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TOWARDS AN INSTITUTIONAL VIEW OF MAPPING CORPORATE SOCIAL RESPONSIBILITY MEANINGS[1]

Abstract. *This paper addresses the social meaning of corporate social responsibility (CSR), taking into account the context of the economic crisis in Slovenia. The objective is to map out the semantic content of CSR in an attempt to capture the ideas that individuals associate with this concept and to contrast it with the pre-defined conceptualisations that are often a basis for examining CSR perceptions. To achieve this we conducted a semantic network analysis of free CSR associations. The findings suggest that the social meaning of CSR is anchored in the perception of business responsibility showing the implicit character of the meaning of CSR.*
Keywords: *corporate social responsibility, institutionalism, Slovenia, semantic network analysis*

Introduction

Corporate social responsibility (CSR) has been an important issue among stakeholders, across societies and in the corporate world for quite some time now. The activities of companies are increasingly scrutinised for their effect on society and the environment and it is unimaginable for a company in such circumstances to declare that its only goal is to make profit for its shareholders or owners. The issue of CSR has been debated in wider political and EU circles as well. CSR is part of the European Commission's Europe 2020 strategy for smart, sustainable and inclusive growth. On its web portal it is stated that CSR "can help to shape the kind of competitiveness model that Europe wants" (European Commission, 2011). In March 2010 the European Commission made a commitment to "renew the EU strategy to promote Corporate Social Responsibility as a key element in ensuring long term employee and consumer trust" (European Commission, 2011).

The issue of CSR is also debated in Slovenia and the initiatives to put CSR on the agenda in Slovenian society do exist. This is obvious from the

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activities of several Slovenian companies and other initiators, such as NGOs, academic institutions and media. For a few years now, two conferences have been organised that focus on the issues of CSR. One is held by the Institute for the Development of CSR (IRDO) and the other one by Ekvilib Institute, both non-profit organisations. Also the Public Relations Society of Slovenia (PRSS) is actively engaged in promoting CSR among PR practitioners. Furthermore, IRDO organises the national CSR award HORUS and Ekvilib has initiated the CSR network of Slovenia, which aims to promote and raise awareness of the importance of CSR.

Despite these initiatives, the CSR debate in Slovenia is rather slow and insignificant compared with other European countries. It can be speculated that the reasons for this are mainly institutional and are related to the past when Slovenia had a socialist regime that was much more liberal compared with other ex-communist countries and was characterised by a high concern for workers and for the community in general (Golob and Bartlett, 2007). At that time some of the issues that today would be labelled as CSR were high on the agenda. However, after the implementation of the market economy, Slovenian companies became more profit oriented, and many new privately owned companies did not actively express willingness to participate in socially responsible practices. At the same time, public expectations towards businesses were usually limited to the creation of jobs. Clearly, some elements of CSR were re-introduced, but in a modified way. Another institutional reason is a relatively slow restructuring of the economy in relation to foreign investments. Not only foreign capital but the adoption of international best practices have been impacted upon by this delay, which may also be the case for CSR (Golob and Bartlett, 2007).

The public interest in CSR is also somewhat limited compared with other EU countries, especially the Nordic ones. Taking this reasoning a step further we can say that the institutional environment could help to explain why one route is taken rather than another. It is persuasively argued that contemporary Western societies each have an institutional order with a central logic comprising material practices and symbolic constructions, which offer guidance to organising principles further elaborated by organisations and individuals (Lammers, 2001). Hence, institutional differences across countries might influence how firms engage with CSR (Jackson and Apostolakou, 2010) and how CSR is actually perceived across borders (Freeman and Hasnaoui, 2011; Maignan, 2001).

The fact is that the majority of literature on CSR originates from Anglo-Saxon countries and relatively few studies have investigated the meanings of CSR and CSR practices in different institutional contexts (Duarte et al., 2010). The understanding of the institutional environments remains an underdeveloped area of CSR research (Jackson and Apostolakou, 2010).

This gets in the way of the advancement of knowledge on CSR in regard to situational challenges (Duarte et al., 2010). Hence, the aim of this paper is to add to a scarce line of research that provides additional knowledge on the social meaning of CSR (Duarte et al., 2010) by examining what constitutes the semantic meaning of CSR in Slovenia.

This paper opens with a brief discussion of CSR and the institutionalist perspective. It proceeds to discuss the perceptions of CSR among stakeholders. Next, it empirically examines the meanings of CSR and concludes with discussion, summative remarks and ideas for future research.

