

## **Corporate Social Responsibility in the UK, the Netherlands and Germany: Theory and Forerunners**

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## Abstract

The results in this paper should help connect theoretical concepts with CSR practices in the current business world. This paper will present the findings of a survey sent to businesses in the UK, the Netherlands, and Germany. The empirical data indicate some interesting tendencies. CSR as perceived within the business community is strongly related to environmental management and has a longer history than might have been expected. External factors, such as legal requirements, general external pressure (NGOs, globalization), and media coverage and campaigning have triggered changes in the business world in favor of CSR, but when CSR policies and schemes are initially under discussion, internal forces, such as the board of directors and the middle management, take over and lead the process. Furthermore, the results of the questionnaire show that external forces, such as government, NGOs, and communities, are not relevant with respect to driving CSR development forward.

Results between the countries differ in some respects and show similarities in others. British and Dutch companies are more likely than German ones to start CSR because of external factors (public pressure, legal requirements, and media coverage and campaigning). German companies find internal factors (tradition of CSR, aspirations of a strategic leader, and productivity considerations) more crucial. It was remarkable to notice that all countries have the same driving forces behind CSR. In all three countries, the board of directors and the middle management drive CSR development and implementation, with more external forces playing a minor role. All these forces come from within corporations; hence it can be argued that the driving forces behind CSR are currently internal and top down.

The key concepts of stakeholder management and triple-bottom line reporting connected to CSR are not as well known and, hence, implemented as one might expect. When it comes to CSR's impact on a company's core business, the questionnaire results reveal some remarkable information: Companies find it difficult to measure CSR activities in their day-to-day functioning. This finding fuels the debate on whether current CSR policies and practices genuinely change the way a corporation functions. However, one should always keep in mind that the concept of CSR is in constant development and flux. As a concept in a steady transition process, CSR may—with the cooperation of business practitioners and scholars—develop measurement tools and more sophisticated policies and schemes to accomplish the ambition of a more responsible and sustainable business world.

## Introduction

Corporate Social Responsibility (CSR) is a widely known term that is on almost all business agendas. However, CSR can be defined in many different ways. No commonly agreed definition of corporate social responsibility exists at the moment. What does CSR imply? There is no central authority or similar entity that defined the social and environmental responsibilities of corporations. There are many approaches and definitions of CSR around and choosing one depends on one's individual perspective and ideology.

A previous paper by the author (Mathis, 2004) examined the various definitions of CSR that exist and compared them to identify common elements and key points. The objective was to end up with some sort of a working definition of CSR. Twelve different definitions (representing large representatives of the Intergovernmental Organization, business, and NGO sectors) were analysed on a number of common key aspects, resulting in the following tentative working definition:

CSR is the voluntary commitment (1) by business to honor ethical values (2) and respect people (3), communities (3), and the natural environment (4). Business activities can affect the interests of all normative and derivative stakeholders (5) (Phillips, 2003; BSR, 2004)<sup>1</sup>, including investors (6), customers (7), and employees (8) and are reflected in the company's policies and actions.

The analysis associated with this tentative working definition of CSR will not be presented again. This paper examines the relationship between written CSR definitions by important political and business organizations and perceptions of CSR within potential forerunner companies. The paper reports on a questionnaire survey, which was sent to potential forerunner companies with respect to social responsible behavior in the UK, the Netherlands and Germany. The intent of the questionnaire was to explore the different perceptions, understandings, and individual definitions of CSR within the private sector, with a focus on potential forerunners. Forerunners means companies that are already active in the field of CSR. The focus is on companies with a record in CSR because it is assumed that these companies have something to tell about the phenomenon and are also likely to respond. Passive companies and laggards on the other hand, are less likely to respond to a general questionnaire because they have nothing to report.

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<sup>1</sup> According to BSR, Stakeholders can be defined as those groups who impact and/or are impacted by the company and its activities. In addition to those the company impacts directly -- employees, customers, shareholders, communities, investors, and local and national regulators -- "stakeholders" now can include suppliers and their employees, employees' families, nongovernmental organizations, and the natural environment in which a company's products or services may be sourced, manufactured, sold, used, or disposed. Business ethicists such as Freeman and Phillips differentiate the stakeholder groups in a more complex way. Phillips distinguishes between normative, derivative and non-stakeholders. Normative stakeholders are those stakeholders to whom the organization has a moral obligation, an obligation of stakeholder fairness, over and above that due other social actors simply by virtue of their being human. Derivative stakeholders are those groups whose actions and claims must be accounted for by managers due to their potential effects upon the normative stakeholders. The priority of normative stakeholder to derivative stakeholders is a logical and moral one and not necessarily indicative of which groups will receive managerial attention and in what degree. Other terms describing the status of stakeholder groups reach from primary and secondary, to internal and external, to voluntary and involuntary.

It has to be stated that in questionnaires of this kind there is necessarily a degree of bias. Questionnaires about social responsibility (including issues of sustainable development and the environment) are more likely to be completed by companies that have done some work in these areas rather than those that have not. However, in this research approach the described bias works in favor of the study objective of getting information on CSR perceptions by forerunners and its influence on the relationship between the public and private sector. The opinions and understandings of business laggards are of no interest for this approach because they would not be able to give further insights into emerging changes in the roles of business and public authorities. A random sample of companies would also bear the risk of choosing too high a proportion of passive companies or even laggards which are assumed as not responding to the same level as forerunners.

The comparative approach allows us to identify differences in CSR perceptions between Germany, the Netherlands, and the UK. These observations leave room for further studies in the field of European CSR understanding and development.

## **Methodology**

A sample of 578 companies from three European countries (132 British, 143 Dutch, and 303 German) was selected based on three criteria. In order to be selected a company had to be listed in either the Dow Jones Sustainability Index (DJSI), the London FTSE4Good Index, or registered under the EU Eco-Management and Audit Scheme (EMAS). The selection criteria were chosen on the assumption that these would guarantee the sample's focus on forerunners according to industry standards. Hence, it should be stressed again that this is not a questionnaire of a random sample of companies, but rather an intentional attempt to examine what the potential leading companies are doing and how they look at and understand CSR.

The questionnaires consisted of emails and hard copies to, where possible, relevant individuals in the selected companies. The ideal survey respondent had to be knowledgeable about the company's general CSR policies and have informed perceptions about the drivers of its CSR activities. As such, the study was targeted toward the company's CSR managers or CSR concerned managers. Individuals were normally found by searching company websites and typically had titles such as CSR manager, environmental manager, health safety and environment manager or communications manager. Where a specific individual could not be identified, the email or hard copies (depending on the quality of the online contact scheme of the company) were sent to the public relations department. In cases where a specific individual could be identified, a follow-up email meant that response rates were relatively higher.

