers to member states on the Council of Europe's Charter on shared social responsibilities (2011):

"Shared social responsibility is defined as the state or ability of individuals and institutions to take action and be accountable for the consequences of such action or failure to act, in the context of mutual commitments entered into by consensus, agreeing on reciprocal rights and obligations in the fields of protecting human dignity, the environment and common goods, the fight against poverty and discrimination, the pursuit of justice and social cohesion, with due regard for diversity."

This definition calls for rights and ethical values that ought to inspire action of individuals and institutions. Respect for these principles and values should help to create a society characterized by greater well-being for individuals and greater social capital. This definition of shared social responsibility focuses on attitudes and behaviors of individuals and institutions, it stresses the subjects that have to be responsible but does not consider the object of responsibility. A company is socially responsible for its own decisions but what is the real object of social responsibility?

In this article we assume that responsibility can be defined "social" it its object is "social" and that if the object of responsibility is "social" then that responsibility has to be shared between institutions and individuals that are part of a community. In this perspective, CSR refers to a single company as an actor that can affect community positively or negatively. SSR refers to all actors that decide to share the responsibility to affect society. By referring to the society as a whole, discussion remains at a theoretical level. For this reason it seems correct to bring the scope of analysis to the community a company belongs. Community level better captures the responsibility dimension as it focuses attention on what people do rather than what people are. By community we mean a group of actors who interact directly, frequently and in a multi-faceted ways.

The SSR perspective assumes that social capital of a community is the object of responsibility that is shared between all the actors playing in the same community. Social capital refers to trust, concern for one's member of the community, a willingness to live by the norms of one's community and to punish those who do not (Bowles and Gintis, 2000). Perhaps social capital is not a good term (Adler and Know, 2002). "Capital" refers to a thing that can be owned, by contrast the "social" attribute describes relationship among people. Also with this denotation, social capital still can be considered as a resource that in the social structure within which actors are located, as do other resources.

To assume social capital as the object of a company SSR means to observe processes by which this company, like the other actors, produces and uses through its activity the social capital of the community (Borgonovi, 1996; Moore, 1995). The corporate dimension still remains relevant as subjective but the object of responsibility shifts internal to external. SSR decision making processes are about how to use internal and external shared resources. CSR can be considered as contribution to this broaden concept, a contribution specific of those companies that discretionary decide to allocate their own resources on social issues.

The definition of SSG suggest to discuss also about the denotation of this concept reflecting about categories of subjects to which this concept and the CSR concept refer. We assume that SSR is not only about companies but refers to other institutions like public administrations, *quangos*, not for profit organizations and individuals. Although there is broad consensus that CSR has a business-driven approach and that the main focus of CSR development is the business sector, attention has also be paid to the development and application of CSR within the framework of other stakeholders, such as governments, from a relational perspective (Moon and Vogel, 2008). In this sense is has been observed that Governments are changing more and more their role towards CSR in order to support the diffusion of those practice, but also in order to transform those instruments in a way that results to be effective in the private sector (Albareda et al, 2008). Government is often considered as the regulatory other of CSR, a powerful force that establishes the rules of the game and, if only in the most general sense, determines what can be located inside and what falls outside the domain of CSR (Vallentin and Murillo, 2012). Although CSR, in this particular sense, cannot be viewed in isolation from government (Moon and Vogel, 2008), the two are often considered as separate and distinct affairs. In our perspective governments are directly involved in social shared responsibility as they are naturally relevant actors in the process of social capital development and consumption. SSR seems to appropriately refers to governments and their bodies, as well as it refers to companies. Indeed the diffusion of a socially responsible approach becomes relevant when it's shared, that is it involves all actors operating in a community.

To talk about social responsibility it appears to be appropriate to only when this responsibility results shared in a context of mutual commitment based upon the sharing of visions, values and goals about sustainable development and social inclusion in the community (Council of Europe, 2011). If we agree about this definition of social responsibility, it become necessary to identify, analyze and develop a model of community governance, which, alongside the traditional institutional structures, allows the actors operating in a community to support the development of social capital through a sharing of responsibility. In the next paragraph we assume the company's perspective to describe what directions need to be taken in order to define SSR initiatives.

The business case for Social Shared Responsibility.

