

Corporate Social Responsibility across Disciplines: Finding Common Ground

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Abstract

Research into, and practice of, corporate social responsibility (CSR) is flourishing. In the business based disciplines there is evidence of substantial research emanating from the fields of accounting, management and marketing. However, within each of these fields there is often confusion as to the correct or more suitable terminology. Confusion across the disciplines is more prominent with the disparity frequently giving rise to similar (if not the same) studies conducted using different terminology. This suggests that there is potentially a broader body of CSR related knowledge. The purpose of this paper is to review the more common terms used synonymously with CSR and determine if there is any potential for better informing the CSR debate by using cross-disciplinary literature.

Introduction

Corporate social responsibility (CSR) has become a contemporary feature of 21st century business. Originating in the management arena CSR has been embraced by other business based disciplines such as accounting and marketing. Accounting and marketing, and to some extent management, being traditionally disparate fields each have their own understanding of CSR and frequently use substitutive terminology.

Current CSR nomenclature within the fields of accounting, management and marketing includes numerous terms. Those more frequently cited within the literature are: social and environmental accounting, sustainable development and triple-bottom-line. These terms are frequently used synonymously, and according to Gray & Milne (2002) erroneously with CSR. As such, it is possible that studies exist within each discipline that investigate the same or similar phenomena which are not perceived as being relevant, due to the use of inconsistent terminology. This suggests that there is potentially a broader body of knowledge from which to draw future CSR research.

The aim of this paper is to remedy this perceived problem by providing a review of some terminology commonly used as an alternative to CSR within the accounting, management and marketing literature. The focus of this paper is limited to a brief discussion on these terms and it is intentionally restricted to definition and application of the terms rather than a full-scale literature review. The ultimate goal is to establish the interdisciplinary nature of CSR and to determine whether the bodies of knowledge associated with these terms have the potential to better inform the CSR debate. The paper is structured around several core issues of the CSR debate. Namely, what is CSR, what are the drivers of CSR, and what are the benefits of CSR.

Corporate Social Responsibility

Contrary to the popular belief that the social responsibility of corporations has been a question for academics and businesspeople since the beginning of the 1950s, it actually has a much older history. The underlying concept of CSR, that of an implied social contract, dates back to “the writings of the Greek philosopher Epictetus...[and] was central to the intellectual

system...in the first half of the seventeenth century” (Anshen, 1970, p.8). The importance of socially responsible behaviour in the 20th century was reported as early as 1938 (Barnard, 1938), however, the modern era of CSR is generally traced to the publication of Bowen (1953). Despite the existence of vocal critics (for example Friedman (1970)), it is now widely recognised that companies have responsibilities broader than traditional shareholder wealth-maximisation (Maignan & Ferrell, 2004). Specifically, business today needs to be acutely aware of its social and environmental interactions together with its economic viability (Deegan, 1999b).

CSR is often recognised as one construct within the conceptual framework of corporate social performance (Windsor, 2001). However, CSR is more commonly used as the overarching term and is generally understood to include corporate social performance. Being mindful of this, CSR has been broadly defined as an organisation’s social obligations (Maignan & Ferrell, 2004). On a more micro level, it incorporates not only social, but environmental and economic perspectives and it is claimed to facilitate sustainability at both micro and macro levels (Windsor, 2001).

Researchers from a variety of disciplines have examined aspects of CSR. Papers addressing CSR issues have been published in (among others) Accounting, Engineering, Ethics, Marketing and Management journals. Although, given the cross-disciplinary nature of CSR, especially across the business disciplines, there has been a lack of application of interdisciplinary literature and an even greater scarcity of cross-disciplinary investigation into CSR related areas. Attempts to employ interdisciplinary and cross-disciplinary approaches in CSR investigations have often resulted in research that is disjointed due to a lack of common nomenclature and often contrasting definitions. Current CSR nomenclature within the fields of accounting, marketing and management includes numerous terms. Those more frequently cited are: social and environmental accounting, sustainable development and triple-bottom-line, Table 1 contains definitions of these terms, which are frequently used synonymously, and according to Gray & Milne (2002) erroneously, with CSR.