Companies were sent an online or postal version (in some cases both) of a letter asking them to complete a questionnaire about their perceptions and understanding of CSR and the impact of CSR on the relationship between the public and private sector. The questionnaire was divided into three sections: CSR and your company, the impact of CSR on the relationship between the public and private sector and personal details of the contact person. Each section contained a number of questions that sought respondents' views on the topic. Likert-scale questions, ranking questions, and yes/no questions were used, though usually combined with the option to add other aspects in an open-ended question. The purpose of the first section was to gather information about the respondents' company and its views and perceptions on CSR. Specifically, it sought details on the nature of the CSR history of the respondents' firm,

reasons to develop a CSR strategy, causes for this engagement, the importance of CSR for the company, CSR practices, potential stakeholder management, and the difference CSR makes for the company. The second section of the questionnaire addressed the relationship between the private and public sector. It is sought to identify the changes CSR brought into the role perceptions of business and government. In addition, the second part tried to discover a role picture of the public authorities with respect to influences resulting from the CSR movement in business. The third section of the questionnaire asked the respondents for details about themselves and their positions within the companies to get a more comprehensive picture. Since CSR is a relatively new movement, it was deemed interesting to concentrate specifically on the responsible CSR person within a company.

To ensure that our questionnaire was clearly understood and easily answerable by our respondents, it was pre-tested four times during the developing period. The pre-test included two experts on sustainability and CSR issues from the academic spectrum and two health, safety and environment managers from two large Dutch companies. Furthermore, these individuals were interviewed to probe their interpretation of each question and to solicit suggestions for clarifying them. This process resulted in refinements to several survey questions and response anchors. The questionnaires for the UK and the Netherlands were formulated in English whereas the German version was translated into German on the assumption of getting a better overall response rate. The translation process bears of course the possibility of semantic misinterpretations and vagueness. This problem was addressed with a double translation procedure: The author of the questionnaire translated the complete questionnaire into German, which was then afterwards retranslated into English by another scholar. Potential semantic problems could be identified and solved through this procedure.

## Questionnaire Results

The total sample was 578 companies from the UK (132), the Netherlands (143) and Germany (303). 13 email responses and 113 mail responses were received, resulting in a total of 126. Of our total sample of 578, this represents a response rate of 21.8%, which is considered as an acceptable response rate for a sample of that size. Response rates for the different countries break down as follows: The highest response rate was with the UK (27.3%), followed by the Netherlands (20.3%), and Germany (20.1%).

Table 1 A summary of questionnaire returns

Details	Overall number	Received Number	Percent
United Kingdom	132	36	27.3
Germany	303	61	20.1
Netherlands	143	29	20.3

The high level of responses in the UK represents a combination of advantages: The sample consisted mostly of major companies listed in both the DJSI and FTSE4Good indexes, the communication was carried out in English. The fact that the UK sample consisted mainly of very large companies raised the number of identifiable CSR contact persons. The somewhat lower response rate of the Netherlands may partly be explained by the fact that all communications were carried out in a second language, albeit one common to Dutch business. The German sample also differed from the UK sample because it included a large

number of EMAS registered companies which can in fact be smaller with fewer resources for answering questionnaires.

The personal details that the respondents supplied in the questionnaire are provided in table 2. An analysis of this table indicates that the respondents were predominantly aged 40-59 (66.6%) and considered themselves to be their companies' primary spokesman on CSR issues. The questionnaires were addressed to CSR responsible individuals and because there is no single definition of what CSR really is, there were several different job titles among those responding. Job titles like CSR Manager, Health Safety and Environment Manager, Managing Director, and Environment Director were stated most often (57.2%). Most of the respondents had held their positions for a relatively long time, with more than 50% occupying their post for more than 3 years and 26.2% being in the same position for more than 10 years. It is also interesting to observe that 36.5% of the respondents were specifically hired by their companies for their position. The size of the respondents' companies, by total number of employees, is shown in table 2: a large majority (75.4%) of respondents' companies had a total number of employees of more than 500. There was a significant number (36.5%) of companies with more than 10 000 employees.

Table 2 Personal details of respondents

Details	Total Number	Percent	UK in Percent	Germany in Percent	Netherlands in Percent
<b>Age:</b>					
20-29	9	7,1	8,3	3,3	13,8
30-39	28	22,2	22,2	23,0	20,7
40-49	43	34,1	30,6	42,6	20,7
50-59	41	32,5	38,9	23,0	44,8
60+	4	3,2	0	6,6	0
Missing	1	,8	0	1,6	0
Total	126	100,0	100,0	100,0	100,0
<b>Employed by the company before:</b>					
Yes	77	61,1	55,6	60,7	69,0
No	46	36,5	41,7	39,3	24,1
Missing	3	2,4	2,8	0	6,9
Total	126	100,0	100,0	100,0	100,0
<b>Time the contact person is in his/her position:</b>					
<1year	13	10,3	8,3	9,8	13,8
1-2 years	17	13,5	16,7	16,4	3,4
3-4 years	33	26,2	30,6	18,0	37,9
5-10 years	30	23,8	30,6	24,6	13,8
>10 years	33	26,2	13,9	31,1	31,0
Total	126	100,0	100,0	100,0	100,0

Job title of respondents:					
CSR Manager	18	14,3	38,9	1,6	10,3
HSE Manager	19	15,1	5,6	14,8	27,6
Environment Director	15	11,9	5,6	18,0	6,9
Managing Director	20	15,9	8,3	24,6	6,9
Other	48	38,0	41,6	34,4	41,4
Missing	6	4,8	0	6,6	6,9
<b>Total</b>	<b>126</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>
Number of employees:					
0-100	5	4,0	8,3	0	6,9
101-250	5	4,0	0	0	17,2
251-500	11	8,7	0	14,8	6,9
501-10000	49	38,9	30,6	47,5	31,0
>10001	46	36,5	61,1	23,0	34,5
Missing	10	7,9	0	14,8	3,4
<b>Total</b>	<b>126</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>

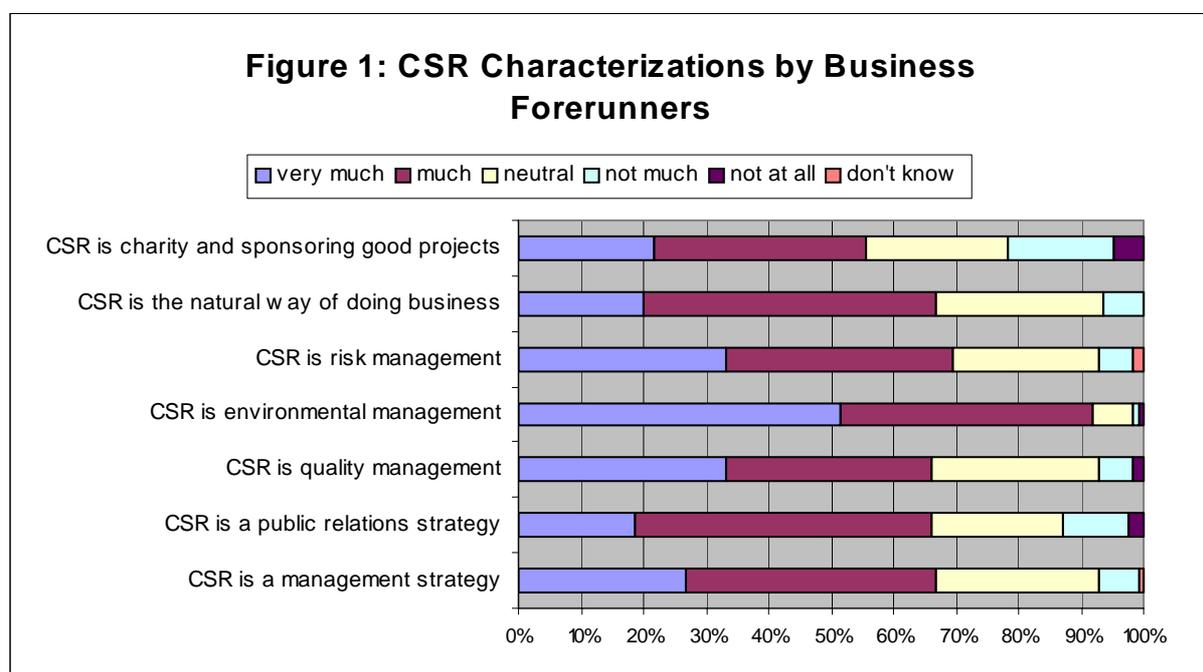
These descriptions of our respondents are, of course, provided by the respondents themselves and do raise an issue of plausibility. The companies' from which responses were received were quite large. Hence, it can be assumed that these companies are structured around certain formal procedures and routines. External communication on environmental, sustainability or CSR issues is consequently also organized around routines and formal procedures. Therefore, the person responsible for external communications on such issues should be best able to answer such questions on behalf of the entire company. Criticism on the ground that there may be no single spokesman of a firm except the owner, managing director or CEO, is nevertheless compelling to a certain extent. However, it seems reasonable to suggest, that at a minimum, the respondents are reasonably well informed about their companies' CSR policies and related activities.