CSR is on the management agenda as well as one of the more relevant topic in management research. Even if scholars and managers have considered companies' social concerns for many decades, it is only in recent years that interest in CSR has become more widespread (Aguinis and Glavas, 2012). The large number of conferences, networks, initiatives and public programs on CSR demonstrate the interest both at theoretical and practical level. What is not immediately obvious is why CSR is on the agenda. What makes the topic so relevant to management today? After all, it has long been recognized that CSR has been developed from the company's perspective in order to address the growing need for business to become engaged in creating value on multiple fronts. But can this perspective bring to a SSR approach development as well? We suggest what is needed is a set of questions for unearthing the underlying assumptions of the various approaches to CSR above presented in order to discuss if the business case for CSR is relevant also in terms of SSR. In so doing we add the call for the development of more integrative models of CSR (Porter, 2011; Driver 2006, Freeman, 2000).

A first approach, based above all on the shareholder value theory, is that the firm chooses to engage, or not, in CSR in order to reduce costs and risks. The underlining hypothesis is that value creation for a company is a form of trading interest among social, environmental and economic concerns. Company's executives have to work solely in the interests of the firm's owners, customers and employees and they have to avoid to increase social performance if it is incur unnecessary costs and reduce company profitability. In other term there is a trade-off between CSR as cost and financial performance and CSR is considered a discretionary cost. A focus on developing CSR standards and auditing CSR practices is a focus of the risk management approach aimed at building confidence among stakeholders. In this perspective demands from stakeholders present potential threats to the company's profitability.

If we assume the SSR perspective, the business case doesn't change. SSR is a cost and the company will decide to develop SSR initiatives if doing so other costs or risks reduce their relevance. But if we consider the SSR perspective define above, the analysis' focus about cost and risk that a company has to do shifts from internal to a more external point of view. The company has to consider not only its own processes but the processes that involve the community processes. Moreover the company could need to define some organizational changes that enable it to identify and anticipate threats for the community and from the community. In doing so the company will probably focus on those interaction, inside the community, in which it has a direct involvement i.e. the relationship with workers and their families, the relationship with other companies that are establish in the same territory, the relationship with local public administration. But a SSR oriented company will also consider interactions between this actors that can affects its cost, i.e. condition of public schools and primary care service that, affecting families life, determine a lower level of labor productivity. Stakeholder theory can partially help in order to explain how it could be. However in the SSR approach this kind of evaluation has to be made not only with regard to company's stakeholder but, more generally inside the community. A single company could then decide to start a SSR initiative, not because it reduces its own cost but because there is a indirect benefit for one of its stakeholders. Taking into account the problem for a single company to direct observe and determine costs for the community it seems reasonable to affirm that this business case seems not to support enough the adoption of SSR initiative. A good public intervention toward the development of and performance governance instruments, i.e. quality of life indicator shared systems, could help in the direction of a deeper awareness of community wealth, inter alia not only by companies.

CSR initiatives can be explored also focusing on a second business case: value creation through gains in company reputation and legitimacy. Reputation and legitimacy are considered as resources that allow a company to maintain control over its own decision making and external interaction. Those resources would originate from an alignment of stakeholders and the company interests obtained with initiatives focuses on corporate social performance. Cause related marketing, corporate philanthropy, social responsible investing are initiatives that can support the company in order to obtain this alignment. Potential performance benefits can be granted through enhanced legitimacy from CSR initiative disclosure (Gelb and Strawser, 2001).

In the SSR perspective, reputation and legitimacy can be considered as well as relevant resources for a company such ad for any other actor in order to influential in the community. To strengthen or to increase those resources can results in a wider chance for the company to have access to other kind of community's resources and to influence decision making processes. From an external point of view, legitimacy refers to the audience that a company, or other actor, receives inside a community and reputation determines the priority the community will recognize to the company's needs. In the debate about legitimacy and reputation it is important to bring together both the economic and the ethic side of a company performance. If a company has a bad performance from an economic point of view, i.e. its productivity is below the average of its sector, this inefficiency could also be the consequence of a particular attention to the involvement in the labor market of those subjects that from a strictly economic point of view it might be convenient to exclude, such as people with disabilities or who have not received adequate education. But in order to involve those people effectively from an ethical point of view it is important it is important that, within a community, there are more companies, as well other actors, willing to give an opportunity. Companies can strengthen their reputation together trough the adoption of a collaborative problem solving approach that gives evidence of their efforts to contribute to the satisfaction of the community's needs (Tracy, Phillips and Haugh, 2005).

