

The Newsletter

From the Social Responsibility Research Network

www.socialresponsibility.biz

Welcome to the second edition of The Newsletter – the news distribution mechanism for the Network. The newsletter is published regularly, with the plan being for 3 per year initially. This is in addition to – and more formally than – the irregular circulation of news and information which takes place when appropriate. And also in addition to any information circulated via the website.

One of the particular activities of the Network is the publication of an academic, peer reviewed journal. The journal of the Network is Social Responsibility Journal (www.emeraldinsight.com/info/journals/srj/srj.jsp) which is published by Emerald 4 times per year. The journal publishes special issues on particular themes from time to time – and calls for contributions to two themed issues are contained in this newsletter. The journal also publishes special issues based upon papers presented at our annual conference. In addition there are general issues of the journal and contributions are always welcome. You will find more detail later in this Newsletter but please also consult the journal website for further details

The other main activity of the Network is to organise an annual conference. You will find details of the next conferences – the 7th to be held in Durham, UK in September 2008 and the 8th to be held in Pretoria, South Africa in 2009 – later in this newsletter. And you can find details of past and future conference from our website. We hope to be able to meet you at the conference in September – if not then hopefully another conference in the future.

The Network also occasionally does other things – for example you will also find details of a book which we are publishing and which will be given to delegates at the conference in September. We plan to do more publishing but this depends upon the availability of funds...

The main reason for the existence of the Network however is to enable all of us, as scholars concerned with various aspects of social responsibility, to communicate with each other, share information, join together in research projects, develop courses and course material and various other activities. Hence it is important for us to share news and opportunities. This is the purpose of the email list of members. This too is the purpose of this newsletter – which will promote our interests and activities to a wider body of people than the 400 members of the Network who receive emails.

The strength and vibrancy of the Network is of course only the same as that of its members. So we are inviting you to share news and opportunities both through the email communication system and through this Newsletter by sending contributions.

Chair of the Network: Professor Dr. David Crowther, De Montfort University, Leicester Business School, The Gateway, Leicester LE1 9BH, UK davideacrowther@aol.com
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The Social Responsibility Research Network Constitution

This was agreed at an open meeting during the 2005 conference in London. But note that no Board has ever been elected. So volunteers are still welcome...

The Social Responsibility Research Network (SRRNet) is a body of scholars who are concerned with the Social Contract between all stakeholders in global society and consequently with the socially responsible behaviour of organisations.

1. Mission

The mission of the SRRNet is to promote collaborative, cross-cultural and international research on any aspect of its social responsibility agenda, to improve knowledge by such research and to disseminate such research globally.

2. Strategy:

The strategy to accomplish the mission will be based on:

- The exchange of research through of its website;
- The promotion and organisation of a series of international research conferences, ideally in various parts of the world and each under the leadership of a named individual;
- The production and dissemination of an academic journal;
- The production of such other publications as are deemed appropriate and for which sufficient funds exist;
- The promotion and organisation of a series of international visits and collaborations (depending upon funding) to work on special projects.

3. Organization

Membership of the network is open to anyone. It is a formally constituted organisation governed by this constitution and managed by an elected / nominated board. The management of the network will be delegated to this board, which will be supplemented by a general meeting, open to all members, which will take place at each conference organised. Membership of the board will consist of:

- One member elected at each general meeting, who will serve for 3 years;
- Each conference organiser, who will serve for 2 years prior to and 2 years subsequent to the conference organised;
- The journal editor.

The board may also appoint additional members as deemed necessary, and from its membership shall nominate a chair and a treasurer.

4. Financing

To achieve the mission, the SRRNet (via its board) will seek sources of funding and sponsorship. Additionally it will receive funding via the conferences and the sale of published material.

Standards for Reporting CSR activity

(An extract from Aras G & Crowther D, 2008, Developing sustainable reporting standards; *Journal of Applied Accounting Research* 9 (1), 4-16)

The European Union, through its Commission, has concentrated on the enactment of corporate social responsibility (CSR) as an expression of European cohesion. Thus the *Green Paper – Promoting a European framework for Corporate Social Responsibility* (EC, 2001)¹ and the *Corporate Social Responsibility: A business contribution to Sustainable Development* (EC, 2002)² defined the pressure from the European institutions so that corporations were rinded of their responsibilities to their various stakeholders, both internal and external. The first document (EC, 2001: 8) described CSR as:

... a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

The essential point is that compliance is voluntary rather than mandatory and this voluntary approach to CSR expresses the reality of enterprises in beginning to take responsibility for their true social impact and recognises the existence of a larger pressure exercised by various stakeholder groupings in addition to the traditional ones of shareholders and investors. Moreover it reflects the different traditions of business and differing stages of development throughout the Community.