## Overall Results on CSR

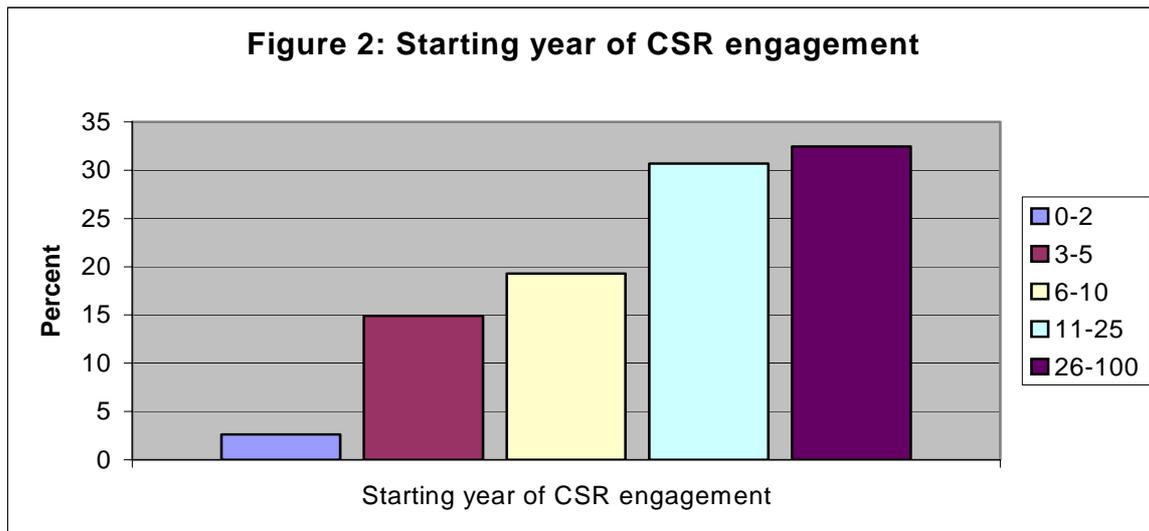
The results of the questionnaire concerning CSR perceptions in general will be presented in three interrelated parts. The first part deals with the level of CSR engagement of the companies, how they characterize CSR, when they started their CSR engagement, why they started CSR and finally, how relevant CSR is for the potential forerunners. This point of departure is a good basis for further presentations on other aspects of CSR, such as stakeholder management, stakeholder group influence, triple bottom-line reporting, internal and external driving forces behind CSR, impact of CSR on a company's core business and CSR measurability in general. The second part compares the results of the three European countries. Major differences and interesting similarities will be presented to show a more detailed picture of CSR perceptions in Europe. A general discussion will sum up the main findings of the research, including a comparison between the theoretical working definition of CSR and the questionnaire results. The paper culminates in a brief conclusion.

## Corporate Social Responsibility – Basic perceptions and elements

The companies were asked to indicate their level of CSR engagement on a scale from 1 (for very high) to 5 (not high at all). 73.8% of the companies stated that their level of CSR engagement is very high or high. According to the questionnaire, only 4.9% of the respondents admit not being active. This result already indicates that the target group has a strong tendency towards being active in the field of CSR and, hence can be seen as forerunners (self-assessed). CSR characterizations by the target group indicate a strong bias in the direction towards environmental management. 91.9% (rated 1 or 2) of the respondents stated that CSR is environmental management, followed by risk management (69.4%), and CSR is a management strategy (66.9%). However, it is interesting to notice that CSR is not perceived to be part of charity activities and sponsoring good projects (55.6%). Figure 1 shows the results of all CSR characterizations by business forerunners (including the 4.9% of the not active companies).



In general parlance, CSR is seen to be a rather new business movement, dating back only to the early 1990s for the Anglo-Saxon countries. However, according to many respondents, CSR as we now know it came into being before the early 1990s if not much earlier. 30.7% of the companies stated that they started behaving socially responsible at least 11 to 25 years ago and 32.5% of the companies from 26 to 100 years ago. Together this makes a substantial 63.2%. However, the result must be interpreted carefully because a significant number of respondents indicated that they have acted socially responsible since the foundation of the company and this sometimes goes back to the 19<sup>th</sup> century. The scope of what CSR means has changed considerably in the last 100 years; hence the starting date of CSR activities more related to the current understanding remains unclear. The intention of the question was to get some insight into how CSR is perceived. Is it perceived as a new phenomenon (17.5% of the companies started within the last five years) on the business agenda, is it a reaction to the accelerating globalization since the mid 1990s (19.3% started within the last 6 to 10 years), or is it a continuation of a long business tradition to behave socially responsible? The results of the questionnaire show a mixed picture yet the general tendency to see CSR as a continuation of already existing schemes is dominant. Figure 2 provides an illustration.