In a third general business case, CSR initiative are conceived strategically as conferring competitive advantage on the company over industry rivals. This approach assume that building better relations with primary stakeholders like employees, customers, suppliers and business communities could lead to an increased shareholder wealth by helping companies develop intangible, valuable assets which can be sources of competitive advantage (Hillman and Keim, 2001). On the other hand, using corporate resources for social issues not related to primary stakeholders may not create value for shareholders. Social and ethical resource are conceived in this approach as internal organizational resources that build a competitive advantage by enabling a strategic adaptation to the external environment. Social investments in a competitive context (Porter and Kramer, 2002, 1999) or strategic philanthropy (Brunch and Walter, 2005) thus fall under this approach since they focus on building company advantage through strategically orienting and directing resources toward the perceived demands of primary stakeholders. In other word this approach assumes that a company can gain from an adaptive strategy and it suggests that investing in partnership with stakeholders can result in an peculiar advantage.

From a SSR perspective this approach is affected by narrow focus on a set of stakeholder that is directly connected to a single company. What matters is the benefit a single company will obtain by its investments and partnerships. But it could also happen that this exclusive partnership with a selection of stakeholder affects the social capital, creating inequalities and consuming trust inside a community. In this case, the net effect on social capital is negative even if for the company and its partner can be positive. A second limit is related to the stakeholder representation on the company decision making process. The idea that companies can obtain a competitive advantage still remains valid but in a broader perspective and suggest that companies, and other actors, develop partnerships for the definition of community oriented competitive advantages, i.e. social activity for vulnerable people, vocational training for young people, platforms for entrepreneurship. This condition requires that the advantage itself is defined for the community. A deeper understanding of community features and peculiarities constitute in this sense a strategic issue for all actors that want to obtain advantages by supporting community itself.

This business case approach has an interesting consequence that emerge if we assume that the value creation occurs through the company adaptation to its external contest. Adopting a supply and demand theory (McWilliams and Siegel, 2001) a company will supply only the level of social performance that is demanded of them. This means that if a community presents a very low level of social capital, this community will not represent a good environment for the development of relevant SSR initiative.

Finally, a fourth business case identify CSR effects for a company in terms of positive synergy that means creating connection between stakeholders by relating common interest. This approach highlights positive gains generated by creating or participating at network in order to create opportunities of mutual gain. The concept itself of triple bottom line of sustainability (Elkington, 1998) emphasizes synergies that can emerge for organizations, environment and societies through integrating efforts across actors that operate in these domains. This approach focuses on seeking opportunities to unearth, relate and synthesize interests of a diverse set of stakeholders, broadly conceived. So if a company want to be closer to environmental issues, it has to find out suppliers and clients that share its environmental sensibility and doing so it can create chances for new business. Who has the authority to set what is ethic about environment, as well about other field, is still a contested issue, but inside a community an adequate governance structure can support a shared definition.

Because this approach falls outside of traditional business model, it can be also considered as the more relevant in the explanation of SSR initiative adoption by a company. The company define a SSR initiative in order to share its knowledge and catch an opportunity that two or more actors in the community interact and satisfy their needs. By this way, the company may not get the advantage for itself but it gains reputation among other subjects. Those subjects may not be stakeholder but, as actor in the community, can activate a similar initiative for the company. Adoption of long term perspective and reciprocity represent two conditions that support this business case. The company, under those conditions, behaves like a good citizen that respects other citizens and promotes community welfare. In doing so the company develops not only a general partnership with the community but also specific partnerships with other companies in order to share the burden of developing effective initiatives.

Four mechanism to support Social Shared Responsibility

Community governance is a an approach to local governance that consider how different typologies of institutions that belong to a community coordinate their relationship in order to address community problems and improve the overall quality of life. These typologies include private and public companies, public agencies, not for profit and community-based organizations, individuals. The idea of community governance is still relatively new (Bowles and Gintis, 2002) and it has gained much prominence as the competitive idea of local governance leaded by elected local government in a role as network coordinator has began to fall (Stoker, 2011). In the present paragraph we define an approach to the development of SSR initiative that companies can adopt in order to support their communities.