Although this definition places an emphasis on such activity being voluntary with the concomitant implication that the EC will not be involved in any form of regulation and that therefore the expectation is that companies will engage in socially responsible activity in excess of any regulatory requirements. Although phrased to place an expectation upon companies this statement is in reality a clear abdication of any responsibility on the part of the EC. Such abdication is in accordance with the action (or lack thereof) of other governments and is predicated in an assumption that the market will enable such socially responsible activity. As far as the definition itself is concerned then this is not of course a new definition and has resonance with earlier ideas such as those of Dahl (1972)³ who stated

....every large corporation should be thought of as a social enterprise; that is an entity whose existence and decisions can be justified insofar as they serve public or social purposes

According to the European Commission therefore it is about undertaking voluntary activity which demonstrates a concern for stakeholders. But it is here that a firm runs into problems – how to balance up the conflicting needs and expectations of various stakeholder groups while still being concerned with shareholders; how to practice sustainability; how to report this activity to those interested; how to decide if one activity more socially responsible than another. The situation is complex and conflicting. So here the intention is to consider both what is meant by CSR and what we know about the relationship between CSR and financial performance.

Nevertheless steps have been taken by interested parties to change this voluntary approach and to develop some kind of standards for reporting, but they have not been adopted by governments to become enshrined into standards. Thus in 1999 the Institute of Social and Ethical Accountability⁴ published the AA1000 Assurance Standard with the declared aim of fostering greater transparency in corporate reporting. AccountAbility, an international, not-for-profit, professional institute founded by Simon Zadek, claims to have launched the world's first-ever assurance standard for social and sustainability reporting, designed to improve accountability and performance by learning through stakeholder engagement. It was developed to address the need for organisations to integrate their

¹ European Commission (2001); *Green Paper – Promoting a European framework for Corporate Social Responsibility*, COM (2001) 366 final, Brussels

² European Commission (2002); *Corporate Social Responsibility: A business contribution to Sustainable Development*, COM (2002) 347 final, Brussels

³ Dahl R A (1972); A prelude to corporate reform; *Business & Society Review*, Spring, 17-23

⁴ The Institute of Social and Ethical Accountability is probably better known as AccountAbility

stakeholder engagement processes into daily activities. It has been used worldwide by leading businesses, non-profit organisations and public bodies. The Framework is claimed to be designed to help users to establish a systematic stakeholder engagement process that generates the indicators, targets, and reporting systems needed to ensure its effectiveness in overall organisational performance. The principle underpinning AA1000 is that of inclusivity. The building blocks of the process framework are planning, accounting and auditing and reporting. It does not prescribe what should be reported on but rather the 'how', thereby claiming to be flexible to accommodate the diverse interests of all organisations for disclosure.

According to AccountAbility the AA1000 Assurance Standard is the first initiative offering a non-proprietary, open-source Assurance standard covering the full range of an organisation's disclosure and associated performance (i.e. sustainability reporting and performance). It draws from and builds on mainstream financial, environmental and quality-related assurance, and integrates key learning with the emerging practice of sustainability management and accountability, as well as associated reporting and assurance practices.

At the similar time the Global Reporting Initiative (GRI) produced its Sustainability Reporting Guidelines which have been developed through multi-stakeholder dialogue. The guidelines are claimed to be closely aligned to AA1000, but focus on a specific part of the social and environmental accounting and reporting process, namely reporting. The GRI aims to cover a full range of economic issues, although these are currently at different stages of development. The GRI is an initiative that develops and disseminates a range of Sustainability Reporting Guidelines. These Guidelines are for voluntary use by organisations for reporting on the economic, environmental, and social dimensions of their activities, products, and services. Although originally started by an NGO, GRI has become accepted as a leading model for how social environmental and economic reporting should take place. It aims to provide a framework that allows comparability between different companies' reports whilst being sufficiently flexible to reflect the different impacts of different business sectors.

The GRI aims to develop and disseminate globally applicable Sustainability Reporting Guidelines. These Guidelines are for voluntary use by organisations for reporting on the economic, environmental, and social dimensions of their activities, products, and services. The GRI incorporates the active participation of representatives from business, accountancy, investment, environmental, human rights, research and labour organisations from around the world. Started in 1997, GRI became independent in 2002, and is an official collaborating centre of the United Nations Environment Programme (UNEP) and works in cooperation with UN Secretary-General Kofi Annan's Global Compact. The guidelines are under continual development and in January 2006 the draft version of its new Sustainability Reporting Guidelines, named the G3, was produced and made open for feedback. The GRI pursues its mission through the development and continuous improvement of a reporting framework that can be used by any organisation to report on its economic, environmental and social performance. The GRI has become the popular framework for reporting, on a voluntary basis, for several hundred organizations, mostly for-profit corporations. It claims to be the result of a permanent interaction with many people that supposedly represents a wide variety of stakeholders relative to the impact of the activity of business around the world.