Table 1: Definition of Key CSR ‘Synonyms’

<i>Term</i>	<i>Definition from literature</i>
Social and environmental accounting	“(AAA 1986) communicating the social and environmental effects of organizations’ actions to particular interest groups within society and to society at large” (Gray, Owen & Maunders, 1987, p.ix)
Sustainable development	“...development which meets the needs of the present without compromising the ability of future generations to meet their own needs.” (UNWCED, 1987, p.8)
Triple bottom line	“...a mode of corporate reporting that encompasses environmental and social as well as economic concerns.” (McKenzie, 2004, p.6)

Within the accounting literature, the term social and environmental accounting is possibly the most frequently cited term used for reference to CSR-like activities and research. However, in establishing this as the ‘umbrella’ expression it is important to note that it encompasses a number of variations. Social-responsibility accounting, social accounting, environmental accounting, and mega-accounting are some of the derivatives that appear in scholarly publications. Broadly speaking, sustainable development in business means determination of both an organisation’s environmental (eco-efficiency) and its social (eco-justice) impacts (Bebbington, 2001). Eco-efficiency encompasses notions such as resource availability and use, waste production and assimilation, and in doing so advocates a decrease in absolute

environmental impact. Similarly, eco-justice advocates a decrease in absolute social impact (Gray & Milne, 2002), which it would seem is in radical contrast to the wealth-maximising business conception. However, both eco-efficiency and eco-justice are desired in tandem under the sustainable development premise. The origins of the idea behind triple bottom line appear to come from an understanding of the implications of CSR ideals to business. It was a term created specifically to appeal to management and it is regularly interchanged with other terms. For example, a number of articles from the accounting discipline have triple bottom line as part of the title but immediately begin to discuss CSR, social and environmental accounting or sustainable development (Colman, 2004; Deegan, 1999a; 1999b; Nganwa, 2002).

Research over the past few decades has highlighted many perspectives of CSR. Studies into the meaning of CSR to various groups within society appearing in both accounting and marketing literature has predominantly maintained a domestic discipline focus, with neither domain choosing to acknowledge the efforts of the other. Scholarly articles in the management arena tend to combine the areas of management and either marketing or accounting (but rarely both), depending on the particular allegiances of the author. Table 2 (containing a brief but diverse selection of scholarly papers emanating from the different business disciplines) illustrates the typical extent of cross-disciplinary reference in CSR publications.

Table 2: Examples of CSR Research

<i>Domestic discipline</i>	<i>Referent discipline</i>		
	<i>Accounting</i>	<i>Management</i>	<i>Marketing</i>
<i>Accounting</i>		Bebbington, Gray & Owen (1999) Burritt & Lehman (1995) Deegan (1999b) Gray (2002) Mathews (1997)	
<i>Management</i>	Colman (2004) Matten & Moon (2004)		Bowen (1955) McKenzie (2004) Merrifield (2003) Rivers <i>et al.</i> (2005)
<i>Marketing</i>		Anshen (1970) Maignan & Ferrell (2004) Stanton & Stanton (2001) Windsor (2001)	

It is envisaged that a lack of common nomenclature and a diverse range of definitions in the CSR field has led to the apparent disparate state of CSR.

Drivers of CSR

The reasons for an organisation engaging in CSR practices have commanded much academic attention and have been viewed from several standpoints. Maignan & Ferrell (2004) have categorised these according to the marketing discipline as: CSR as social obligation, CSR as stakeholder obligation, CSR as ethics driven, CSR as a managerial process. These viewpoints appear to correlate with the major theoretical foundations of CSR from an accounting perspective: political economy theory, encompassing legitimacy and stakeholder theories and the business case. As an aside, Maignan & Ferrell (2004) lament the lack of theoretical investigations conducted into CSR in the marketing domain, yet fail to recognise the plethora

of CSR theoretical studies contained within the extant accounting literature as having potential to add to the discussions.

The specific drivers of CSR have been categorised as corporate characteristics, internal contextual factors, and general contextual factors (Adams, 2002). Corporate characteristics encompass notions such as the organisation or industry size (Adams, 2002); internal characteristics refer to such things as organisational culture and 'champions' within the organisation (Campbell, 2000); general contextual factors are much more diverse and include external factors such as pressure groups (Tilt, 1994), government (Bell, 2002) and company nationality (de Villiers & van Staden, 2004; Rivers *et al.*, 2005).