From a public perspective, public administrations that approaches governance issues in terms of community governance believe that there is a need for a holistic, collaborative approach to addressing community problems, selecting priorities and providing public services. Similarly, it can be assumed that companies that plan their activities in this perspective, recognize that all actors involving the community need to work with each other to effectively address the community challenges. Additionally, these companies understand that their business, as well the business of other companies and the activities of other actors, can contribute to solve community problems. Those companies assume that a community governance approach can help public administrations and other actors playing public functions in order to achieve a better use of their expertise and limited resources. They recognize that the their activities affect other actors performances. They assume an holistic approach to good production and service delivery that breaks down business barriers. They encourage community and public stakeholders to share expertise and limited resources in order to address community problems. They provide a voice for the community stakeholders that cannot have voice into decision-making processes. They engage community members in their own well-being and in improving the community s quality of life. They adhere to the democratic principles of equality and responsiveness. They ask for an increasing level of transparency and accountability of government and increase their own level. They share the responsibility for community safety and quality of life with local government and the community. They stress attention on community well-being outcomes (e.g., health and safety, education, environment). The sharing of social responsibilities by those companies requires regulation mechanisms and institutional and organisational structures which, based on deliberative processes, make it easier to reach equitable agreements and honour the decisions taken (Carroll, 1993). In other words SSR requires governance. Focusing on governance as a process rather than on institution role and assuming the framework presented in the previous paragraph and summarized in Table 1., we outline four general hypothesis about mechanism that a company can apply in order to actualize the concept of SSR.

Table 1. A multiple path in the definition of SSR

Theoretical mainstream	Shareholder Value Theory	Corporate Social Performance	Stakeholder Theory	Corporate Citizenship Approach
Business case	Cost and risk reduction	Reputation and Legitimacy	Competitive Advantage	Synergic Value Creation
Limits	Focus on short term	Economics vs Ethics	Stakeholder representation in decision making process	Citizenship rights setting process
SSR mechanisms	Corporate governance and organizational change	Collaborative problem solving	Partnership with the community	Partnership among companies

Each of the four mechanism is defined at theoretical level with the aim to distinguishes between elements that can help to identify, understand and project SSR initiatives. Next paragraphs describe the four steps and explain how this framework will support the next package of our research. Each of those mechanisms is primarily defined as hypothesis that has to be tested to further research.

HP1. If a company wants to take SSR initiatives with the support of its shareholder the corporate governance structure and organizational need to be changed.

Any company that actively seeks to implement SSR initiatives need to adapt its corporate governance and organizational structure. These changes can reflect also on human resource management practices and to the approach to management and information technology. Corporate governance and organizational changes tend to be slow and incremental and occasionally face setbacks because of a lack of institutionalization. If corporate governance and organizational changes are made in support of community governance, all the more reason they need to be sustained over time by companies' managers and their staff members in order to succeed. Consistent and steady leadership by the top executives is to this success could result. Through their guidance and leadership, as well as through their steps to remove organizational barriers, community governance can become the company's way of doing SSR. SSR initiatives could requires companies to think about their activities in a new light and a willingness to share resources. It necessitates a flexible and agile approach to providing services and using resources such as financial, logistical, human, and technological assets.

Companies adopting community governance should also take steps to make itself more transparent to the public. Characteristics of transparency include a willingness to share relevant information with the public, to explain decision-making processes and policies to the public, and to engage the community in developing these processes. Transparency helps to build trust between community's members. Transparent efforts, therefore, will help build trust both among companies and between companies and the community. Another measure of transparency is in sharing evaluations and findings with the public, regardless of how positive or negative they are toward public administration. In some case, organizational structures may have to adapt to meet the needs of community governance which, in many aspects, is characterized by devolution responsibility, and decision-making capabilities and a specific collaboration with authorities.

HP2. If a company wants to perform socially through SSR initiative it has to adopt a collaborative problem solving approach.