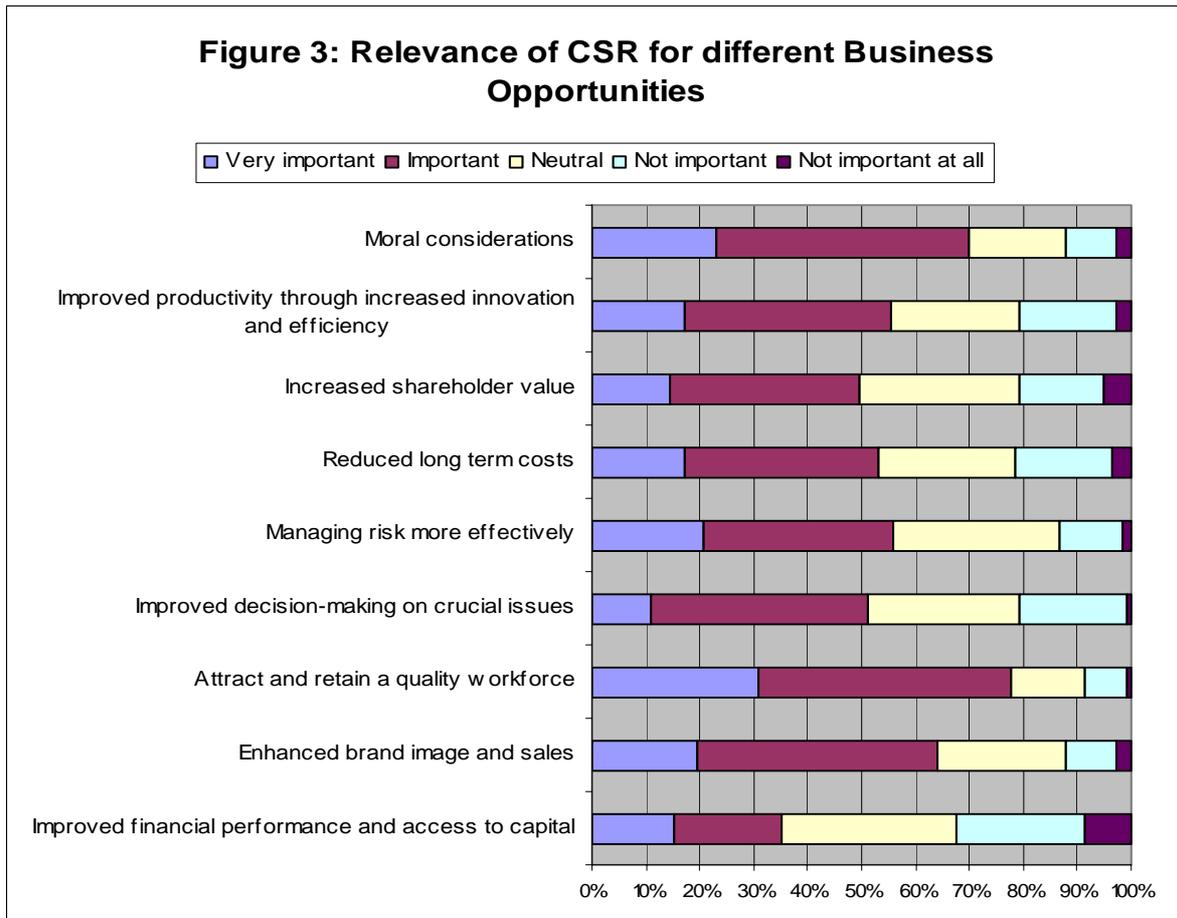


Reasons for CSR engagement go partly hand in hand with the stated starting year of CSR engagement. 55.6% of the companies declared to have a long tradition in CSR which relates directly to the high percentage of companies which started CSR activities earlier. Aspirations of a strategic leader could also be identified as a main reason (38.9%) for CSR engagement, followed by public expectations (29.4%). Critical events such as accidents or business related environmental disasters are apparently not seen as important reasons (2.4%).

In connection to the previous question, the questionnaire also asked respondents to evaluate if expectations (governmental, general public) of corporations with regard to CSR had risen in the last decade. Respondents overwhelmingly replied that general expectations of corporations had risen in the last couple of years (71.4% very much and much). Respondents were then asked to identify the responsible factors for this change in the level of public expectations. 73.5% declared that legal requirements led to this rise in expectations, followed by external pressures (NGOs, globalization) with 68.1%, and media coverage and campaigning (46.9%). Here again, respondents did not see disasters caused by business activity (only 22.1%) as a factor for increased public expectations on corporations. It is somewhat surprising to observe such results in the face of several major examples of corporate misbehavior such as Shell in Nigeria, the scuttling of the Brent Spar in the North Sea, the Exxon Valdez oil spill in Alaska's Prince William Sound, the Snow Brand scandal in Japan, Enron and WorldCom in the United States, and the issue of child labor in the production of sport shoes, apparel and other products reported around the world, to name a few examples. From the questionnaire results, it seems that business people are unable to reflect on corporate behavior in a more objective way (if this is possible at all). However, this asymmetric relationship of business awareness/business responsibilities for business misbehavior and public anger/expectations represents an underestimation by business of public expectations that in turn has the potential to lead to severe crises for latent corporate deniers of changed realities. Furthermore, it is remarkable that external factors (external pressure, legal requirements, media campaigning) are apparently seen as the driving factors for higher level of general public expectations on corporations. Internal factors such as productivity considerations (31%) play a minor role in this respect.

Respondents were asked to describe how important CSR is in relation to a number of business opportunities such as reduced long term costs, attracting and retaining a quality workforce, enhanced brand image and sales, and increased shareholder value. For 77.8% of

the companies CSR is most relevant to attracting and retaining a quality workforce. Moral considerations in general are relevant (70.1%), with enhanced brand image and sales also of some relevance (64.1%). However, it is very interesting to notice that classical core business interests and opportunities are rated among the least relevant business opportunities concerning CSR. Improved financial performance and access to capital rank last (35%), followed by increased shareholder value (49.6%). Though these core business interests rank last among the different business opportunities, it is still remarkable that almost 50% of the companies see increased shareholder value in line with (related to) CSR engagement. Figure 3 provides a clear picture of the results in more detailed form.



### Corporate Social Responsibility – Level of integration and related concepts

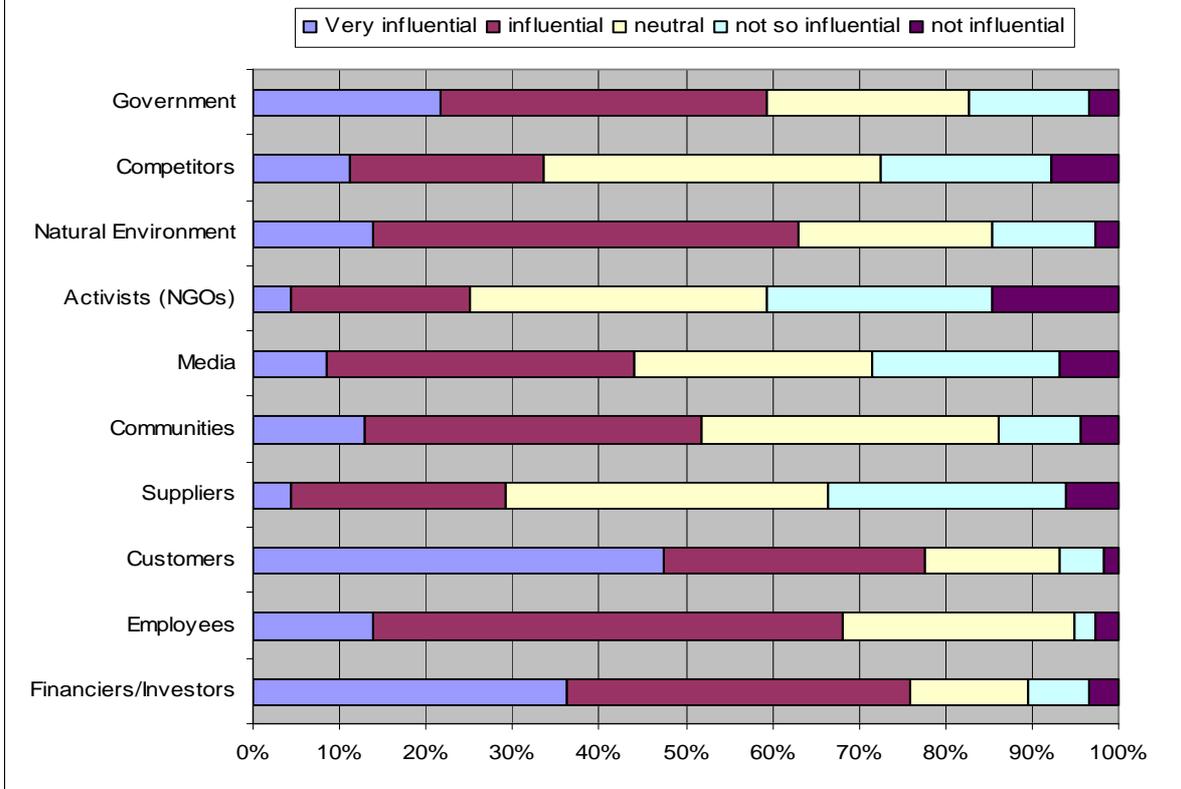
Asked how they would characterize the level of CSR integration in the everyday functioning of their business, companies answered in a very heterogeneous way. All answering categories achieved approximately the same rate of support (50 to 60%). Only when CSR is led and directed by the board of directors, and therefore integrated, was it rated a little higher (65.1%). CSR integration in the day to day business activities seem to happen in many different ways, not providing a clear picture or tendency. The frequently stated argument that there is no common CSR strategy or instruction how to act socially responsible seems to be affirmed. There is no dominant CSR integration scheme which leads to the conclusion: CSR depends highly on individual circumstances and there is no ‘one size fits all’ model. Table 3 illustrates the findings in more detail.