GRI and AA1000 provide a set of tools to help organisations manage, measure and communicate their overall sustainability performance: social, environmental and economic. Together, they draw on a wide range of stakeholders and interests to increase the legitimacy of decision-making and improve performance. Individually, each initiative supports the application of the other – at least this is the claim of both organisations concerned; AA1000 provides a rigorous process of stakeholder engagement in support of sustainable development, while GRI provides globally applicable guidelines for reporting on sustainable development that stresses stakeholder engagement in both its development and content. The standards are both competing with each other for dominance and flexible enough to be supportive of each other in corporate reporting. Thus the standards are shown to be flexible enough to be adapted when the concerns of corporations evolve and exhibit their current concern with such topics as sustainable development.

Questions...

At the moment many people would claim that these are important tools for reporting CSR activity. Others would claim though that these are two organizations which are primarily concerned with selling their own consultancy services. What is your opinion? Does it matter.

Please send your opinion to David and we will summarise these in the next issue.

Conferences:

One of the main activities of the Network is to organise an annual conference. These take place in various parts of the world and in general we try to organise in Europe and elsewhere in alternate years. Full details of all past and future conferences can be found from the website or from www.davideacrowther.com/csrhome.html/

The conference this year will take place in Durham, UK. Details are as follows:

7th International Conference on Corporate Social Responsibility

**3-5 September 2008
University of Durham, UK**

See <http://www.dur.ac.uk/dbs/csr2008/> for details.

A full call for papers for the conference next year – the 8th – will be available at this year's conference. Preliminary details are:

8th International Conference on Corporate Social Responsibility

**8-10 September 2009
University of Pretoria, South Africa**

Full and updated details can be found at the conference website:
www.davideacrowther.com/8csrhome.html

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Books:**The Ashgate Research Companion to Corporate Social Responsibility
Editors: David Crowther and Nicholas Capaldi**

Contents:

Introduction, David Crowther and Nicholas Capaldi; Part 1 Theoretical Developments: Introduction; The maturing of corporate social responsibility: a developmental process, David Crowther; Sustainability and its place in CSR research, Kumba Jallow; Stakeholder perspectives on social responsibility, David Crowther; Corporate social responsibility: from transparency to 'constructive conflict', Dominique Bessire; Corporate governance and the agency problem in financial markets, Güler Aras; Governance, sustainable development and social responsibility: towards future mapping, Ananda Das Gupta; The impact of social responsibility on the environment, R.S. Topal and A. Öngen. Part 2 The Employment Relationship: Introduction; The human rights obligations of multinational corporations, Denis G. Arnold; The symbiotic relationship between HRM practices and employee well-being: a corporate social responsibility perspective, Nicole Renee Baptiste; Protect your whistleblowers!, Wim Vanderkerckhove; Legally imposed corporate social responsibility for the protection of HIV positive employees in South Africa, Stella Vettori. Part 3 Ethical Considerations: Introduction; Inquiring about social conscience, Ana-Maria Davila-Gomez; Change management and CSR: an essay in ontology and business ethics of change/process management, Jelena Debeljak and Kristijan Krkac; Tycoon philanthropy: prestige and the annihilation of excess, Mary Phillips; Corporate governance studies on the accounting environment in Turkey, Kiyemet Tunca Caliyurt. Part 4 Implementing CSR: Introduction; Effectiveness of social advertising: a study of selected campaigns, Tejinder Sharma and Geetanjali Kwatra; Is everything that is legal ethical? Research on the Turkish tax system, Gülsevrim Yumuk; How far can CSR travel – reflections on the applicability of the concept to SMEs in Uzbekistan, Daniel Stevens, Alexey Kim, Lobar Mukhamedova, Malika Mukimova and Rowan Wagner; Corporate social responsibility in the Peruvian mining industry, Sonia Meza Cuadra; taxation and fiscal evasion: a perspective on corporate social responsibility, Fátima David and Rute Abreu; Cause related marketing: doing good for your company and your cause, Ioanna Pappasolomou; Index.

Review:

'Clear, practical, insightful and wide-ranging...The Ashgate Research Companion to Corporate Social Responsibility is a must have guide to everyone interested in CSR. Written by renowned experts in CSR from world over, it covers all issues from theoretical to sustainable developments, from employment to ethical issues, from legal to marketing aspects and beyond.'

Mustaffa Mohamed Zain, Universiti Teknologi MARA, Malaysia

David Crowther is Professor of Corporate Social Responsibility at De Montfort University, UK and Professor Nicholas Capaldi is The Legendre-Soule Distinguished Chair in Business Ethics, Loyola University New Orleans, USA.