Corporate social responsibility in the institutional context

From the 1950s onward, scholars have offered several conceptualisations of CSR (De Bakker *et al.*, 2005). They all had in common societal concerns and expectations of companies' stakeholders and society in general. The core of CSR is the idea that no company can afford to act opposed to or in isolation from the issues in society (Matten and Moon, 2005). Hence, CSR debate seems to imply behaviour that embeds a variety of social obligations towards stakeholders, namely consumers, employees and others (Habisch and Jonker, 2005). CSR actions and information also reveal and provide customers with insight into the company's character (Sen and Bhattacharya, 2001). Sen and Bhattacharya (2001) introduced multiple conceptualisations of CSR, which range from the neo-classical Friedmanite view of shareholder responsibility to perspectives mandating companies to respond to their perceived responsibilities, and further, to a proactively responsible corporate role that exceeds stakeholder expectations. While clearly a contested concept, there is an emergent consensus that CSR balances responsibilities and policies that meet or exceed expectations, values and norms of stakeholders and society at large (Golob and Podnar, 2007).

The many attempts to define CSR in the literature and practice suggest that CSR is a rather abstract concept and such concepts (as are for example "justice" and "democracy") are normally a part of wider debates (Humphreys and Brown, 2008). Humphreys and Brown (2008) argued that this may be because CSR is a value-laden concept that is at the same time internally complex (balancing different responsibilities) and has relatively open rules of application, which means that it is not easily codified.

Dahlsrud (2008), for example, examined 37 different definitions of CSR that emerge in the literature. He found that they consistently refer to five components: voluntary, stakeholder, social, economic, and environmental. However, after a thorough analysis he concluded that the challenge is not so much how to define CSR, as "to understand how CSR is socially constructed in a specific context" (Dahlsrud, 2008: 6).

Taking this logic further, Gjolberg (2009) recently argued that CSR should be understood taking into account the contextual factors of the national political-economic systems. This suggests that the practice of CSR in individual countries is influenced by political, cultural and social elements unique to a specific country, as well as by semiotic interpretations (Jackson and Apostolakou, 2010).

Through the lens of the institutional perspective companies' decisions about CSR are framed in a broader social context influenced by norms or existing practices (Jackson and Apostolakou, 2010). The institutional context generates unwritten rules about the appropriate practices that ensure organisational legitimacy (Gjolberg, 2009). Following the three mechanisms of institutional isomorphic change introduced by DiMaggio and Powell (1983), companies may thus conform to state regulation (coercive isomorphism), imitate competitors (mimetic isomorphism) or respond to normative understandings of stakeholder groups (normative isomorphism). Hence, all these (un)written rules in the institutional contexts that companies are trying to accommodate lead to different perceptions, language, intentions and practices related to CSR (Gjolberg, 2009).

Perceptions of CSR

Scholars who research CSR perceptions are normally mainly concerned with the cognitive, affective or behavioural consequences of such evaluations, for example: consumer company identification, loyalty, buying intentions etc. (e. g., Brown and Dacin, 1997; Du *et al.*, 2007; Golob and Podnar, 2007). They tend to research the perceptions and beliefs of CSR in the context of evaluative positions of consumers toward CSR practices (e. g., Du *et al.*, 2007) and impose certain assumptions regarding the meaning of CSR via pre-prepared measures of CSR. However, in order to better understand the stances toward CSR it is necessary to examine shared ideas and beliefs that emerge around the concept (Duarte *et al.*, 2010).

This is especially important taking into account the institutional foundations. The ideas and beliefs are social constructions that are based on the discursive resources that constitute the broader society of which a company is an integral part (Humphreys and Brown, 2008). Hence, different stakeholders, such as NGOs employees and consumers all tend to understand CSR in different ways no matter what their intention is – they may endorse the concept, encourage or even criticise it (Humphreys and Brown, 2008).