Table 3: Level of CSR Integration	Mean
CSR is in every part of the organization	2,64
CSR is due to a dedicated department or team	2,45
CSR in on the basis of reporting structures and procedures	2,63
CSR is led and directed by the board of directors and, therefore	2,25
CSR is in the natural way of decision-making and, therefore	2,47
N Valid (Total N 126)	109
Missing	0

Stakeholder management/dialogue is closely connected to CSR in the literature. Opening up the internal decision-making process for stakeholder groups can be seen as an integral aspect of socially responsible corporations. The questionnaire results show some interesting insights into how corporations use stakeholder management. 43.2% of the respondents answered that they use stakeholder management much or very much to address corporate social responsibility issues. On the other hand, 26.4% stated that they do not perform stakeholder management. Hence, the current situation regarding CSR and stakeholder management can be summarized as a significant percentage of companies already engage in a form of stakeholder management. However, a significant proportion has not taken up this new concept. It can be concluded that the broader decision-making concept of stakeholder management/dialogue is not yet fully accepted in the business world.

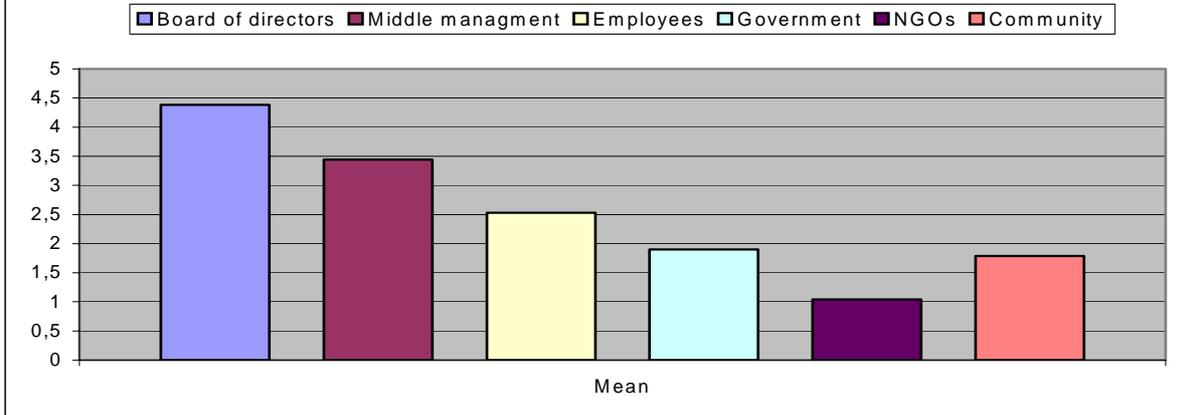
The companies were also asked how they would characterize a number of stakeholder groups' influence with regard to their decision-making process. Customers (77.6%) are seen as the stakeholder group with most influence on a company's' decision-making process, followed by investors (75.9%) and employees (68.1%). Activists like NGOs are seen as the group with the lowest impact on decision-making. Who is a true stakeholder is left open for discussion. Currently, there is no commonly agreed definition of what comprises stakeholder management/dialogue as indicated in the first part of the paper. The results of this questionnaire point out that social activists (NGOs) are not necessarily seen as stakeholders by the private sector. Only 25% of the respondents observed activists as influential regarding their decision-making processes. This, by the way, supports the theoretical argument of Robert Phillips (Phillips, 2003) that social activists and the natural environment are not real (normative) stakeholders for business. The picture concerning the natural environment is quite different. 62.9% of the respondents stated that the natural environment is influential or very influential. Though the natural environment is not an individual with the opportunity to have a direct say in decision-making, business perceives it as important, even though nature is unable to defend its interests. What leads to this managerial discretion regarding the environment is open for debate. Different factors are conceivable for triggering this high degree of discretion towards the environment reaching from personal moralistic reflections, to business considerations, to external pressure from other stakeholders. Figure 4 provides a good overview of the results for the different potential stakeholder groups.

**Figure 4: Influence of Stakeholder Groups on a Company's Decision-making Process**



Companies were asked to rank (from 1 for least important to 6 for most important) a number of potential driving forces behind CSR according to their significance for CSR development. The main driving forces behind CSR are the boards of directors (Mean 4.38) and to a lesser extent the middle management (Mean 3.44). Employees as a driving force come third with a mean level of 2.53. All these forces behind CSR come from within corporations; hence it can be argued that the driving forces behind CSR are currently internal and top down. External forces play a minor role. Governments, NGOs, and communities have all mean levels of less than 2. Hence, external factors are by far less important for CSR diffusion and development than internal forces at work. Figure 5 illustrates the results.

**Figure 5: Main Driving Forces behind CSR**



The companies were also asked what instruments they have implemented to facilitate CSR. Management systems, such as specific standards (ISO 14001, EMAS etc.) were by far the most frequently implemented scheme (89.7%). This observation supports to some extent the findings that the business world relates CSR to a high degree with environmental management and environmental concerns. Furthermore, dedicated programs and projects are in place (71.4%) to facilitate CSR development. It is interesting to notice that every single company of the target group has at least one instrument in place to facilitate CSR, again supporting the presumption that the target group should with varying degrees already be active with respect to CSR. Another interesting aspect to notice is that triple bottom line reporting came last (46.8%) among the different options. Triple bottom line reporting, a term for taking into accounts not only financial aspects of doing business but also social and environmental aspects, was introduced by John Elkington in his book ‘Cannibals with Forks’ in the mid 1990s (Elkington, 1997). Table 4 gives a better overview on the described findings.