According on Tencati, A. and L. Zsolnai (2008)it is possible to outline a second mechanism supporting SSR initiative. Companies engaged in community governance develop collaborative relationships with each other and with the community they refer. These relationships and partnerships can be leveraged for problem-solving activities that focus on specific community problems, such as public safety, public health, environmental protection, business development, and housing issues.

Collaborative problem-solving efforts provide a vehicle by which proactive companies can identify existing and emerging community concerns and develop collaborative efforts to address them. Collaborative problem-solving efforts bring the companies into community decision-making, and, in doing so, educate community members about what a company can do for its community. Collaborative problem solving also shares the responsibility of community quality of life and public safety between, companies, public administrations and the community. Each entity has its own roles and responsibilities, as well as specific competencies and resources that can be brought to bear on complex community problems.

It is also important that all stakeholders know that collaborative problem solving is not a single, one-time effort and that other problems will be tackled over time. In the social shared perspective companies can also work on multiple issues. When communities identify emerging issues, they may want to take steps to address them before they reach a crisis level. Efforts to engage citizens and seek their input can help SSR initiatives move forward.

HP3. If a company wants to activate its SSR initiatives it has to develop them in partnership with the community.

In its contribution about community co-production of public services, Bovaird (2007) suggests a third mechanism of SSR initiatives development. Community members are essential partners of companies that are committed to community governance. Along with individuals, other stakeholders include community-based and not for profit organizations (i.e. faith-based organizations, issue advocacy groups, fraternal organizations, and service providers, and local elementary and secondary schools). They also include other companies and public administrations. Community stakeholders can help companies determine priorities and they can contribute on time and resources to addressing identified problems. By devoting their own resources, the community stakeholders show their commitment to working with companies and their public partners.

The community should be recognized for its efforts and also should be held accountable, as should community government. This notion of dual accountability stresses that community safety and quality of life are the shared responsibility of the community itself, companies, government and the other actors. The companies' leaders should encourage their managers and employees to proactively address community concerns and they hold employees accountable for their social efforts.

The move toward partnerships is characterized first by creating (where needed) and then strengthening communication between community stakeholders and the company. Partnerships with the community are characterized by joint identification of problem areas, collaboratively developing and implementing plans to address problems, and jointly owning the results of the efforts.

Partnership efforts with the community provide a vehicle through which companies can listen to the community and identify what community members think are their most pressing issues. To be successful, community based companies need to be open and honest, rather than defensive about the challenges they face (Peredo and Chrisman, 2006). As do political leaders, companies managers need to engage a range of stakeholders that represent various interests in the community. This provides company with a balanced perspective of community views. Too often, companies rely on public administration or a small but active group of individuals to provide input. SSR initiative of this type seeks to broaden these efforts and include comprehensive interests in problem-solving efforts. Companies that want to share social responsibility recognize that community want to be involved in what affects its daily live and they take steps to encourage its involvement.

HP4. If a company wants to make effective SSR initiatives it has to collaborate with other companies in the community and to behave as a good citizen.

In SSR perspective, private companies work together with public administration and not for profit organization in order to increase the social capital of the community. This ideal momentum fights with a reality where political leaders seldom develop a clear vision for the community and its future, and very seldom companies define its own distinct mission and goals based upon their role in the community. Also CSR initiatives in most cases move in this direction of partiality and self oriented definition. Very often each actor involved in providing goods and services for the community focuses on the specific services or initiative it provides. The company's focus on delivering goods and services in which it specializes can be considered a good approach from an economic point of view. But about SSR initiatives, companies' leaders should realize those activities, decisions, policies, and procedures do not exist in isolation, but rather affect the rest of community. Assuming a SSR perspective means to recognize a need of timely and substantive communications across companies, public administrations and other actors. Coordinating initiatives can prove to be an efficient and effective use of resources. Communication among companies and coordination of SSR initiatives are mechanism that companies needs to active to support community governance. These efforts describe a relationship among companies; the next step is to move toward a partnership characterized by shared decision-making processes, joint ownership of resources to address specific problems, and cogeneration of the results.

Next steps in the study of company and the community: toward a comparative framework for SSR initiatives.

