Chapter 1

Developing Corporate Social Responsibility Projects: An Explorative Empirical Model of Project Development, Processes, and Actor Involvement in Australia

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ABSTRACT

While Corporate Social Responsibility (CSR) is a prominent topic in the literature, little is known about how companies operationally implement CSR. Accordingly, this chapter presents key insights into how companies design and implement (develop) CSR projects, including the activities involved, their sequence, and the roles of various stakeholders as actors. The insights are based on a qualitative scoping study involving in-depth interviews with CSR practitioners from five major Australian companies. Ten stages of CSR development and 12 actors are identified before presenting an aggregate empirical model of CSR project development.

INTRODUCTION

Corporate Social Responsibility (CSR) refers to “the voluntary (non-enforced) set of activities of a business organization… to better the condition of various stakeholders…” (Bhattacharyya, Sahay, Arora, & Chaturvedi, 2008, p.265). Despite the fact that CSR “requires the sacrifice of significant amount[s] of firm resources…[which] have opportunity costs” (Bhattacharyya, 2010, p. 83), and should have an evident positive impact on society, there has been minimal investigation of the actual design and implementation of CSR projects (Maon, Lindgreen, & Swaen, 2009). Instead,
“predominantly, research on CSR tends to focus on external pressures and outcomes…” (Bolton, Kim, & O’Gorman, 2011, p. 61), offering “almost no case-based research that truly delves into CSR behaviour” (Husted & Allen, 2007, p. 607).

To address this, the CSR project development practices of five major Australian companies are examined to understand firms’ engagement in CSR by considering it as a business offering arising from a process, and documenting the activities and actors involved in this CSR project process.

The chapter will outline the existing (including alternate) CSR development practices of firms emerging from this scoping study, in order to break down the stages, activities and actors involved before synthesising these into an aggregate model of the CSR project development process as exhibited in this Australian research.

BACKGROUND: KEY THEORETICAL CONCEPTS AND EMPIRICAL FINDINGS IN CSR PROJECT DEVELOPMENT

CSR project development is comprised development, (the bringing about of a project, from its conception to enactment (Crawford & Di Benedetto, 2011), and activities performed by actors. To understand what development activities occur, how they occur (sequence), and who performs them in an empirical corporate setting requires an understanding of the current theoretical basis for CSR project development.

Understanding CSR Project Development Processes

The European Commission (2011) advises that “enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders…” (p. 6).

Explicit examination of CSR processes for project development within organisations has either identified (a) firm-wide CSR-orientations such as Maon et al., (2009) multiple case study of CSR cultural embedment or (b) the relationship between CSR and other corporate facets such as Lindgreen, Swaen, Harness, & Hoffman’s (2011) multiple case study examining the relationships between CSR and corporate branding. The need for “systematic” details on CSR implementation in practice remains (Jamali & Mirshak, 2007, p. 259; Rama, Milano, Salas, & Liu, 2009, p.463).

Current discussion on CSR project development often has a singular focus–on a particular actor’s involvement in a specific stage or activity rather than providing an overarching picture of development (Lindgreen et al., 2011). The rare studies comprehensively examining CSR development processes—from conception to launch—take a product development (marketing and production) perspective and investigate a single product with one or more ‘ethical’ attributes, or, alternatively, espouse a theoretical approach developing a CSR project rather than taking an empirical approach.

The management discipline has, albeit somewhat incidentally, contributed insights into CSR project development processes. Ramachandran (2011, p.289) sought to advocate for a ‘dynamic capabilities’ approach to strategic (integrated) CSR, but in doing so, suggested two processes occur at project level;

1. **Sense and Respond:** Comprising three steps (knowledge generation, social issue identification, solution development), and
2. **Execution:** With two steps (detailing and production, delivery infrastructure building).

Ramachandran (2011) notes that, in practice, these steps may occur in varying orders and be “intertwined” (p.289). Franks and Vanclay (2013) identify steps for a social impact management approach to CSR, and Prahalad’s (2006) implicit steps for engaging with ‘bottom of the pyramid’