	Yes %	No %	N
Management Systems, such as specific standards (ISO 14001, EMAS)	89,7	10,3	126
Dedicated programs or projects	71,4	28,6	126
Partnerships with stakeholders (NGOs, communities, suppliers)	61,1	38,9	126
Triple bottom line reporting (Global reporting initiative)	46,8	53,2	126
External accountants involvement (independent verification)	57,9	42,1	126
None	0	100	126

On the other hand it can be argued that almost half of the target group is already performing triple bottom line reports on a regular basis. However, one should not be tempted to overestimate the sheer number of companies doing so because reporting can also mean printing a highly polished yearly report with little substance. Or, more bluntly speaking, companies can use such reports to some extent for green-washing their

overall business activities. However, respondents confronted with the question, how they would characterize their company’s triple bottom line reporting mechanisms and procedures, showed a more positive picture. 45.7% stated that they have implemented triple-bottom line reporting in a systematic way. Table 5 illustrates the findings.

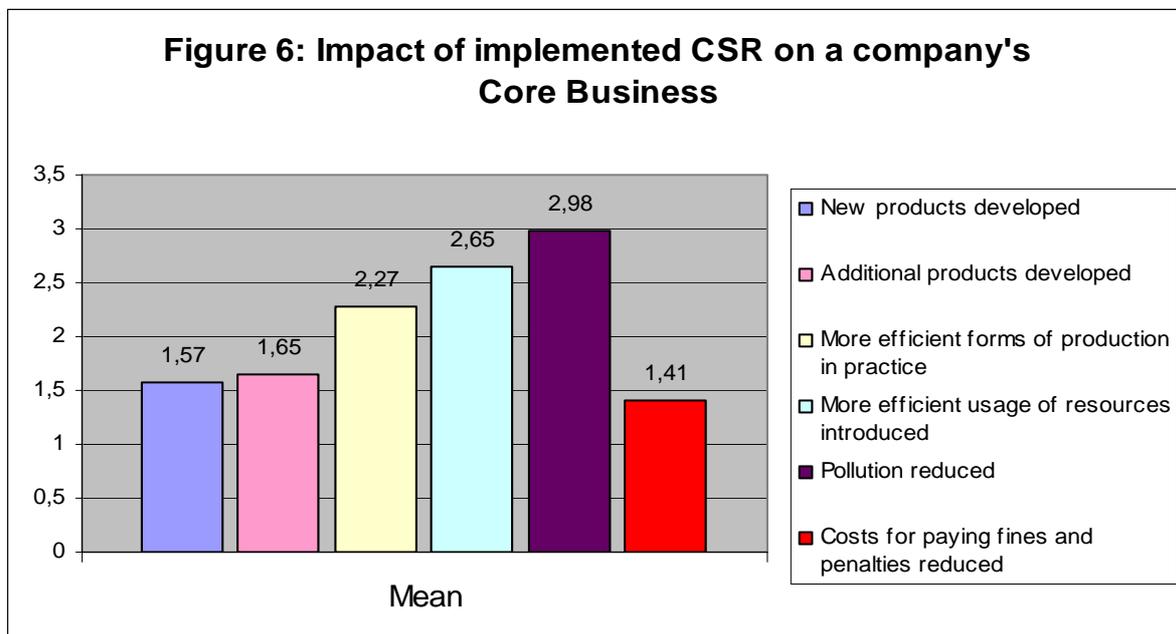
	Frequency	Percent
Systematic	53	45,7
As needed	23	19,8
Occasional	5	4,3
Not yet implemented	35	30,2
Total N	116	100

If one interprets the result of the former question in the way that respondents only marked yes, they do triple-bottom line reporting if they do it in a systematic way, then it perfectly matches (46.8% to 45.7%) with the results of this question.

## Corporate Social Responsibility – Impact on the private sector

The impact of CSR on the private sector is disputed. Advocates of CSR activities argue that such policies or schemes would benefit engaging corporations in the long run on grounds of, for example, reduced long term costs, better brand image and reduced business risk. However, CSR is also criticized as being expensive (at least in the short run) or even as a new form of window-dressing. Everything comes down to the question: Does CSR make a difference for a company's core business and if so, is it measurable? The results of this question are telling: Only 37.3% of the respondents answered with yes and 62.7% with a clear no. Hence, one would tend to argue that the impact of current CSR schemes and strategies on a company's core business is not yet really measurable.

Although the level of companies with a measurable impact of CSR schemes is rather low, it is still worth studying the changes that do occur. Respondents were asked to what extent the implementation of CSR changed their company's core business. The results show some interesting details. Reductions in pollution (75.2%) could be identified most easily by the companies, followed by more efficient usage of resources (59.3%) and more efficient forms of production (45.1%). According to the questionnaire, CSR schemes rarely have an impact on developing new products or additional products. Interestingly, the costs for paying fines and penalties were not reduced in the course of CSR engagement. One would assume that practicing CSR would reduce fines in the first place; however, the target group of the questionnaire is forerunners. Therefore, it is possible that these forerunners have not had to deal with such fines or penalties as a normal sample. Figure 6 illustrates the described findings.



The provided results on CSR perception and understanding represent the results of the total sample. Is there a common perception or understanding of CSR among the three studied nations or do they vary? If there are differences, where are they? The next part of the paper deals with such questions.

## Comparison between European Countries

The questionnaire identified several minor and major differences among CSR perceptions in the UK, Germany and the Netherlands. The paper will focus on major differences, but also on interesting similarities in order to provide a clear overview.

The UK has a higher level of very high CSR engagement (45.7%) in comparison to the Netherlands (25%) and Germany (25.4%). The UK has also a slightly different perception of what CSR is. 66.7% of British respondents see CSR as environmental management, in contrast to only 48.3% of the German and only 39.3% of the Dutch respondents. British respondents also connect CSR more to risk management (55.6%). For all the countries, Charity and Sponsoring was the least characteristic business consideration describing CSR. The following table provides more information concerning different CSR characterizations.

Table 6: CSR Characterizations by Business Forerunners and Countries

N 124		Germany	UK	Netherlands	
CSR is a management strategy					
	very much	% within Country	26,7	27,8	25
	much	% within Country	38,3	44,4	39,3
CSR is a public relations strategy					
	very much	% within Country	18,3	19,4	17,9
	much	% within Country	40	52,8	57,1
CSR is quality management					
	very much	% within Country	36,7	25	35,7
	much	% within Country	30	30,6	42,9
CSR is environmental management					
	very much	% within Country	48,3	66,7	39,3
	much	% within Country	41,7	25	57,1
CSR is risk management					
	very much	% within Country	23,3	55,6	25
	much	% within Country	36,7	33,3	39,3
CSR is in the natural way of doing business					
	very much	% within Country	16,7	22,2	25
	much	% within Country	51,7	44,4	39,3
CSR is charity and sponsoring good projects					
	very much	% within Country	21,7	25	17,9
	much	% within Country	33,3	36,1	32,1

Differences concerning the starting period of CSR engagement could be observed, however, only in a rather mixed way. The UK and the Netherlands contain more companies starting CSR activities only a few years ago (25% of the companies started not longer than 5 years ago) than Germany. The only real tendency observable is that German companies state overwhelmingly that they have CSR policies at least 11 years old or more. 42.6% even state that they started to engage in CSR 25 to 100 years ago. German companies apparently have a different approach to what CSR is. They certainly see it as a continuation of pre-existing schemes and activities. Another explanation for the different results, especially concerning

Britain and Germany, could be that ‘Corporate Social Responsibility’ (CSR) is a buzzword in the English-speaking world whereas the term is not even remotely as well-known in Germany. ‘Gesellschaftliche Verantwortung von Unternehmen’ is obviously not really a catchphrase. Table 7 presents the complete data on companies starting CSR engagement.