SSR initiatives and the company attention to social capital can be set as basis for a broader reflection on the conditions that enable sustainable development of a community . This is particularly relevant in recent years marked by economic stagnation. Current debate on CSR attempt to define whether and under what conditions this approach can represent for a company an investment that increase reputation and financial performance. The ability of a company to produce or responsively consume the community's social capital still remains a background issue. In the SSR perspective, reputation and financial performance of a single company are less relevant and the focus is more on community's development and competitiveness. The specific features and relevance of the company as actors that produces goods, services and profits for the community, suggest to maintain a subjective focus on this actor.

Companies compete inside a community and with other companies belonging to other communities. But, as suggested, companies also collaborate with companies, other actors and the community itself. The dynamics of unification and strengthening of competitive and cooperative framework of actors in a community should be governed consciously in order to generate a shared concept of social capital and shared responsibilities (Schwartz and Carroll, 2008). This is the reason why it appears important to define a framework that allow to compare and develop SSR initiatives for community governance whether they have been generated in the business world or in the public and the third sector.

We propose, in the next steps of our research, to identify, analyze and develop a model of community governance, which, alongside the traditional institutional structures, allows the actors operating in a community to support a dynamic of shared social responsibility. Taking into account some elements of the cultural, institutional and demographic context, the research will assumes Italian communities as the main reference for the analysis, without precluding the possibility of taking into account foreign territories that present experiences of particular importance. The term community is used to refer, first, to the set of actors that interact within a homogeneous territorial context.

To move forward in the definition of our analysis, we'll follow an European point of view that specifies SSR perspective according to the social challenges classification declined by Horizon 2020 program, with particularly attention to the pillar 2*. facing social challenges.* In the pillar 2 Horizon 2020 program supports initiatives that have an interdisciplinary approach and research projects on socio-economic and humanities to provide useful tools to address social challenges.

Following issues represents the six area of social challenges outlined by Horizon 2020 program (European Commission, 2012). In the present research, those area are assumed to be relevant dimensions for shared social responsibility concept definition in a community governance model.

1. Health, demographic changes and well-being are the result of direct action of the public administrations that deal with these issues, but can be enhanced and managed with the help of responsible behavior adopted by companies and third sector organizations.

2. Food security, sustainable agriculture and bio-economy become concrete when companies put in place specific policies such as educating their consumers, or proposing a new way of life.
3. The safe, clean and efficient energy is produced by companies, with the support of investment and incentive schemes promoted by the government and according to sustainable development evaluation processes that involve, in addition to producers, consumers too.
4. An intelligent transport system, green and integrated is planned by government, made by companies and consciously consumed by households.
5. The actions against climate change and efficient use of resources, including raw materials, may result from changes in consumers behavior, provided that these behaviors are disseminated in the territory.
6. The inclusion, innovation and security are translated into concrete conditions of coexistence where the instances of each entity have an opportunity for expression and sharing.