Benefits of CSR

The benefits of CSR for organisations essentially equate to the ongoing ability to legitimise their contract with society. For, it has been claimed that, without societal sanction an organisation will eventually cease to exist (Deegan, 2002). However, there have been numerous studies conducted into other areas of potential benefits.

Benefits to both society and to the organisation have been identified. It is widely recognised, and essentially at the heart of CSR, that both current and future generations will benefit as a result of CSR. This is seen to manifest in a better, less degraded environment and in a more socially conscious and preventative attitude to social problems. Benefits to business are proposed to be, among other things: positive brand awareness, strategic competitive advantage, and discouragement of greater government intervention in the marketplace (Monsen Jr., 1974; Shrivastava, 1995).

However, perhaps the greatest number of studies into the benefits of CSR have been conducted into the CSR performance-financial performance relationship. Researchers from various disciplinary backgrounds have attempted many times to establish whether CSR has a positive or negative effect on the financial performance of an organisation (Cochran & Wood, 1984; Orlitzky, Schmidt & Rynes, 2003; Simpson, Taylor & Barker, 2004; Tsoutsoura, 2004; Wenzel & Thiewes, 1999). The results of these studies provide tentative support for a positive relationship between CSR behaviour and financial performance, however, it is commonly understood that a CSR focus does no harm to financial performance.

Discussion

From the previous discussion, it can be seen that the terms CSR, social and environmental accounting, sustainable development and triple bottom line do have many similarities and have been used synonymously with each other in a number of instances. It is also evident that these studies, although discussing similar phenomenon, frequently use incongruent terminology and often employ contrasting definitions. This perceived lack of interdisciplinary terminology and understanding of CSR has the capacity to undermine researcher and practitioner ability to appreciate and therefore propose solutions to core issues relating to CSR.

Additionally, analysis of these studies reveals that, for the main, researchers in marketing draw their literature from both marketing and management fields, and researchers in accounting draw their literature from both accounting and management fields. However, there is less evidence of scholars from accounting and marketing drawing on literature from their

respective fields to support their arguments. With the evidence suggesting that similar studies have been, and probably will continue to be conducted into similar phenomenon within each of these disciplines, it is disappointing to note that neither accounting nor marketing researchers (and to a much lesser extent, management) use literature borrowed from the other disciplines on a regular basis.

Finally, it is evident from the numerous studies conducted into the many facets of CSR in the accounting, management and marketing disciplines, that CSR is seen as a highly salient area of research across all three disciplines. Additionally, it has been proposed that CSR “may benefit from cross disciplinary explorations” (Parker, 2005, p.856), however, this suggestion was implicitly directed towards interaction with the environmental sciences. This is a worthwhile recommendation, yet it is proposed that, in addition to suggestions such as this, the business based disciplines may also benefit from cross disciplinary investigations and greater reference to the extant literature of these (particularly accounting and marketing) disciplines.

In interpreting the information provided, it should be noted that a major limitation of this paper is the restriction to the review of only four terms. There are a number of other terms that have, and will potentially continue to be used as substitutes for CSR. Additionally, the preliminary and conceptual nature of the paper should be viewed as further limitations.

Conclusion and Further Research Directions

It has been noted that “the differentiated terminology...render difficult their integration into a consistent body of marketing knowledge about CSR” (Maignan & Ferrell, 2004, p.3). Extending this, it can be seen that the differentiated terminology render difficult their integration into a consistent body of CSR knowledge, regardless of the discipline from which the research is being conducted.

The benefit of interdisciplinary co-operation with regard to CSR research is that, aside from the possibility of unnecessarily duplicating research, there is a broader literature base to draw from. This should assist with a greater understanding of the many facets of CSR and in turn should provide avenues for further, more in depth interdisciplinary research. Therefore, it is proposed that the field of CSR and associated academic undertakings would indeed benefit from a greater employment of associated literature which resides in disciplines other than the ‘domestic’ discipline.

Considering the limitations of this study, further research could be conducted into the use of other terms and their application to CSR. Also, a review of methodology employed under the varying terminology could be helpful in identifying patterns. Additionally, a more comprehensive analysis of CSR related publications would help support the claim that CSR research is lacking in interdisciplinary co-operation. Finally, it is suggested that a study into the perceptions of various stakeholders with regard to their understanding of the various terminology as opposed to the other terms could be conducted; this could assist with the development of an interdisciplinary taxonomy and nomenclature of CSR.

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