Available August 2008 Over 400pp
ISBN 978-0-7546-4777-5

A new publication from the Network:**Culture and Corporate Governance****Editors: Güler Aras and David Crowther**

After the recent big corporate scandals corporate governance has become central to most companies. It is understandable that investors' protection has become a much more important issue for all financial markets after the tremendous firm failures and scandals. Investors are demanding that companies implement rigorous corporate governance principles in order to achieve better returns on their investment and to reduce agency costs. Most of the times investors are ready to pay more for companies to have good governance standards. Similarly a company's corporate governance report is one of the main tools for investor' decisions. Because of these reason companies cannot ignore the pressure for good governance from shareholders, potential investors and other markets actors. The aim of this book is to investigate governance from a number of different perspectives and traditions, through the lens of a variety of theoretical and geographical perspectives and so contribute towards the discourse of good governance.

ISBN 978-0-9551577-1-4
2008. 255 pages.

Global Practices of Corporate Social Responsibility**Editors: S.O. Idowu, London Metropolitan University, UK; W. Leal Filho, Hamburg University of Applied Sciences, Germany**

Being socially responsible on the part of corporate entities is now no longer an option, it is part of their normal business obligations to all their stakeholders regardless of whether these are primary or secondary stakeholders. Modern societies around the world now expect corporate entities of all shapes and forms to be socially responsible in whatever they do; the "Global Practices of Corporate Social Responsibility" is a first attempt at bringing together in one book experts' accounts of how corporate entities in twenty independent nations around the world are dealing with the issue of CSR. The world today faces diverse social problems. These become apparent as one moves from one country to the next, interestingly, society now expects corporations to help in finding solutions to these problems. The problem of global warming affects us all; modern corporations can no longer continue to assume that the problem will go away, if nothing is done by them. We can all make a little difference by our actions.

Contents: From the contents Part I: Europe.-Part II: East Asia:.-Part III: The Americas. Part IV: Middle East and Africa.-Part V: Australasia.

2009. Approx. 700 p. Hardcover

approx. 149,95 €, approx. \$229.00, approx. SFr. 249.00, approx. £113.00

ISBN 978-3-540-68812-9

News from other organisations:

Business Sustainability Research Priorities

The Research Network for Business Sustainability (www.sustainabilityresearch.org) aims to bridge research and practice in business sustainability. One of its activities involves getting practitioner input to the research agenda. This occurs through the Network's Leadership Council.

The Leadership Council, comprised of 16 representatives from across the industrial, government and non-governmental sectors, meets annually to identify business sustainability research priorities for the coming year. (More details on the Leadership Council are available at <http://sustainabilityresearch.org/index.php?fa=Network.leadershipcouncil>.) The top two issues identified at this year's meeting were:

- How do business strategies incorporate adaptation to climate change?
- Do consumers consider social or environmental attributes when making purchase decisions?

Other priority issues include: government regulation of risk; engaging the supply chain in sustainability issues; social license to operate; engagement of capital markets in valuing sustainability and its risks; low-risk communication of sustainability initiatives; government regulations and their impact on productivity and competitiveness; and the attraction and retention of employees through sustainability performance.

Each of these issues will be explained in detail in a report to be released in July 2008 at www.sustainabilityresearch.org.

The Network is based in Canada, and is directed by Dr. Tima Bansal.

Social Responsibility Journal

See website: <http://www.emeraldinsight.com/info/journals/srj/srj.jsp>

Our other main activity is to publish the journal, which is published 4 times per year. Contributions are welcome – both for special issues and for general issues. The current call for a special issue is:

Globalization, Sustainable Development and Socially Responsible Initiatives in Developing Countries

Guest Editor: Ananda Das Gupta, Associate Professor (HRD-Area), Indian Institute of Plantation Management Bangalore India.

The deadline for submission of full papers is 15th December 2008 but early submission is encouraged.

Authors should submit their manuscripts electronically (preferably in Word format) to Ananda at adg_iipm@vsnl.net.

Currently the journal is in its 4th year and submissions are currently being sought for publication next year in the 5th volume. Current publishing plans are:

Vol 4 2008

Nos 1 & 2 – special issue: Ethics and morality in business practice
Guest editors: Kristijan Krkac & Jelena Debeljak

No 3 – general issue – currently in press

No 4 – general issue – currently in press

Vol 5 2009

No 1 – special issue: Corporate Social Responsibility in Transitional Economies
Guest editor: Maria Aluchna

No 2 – 7CSR conference issue
Guest editor: Aly Salama

No 3 – general issue

No 4 – Globalization, Sustainable Development and Socially Responsible Initiatives in Developing Countries
Guest Editor: Ananda Das Gupta