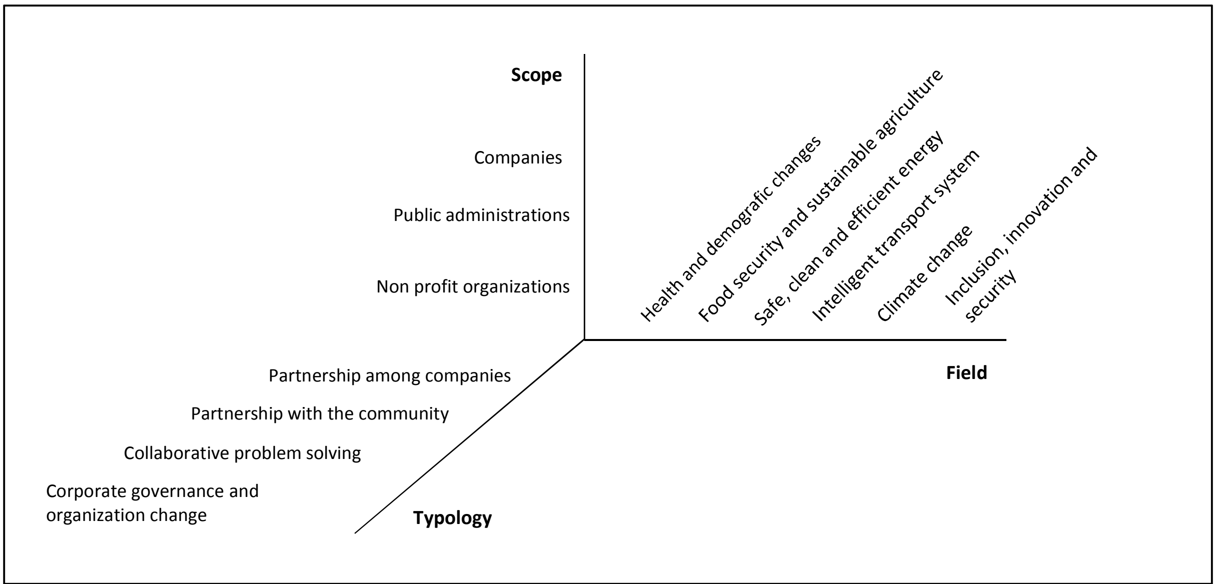
Each of the six social challenges mentioned, represent, in our perspective, a good field for the development of SSR initiatives. Even more, the scope of challenges mentioned by the Horizon 2020 program is such relevant that a reduction of their urgency and magnitude seems to be possible only assuming that all actors belonging to a community ought to share the responsibility for social decision-making processes. These six challenges describe potential threats for constituent elements of social capital of a community, declined in its social, environmental and economic components. These challenges appears to be distinct but they are related by two elements. The first element is the unitary subject they challenge, i.e. the community. The second element that links these challenges is the opportunity that actors who are facing them adopt a shared approach to social responsibility and thereby activate SSR initiative to coordinate their social capital protection (Lin, 1999).

The framework for the analysis, definition and development of SSR initiatives can now been define as a three dimensional space that encompass:

- The scope of the initiative in terms of number and typology of actors involved namely companies, public administrations and nonprofit organizations;
- Typology who the initiative belongs: corporate governance and organizational change, collaborative problem solving, partnership with the community, partnership among companies;
- The policy field in which the initiative is designed to produce its effects. From an European perspective it can be useful to taking into account the above mentioned European Growth Strategy for the coming decade that sets five ambitious objectives on employment, innovation, education, social inclusion and climate/energy;

The territory where SSR initiatives take place constitutes another relevant dimension that will support the institutional analysis (Marquis, Glynn and Davis, 2007). The Table 2 identify in a tridimensional space, the range of possibilities that can occur according to this framework.

Table 2. The framework for the analysis of SSR initiatives



Many Italian companies have already made initiatives that provide an answer in the direction of mitigating the burden of social challenges identified by the Horizon 2020 program. These initiatives are often useful for companies, but it is not clear if they are useful for the community and how they could be changed in order to transform it in SSR initiatives. In some cases those initiatives produce community's expectations higher than what companies are actually able to accomplish (Russo and Perrini, 2010).

According to our research agenda we'll conduct a research path whit tree work packages:

- The first work package aims to apply the SSR initiative definition framework observing how concretely those initiatives translate in terms of community governance and support the development of the share social capital in a territory. Survey we'll be conducted among companies and public administrations in order to select a set of SSR inititatives in the Italian context triggered by public (government) or private (companies, third sector). This survey will be done by identifying a selection of Italian territories experiences. The analysis will be integrated with a set of semi-structured interviews with key Informant identified on a territorial basis.
- The second work package aims to identify SSR initiatives outcomes in terms of social capital. We'll analyses a representative set of the SSR initiatives mapped in the previous work package. The analysis will be performed by identifying a framework for corporate social responsibility initiatives analysis that allow a measurement of external outcomes and benefits.
- The third work package's objective is to translate the evidence emerged in the first two work packages and to propose a model of community governance based on SSR initiative that are able to produce an effective coordination between actors and an increase in the social capital of the territory. The SSR framework will be tested by assessing how traditional initiatives for sustainable development of a community (i.e. regulatory instruments, participatory planning processes, tables of consultation, public-private partnerships,

incentive tools, joint ventures) can be interpreted and enhanced thought the framework itself. For each of these initiative a multiple case study will be conducted in order to identify the dynamics that lead the actors involved, companies, government and third sector, to carrying out decision-making models that take into account the effect of their decisions on the community social capital.

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