Semiotic interpretations of CSR tend to be rather strongly influenced by the institutional contextual factors as well. Research that started this line of thought was conducted by Maignan (2001) who found that German and

French consumers gave significantly less importance to economic responsibilities than American consumers. Additionally, a recent survey that searched for the commonalities of the definition of CSR among four nations (the UK, France, the United States and Canada) found that definitions strongly vary across nations (Freeman and Hasnaoui, 2011). The authors argued that these differences occur for a number of reasons, for example psycho-social attributes of the population, the stage of evolution of CSR in the country and the difference in the political and social structure of the four countries (Freeman and Hasnaoui, 2011). Although scarce, such studies and other theoretical contributions that accentuate the importance of the contextual factors in defining CSR suggest that it may be important to understand which associations that people relate to the CSR concept are especially salient in a specific national context (e. g., Duarte *et al.*, 2011).

The present study

Although previous research on CSR expectations and perceptions of CSR among Slovenian respondents exists (e.g., Golob and Podnar, 2007), the studies' limitation is a pre-defined conceptualisation of CSR based on the literature and not taking into account specific contextual factors that may shape the true meaning of CSR in Slovenia. Hence, similarly to the study conducted by Duarte *et al.* (2011) in Portugal, the main objective of the present research is to examine the social semantic content of CSR via capturing the arrangements of different meanings that people tend to associate with the concept.

Methodology and sample

This study is a part of a larger one that also examined the meanings of good and bad corporate reputations among Slovenian consumers. The data were gathered with qualitative interviews consisting of different questions based on free association tasks allowing the respondents to list all the ideas that freely come to mind when faced with the concept. Hence, the respondents named associations linked with the notion of social responsibility.

The interviews were carried out at the end of 2009. The sampling procedure was based on non-probability sampling. The final database contained free associations based on the answers of 368 consumers. The sample was 58% female, 42% male, with 33% of respondents less than 23 years old, 30% of respondents aged between 24 and 30 years, 17% of respondents aged between 31 and 44 years, and 20% of respondents aged over 45 years.

In order to achieve our objective, we conducted a semantic network analysis (SNA). To date we haven't found any studies reporting the application

of SNA to the CSR research. SNA aims to provide a structure to a network based on shared meaning (Scott, 2005). Contrary to the classical social network analyses, where structure is based on instances of interaction, in SNA connections are formed by the use of overlapping concepts. It allows the use of natural language by the participants, and looks into the relations between the words, and shared meanings among the participants. Based on consumers' free associations on CSR, we have generated a database with the associative network of 179 CSR associations. Data were analysed and visualised with the statistical program package Pajek (De Nooy *et al.*, 2005).

Results

The network of CSR associations consists of 179 CSR associations, which are connected with 444 lines. Table 1 shows the descriptive information about the CSR associative network. The results show that only 1.4% of CSR associations are connected, however, considering the relatively big number of CSR associations we rely on the average degree measure of 4.96 to say that each CSR association is on average connected with almost five other associations. Additionally, 84 connections have value over 1 and connect CSR associations that were named by more than one respondent.

Table 1: DESCRIPTION OF THE ASSOCIATIVE NETWORK

	Network of CSR associations
Number of vertices[a]	179
Number of lines[b]	444
Number of lines with value 1	360
Number of lines with value more than 1	84
Density[c]	0.014
Average degree[d]	4.961

Notes:
[a] A vertex (singular of vertices) is the smallest unit in a network.
[b] A line is a tie between two vertices in a network.
[c] Density is the number of lines in a simple network, expressed as a proportion of the maximum possible number of lines.
[d] Average degree is the average number of lines incident with a vertex.

We wanted to know more about this associative network and identify the most important associations. Thus, the next step was to use cluster technique (core partitioning). The results showed 9 clusters. Clusters with the lowest core values represent the majority, around 71% of associations, while those having the highest core values (10-, 9- and 7-core) represent around 14% of CSR associations. A 10-core means that associations in this particular core were connected by at least ten respondents.

A brief overview of the most connected associations indicates the clusters of the most connected CSR associations: (1) 10-core: good business performance, quality, good attitude to consumers, good attitude to employees, good salaries, good leadership, integrity, innovation; (2) 9-core: strong vision, honest advertising, transparency; (3) 7-core: environmental care, stability, competitiveness, trust. These connections seem the most relevant for the perception of CSR because they appear in the minds of a relatively high number of respondents.

Core and peripheral associations can be seen from the graph of output CSR neighbours (Figure 1). The immediate neighbours are basically the same associations that build the 10-core cluster of the most connected CSR associations. Those that are further away from the centre are peripheral associations such as: high share prices, expertise, good financial position, long-term success, and health care of employees.