Table 7: Starting year of CSR engagement

N 114			Germany	UK	Netherlands
Starting year of CSR engagement	0-2	% within Country	1,9	6,3	0
	3-5	% within Country	7,4	18,8	25
	6-10	% within Country	16,7	28,1	14,3
	11-25	% within Country	31,5	18,8	42,9
	26-100	% within Country	42,6	28,1	17,9

The results of the key reasons for CSR engagement support the findings concerning the starting period of CSR policies. German companies started CSR engagement primarily on internal grounds. Aspirations of a strategic leader (44.26%) and the company having a long tradition in CSR (75.41%) are the predominant reasons for German companies’ CSR activities, whereas external factors seem to be responsible in Dutch and British cases. Third-party pressure and public expectations were the main reasons for British and Dutch companies to start behaving in a more responsible manner. The following table offers the full response details.

Table 8: Factors leading to CSR engagement

N 126			Germany	UK	Netherlands
A critical event	Yes	% within Country	0	5,6	3,4
Aspirations of a strategic leader	Yes	% within Country	44,3	33,3	34,5
Public expectations	Yes	% within Country	23	36,1	34,5
Third-Party pressure	Yes	% within Country	9,8	22,2	27,6
The company has a long tradition in CSR	Yes	% within Country	75,4	41,7	31

The main differences concerning the relevance of CSR’s different business opportunities can be summarized as follows: British companies see CSR as relevant (ranked important or very important) for the financial performance and access to capital (44.2%), for brand image (67.6%), for better risk management (76.5%), and for increased shareholder value (61.8%). German companies see the main relevance of CSR in attracting and retaining a quality workforce (90.91% very important and important). Dutch companies do not show significant differences in comparison to the observed general results. Table 9 shows all details on CSR and business opportunities.

Table 9: Relevance of CSR for different Business Opportunities (N 117)

	ranked	in	Germany	UK	Netherlands
Improved financial performance and access to capital	Very important and important	%	32,7	44,1	28,6
Enhanced brand image and sales	Very important and important	%	60	67,6	67,9
Attract and retain a quality workforce	Very important and important	%	90,9	58,9	75
Improved decision-making on crucial issues	Very important and important	%	49,1	58,8	51,3

	ranked	in	Germany	UK	Netherlands
Managing risk more effectively	Very important and important	%	41,8	76,5	53,6
Reduced long term costs	Very important and important	%	52,8	55,9	50
Increased shareholder value	Very important and important	%	43,6	61,8	46,5
Improved productivity through increased innovation and efficiency	Very important and important	%	58,2	53	53,6
Moral considerations	Very important and important	%	74,5	73,6	57,1

Stakeholder management is most common in the UK (55.5% very much and much), closely followed by the Netherlands (50%). However, there is a significant gap compared to Germany (32.8%). The results concerning the influence of the different stakeholder groups on a company's decision-making process also show interesting details. Employees and Communities are more influential in the UK with regard to decision-making than in Germany. The government as a stakeholder is less influential in Germany (50% very influential and influential) than in the other two countries, especially than in the Netherlands (74%). It is interesting to notice that the results for activists (NGOs) and customers are almost the same among the studied countries, with activists ranking last and customers ranking first or most influential.

The level of CSR integration varies from country to country. Reporting structures and procedures are better integrated in the UK (61.8%) and the Netherlands (71.4%). In contrast, only 34% of the German companies stated that they have integrated reporting mechanisms. On the other hand, German respondents, to a large extent, see their CSR schemes integrated in the natural way of decision-making (70.2%). British and Dutch results are far lower (41.2% and 50%). The fact that German companies see their CSR activities reflected in the natural way of decision-making could partly be an explanation for the lower level of stakeholder management proliferation in Germany. German companies do not see the necessity to consult with stakeholder groups in a new form because they have schemes in place and/or are not familiar with the new discussions on stakeholder identification and inclusion. If there are other forms of interest group inclusion in place in Germany then it is rather more surprising to observe low results for the stakeholder groups' community, employee and government. These lower rates might have something to do with the German legal and political system. For instance, trade unions are well established in German society and the German policy-making process. This might be the reason why German companies do not see their employees as stakeholders, but rather as an organized entity they have to deal with. However, successful CSR implementation without practicing stakeholder management is hardly imaginable. The results are ambivalent, and we should be careful about reading too much into this since the questionnaire results do not provide in-depth explanations to mixed outcomes.

It was also interesting to notice that all countries have the same driving forces behind CSR at work. The board of directors and the middle management are in all three countries the driving forces behind CSR, with more external forces playing a minor role.

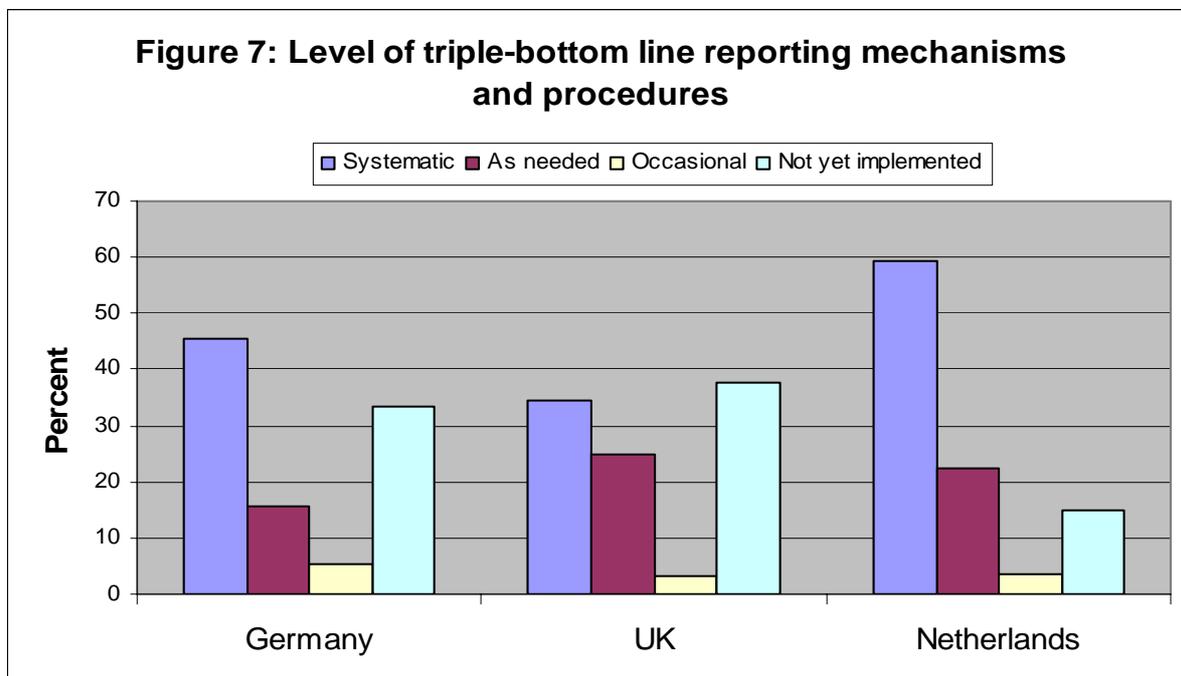
The results regarding the instruments implemented to facilitate CSR show some significant differences however. British (80.6%) and Dutch (82.8%) companies have more dedicated programs or projects implemented than Germany (60.7%). Partnerships have proliferated