Figure 1: CORE AND PERIPHERAL CSR NEIGHBOURS

Further analysis of cliques that represent the parts of network with the strongest connection (maximal complete subnetworks containing three or four vertices where every vertex from the subset is connected to all other vertices in the subset) shows a similar picture. In the network of 3-cliques (Figure 2) the most salient associations are good business performance (17 cliques) and quality (16 cliques), followed by the next two important

associations of honesty (6 cliques) and good attitude to employees (5 cliques). In the 4-cliques network, good business performance and quality are again the most salient associations with 4 cliques each.

Figure 2: CLIQUES ON 3 VERTICES IN THE CSR ASSOCIATIVE NETWORK

Discussion, implications and future research

The present study investigated the semantic content of the social meaning ascribed to CSR. The findings suggest a multidimensional conceptualisation of CSR by respondents. The results, however, bring out foremost the dimension related to basic business operations. Hence, for some individuals CSR means efficiency and integrity of companies in relation to their core "raison d' tre". The other group of the most central associations is about honesty and transparency and is again related to the companies' business operations. In summary, a company practising CSR should treat its employees and customers in a fair manner; it should produce innovative and high quality products/services; it should be efficient in its business operations, be honest and transparent. These results suggest that CSR is conceptualised as integration of responsibilities that are strongly related to business activities and to the micro-level understandings of CSR. Such conceptualisation is linked with implicit CSR where mostly mandatory requirements of CSR are in place (Matten and Moon, 2008) and is related to Carroll's (1991) understanding that bases of CSR are both economic and ethical considerations or in other words: ethical considerations on the way business is conducted are important. The social meaning of CSR is thus anchored in the more

traditional view of business responsibility. A partly similar conclusion can be drawn from the Portuguese study by Duarte *et al.* (2010) where some respondents saw CSR as undertaking the business operations ethically and in an efficient manner. For others, CSR was a matter of the macro-level perspective: an organisation should contribute to the well-being of society. Still others perceived it as an internal dimension linked to the human resource management – concern for wellbeing of employees and their families (Duarte *et al*., 2010).

Interestingly and in contrast to the findings of previous research – the above-mentioned research on semantic meaning of CSR in Portugal (Duarte *et al.*, 2010) or the study on CSR expectations in Slovenia (Golob, 2006) – the macro-perspective of non-mandatory and explicit responsibilities (such as for example philanthropy and general care for the society) was not salient in our respondents' associations of CSR.

Besides the fact that in the present study CSR associations were also linked to reputational associations, which may have influenced the CSR associations, the results suggest a strong contextual influence of the present economic conditions of Slovenian companies and Slovenian economy in general. A large majority of Slovenian citizens rated the economic situation in Slovenia as bad (80% of respondents; Eurobarometer, 2009). Hence, it may be implied that context-specific priorities in evaluating CSR associations exist.

However, the findings of our study are not necessary solely the mirror of the current economic situation but a reflection of the economic processes from 1991 onwards. As argued by Roome (2005) the whole national system, the social, political and environmental context, circumstances, and concerns both past and present, affect the CSR agenda in a specific country. These conditions and concerns often provoke societal responses to which the business world must respond (Roome, 2005).

Linking this idea back to the theoretical part of the paper, the institutionalist view of CSR suggests that the whole society produces a framework of CSR actions, which means that CSR is considered a social process (Sorsa, 2008). The nature of salient CSR associations from this study may thus indirectly indicate what the current CSR expectations of Slovenian respondents are. If expectations are to be realised, the subject of responsibility has to become the bearer of responsibility in order to gain the organisational legitimacy (Gjolberg, 2009; Sorsa, 2008). In other words: companies should follow a set of (moral) duties that society and stakeholders attribute to the company. Such a line of thought has important implications for the majority of Slovenian companies that are, according to the CSR discourse used on their webpages for example, currently mostly preoccupied with the philanthropic views of CSR.

This study has some shortcomings that offer scope for further research on the topic. Despite the relatively large sample and thus a broad scope of the results reported, prudence is recommended in their generalisation since the sample was not representative of the Slovenian population. A cultural perspective that influences individuals' perceptions of CSR could also add to the interpretation of the results. Such an addition would allow for a more in-depth cross-cultural comparison of the CSR associations. Finally, a future study should isolate the associations related to the concept of reputation, which would allow for an even broader set of CSR associations that would, in addition to the existing implicit character of associations, possibly reveal some associations related to the more explicit level of CSR.

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