more in the UK (77.8%) than in the continental European countries (55.7 for Germany and 51.7% for the Netherlands). It was to some extent surprising to find that triple-bottom line reporting was less widespread in the UK and in the Netherlands than in Germany. 55.7% of the German companies stated that they were doing triple-bottom line reporting in comparison to only 36.1% British and 41.4% Dutch companies. Stakeholder management and triple-bottom line reporting are two key concepts connected to the business-driven movement of CSR. And as we already know, Germany had the lowest level in stakeholder management usage. Table 10 provides the relevant data of instruments implemented to facilitate CSR.

Table 10: Instruments implemented to facilitate CSR

N 126			Germany	UK	Netherlands
Management Systems, such as specific standards (ISO 14001, EMAS)	Yes	%	93,4	86,1	86,2
Dedicated programs or projects	Yes	%	60,7	80,6	82,8
Partnerships with stakeholders	Yes	%	55,7	77,8	51,7
Triple-bottom line reporting	Yes	%	55,7	36,1	41,4
External accountants involvement	Yes	%	62,3	52,8	55,2

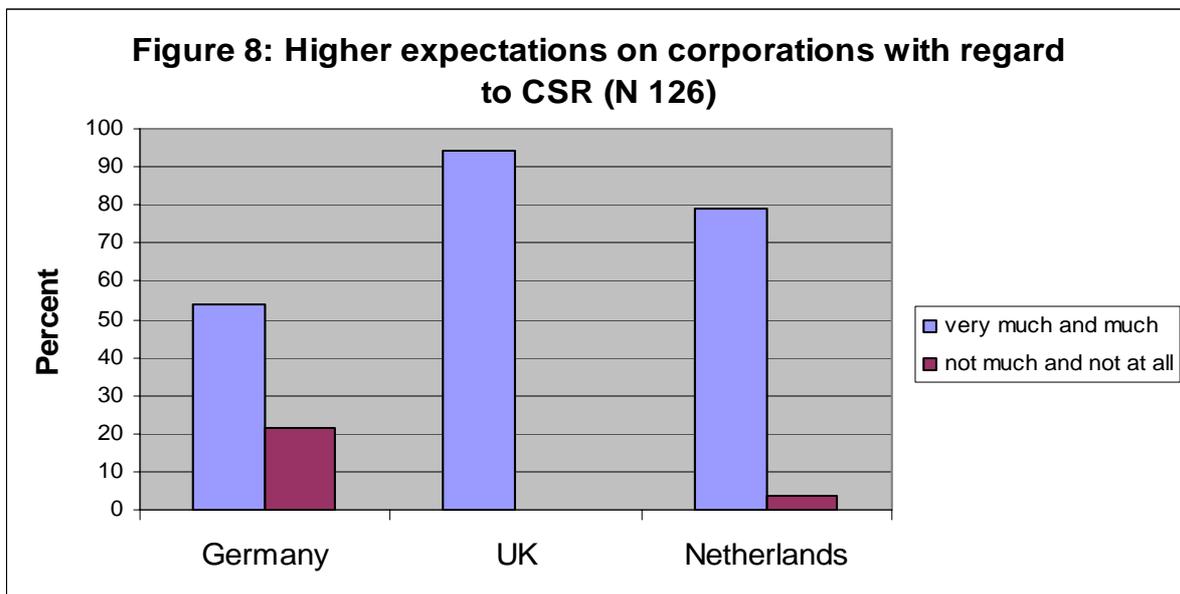
The picture gets even more ambiguous when we look at the level of triple-bottom line reporting mechanisms and procedures. 59.3% of the Dutch companies perform triple-bottom line reporting in a systematic manner, whereas only 34.4% of the British and 45.6% of the German companies do. The result of this question connected to the previous one would mean that triple-bottom line reporting is most widely spread in Germany but systematically implemented mostly in the Netherlands. Here again, the questionnaire shows quite a mixed picture, leaving much space for more elaborate studies.



Dutch companies find it difficult to measure the impact of CSR on a company's core business. 26.9% of Dutch companies stated that they aren't able to measure the impact of CSR policies in comparison to 39% German and 42.4% British ones. Nevertheless, respondents identified impacts due to implemented CSR in some respects. German companies, for instance, associated the development of additional products with CSR

(42.8%) and the more efficient usage of resources (67.9%), whereas British companies found the opposite. Only 13.3% of the British respondents identified an impact with regard to additional products developed and only 43.3% in more efficient usage of resources.

Expectations of corporations have risen in the last decade according to the questionnaire. However, the results of the countries differ considerably. 94.4% of the British companies perceive that public expectations have risen very much or much, whereas only 54.1% of the German respondents see it that way. There are even 21.3% of German respondents who don't see higher public expectations in comparison to not a single one in the UK. These findings support some of the previous findings. We already identified that external factors are predominantly responsible for engaging in CSR in the UK. Hence, in Britain CSR can be interpreted as a direct reaction to increased public expectations, whereas CSR in Germany is less triggered by external forces. The following figure illustrates the point.



The results concerning the change factors for these higher expectations on corporations are pointing in the same direction. External pressures (NGOs, globalization) are seen much more pressing in the UK (82.9%) and the Netherlands (76.9%) than in Germany (53.8%). Media coverage and campaigning is much more a change factor for British (65.7%) and Dutch (53.8%) companies than for German ones (30.8%). The same tendency is observable with regard to governmental requirements. 80% of the British and 80.8% of the Dutch companies see them as a reason for higher expectations on corporations. On the other hand, significantly more German companies (48.1% in contrast to 17.1% British and 15.4% Dutch ones) identified productivity considerations as being the responsible change factor for implementing CSR. The following table supplies the relevant data concerning change factors.

Table 11: Responsible change factors for higher expectations on corporations

N 113			Germany	UK	Netherlands
External pressure (NGOs, globalization)	Yes	%	53,8	82,9	76,9
Internal pressure	Yes	%	44,2	51,4	38,5
Productivity considerations	Yes	%	48,1	17,1	15,4
Governmental (legal) requirements	Yes	%	65,4	80	80,8
Disasters caused by business activity	Yes	%	11,5	28,6	34,6
Media coverage and campaigning	Yes	%	30,8	65,7	53,8

The general tendency towards external factors being responsible for CSR engagement in the UK and the Netherlands finds a further manifestation in these findings. German companies perceive CSR more as an internally driven concept, not so much influenced by the outside world. However, a more coherent picture of the results will be provided in the following general discussion.

## ***General Discussion of the Results***

It is important to emphasize again that what this paper attempts to do is paint a picture of CSR perceptions by business forerunners. The aim of the research has not been to draw on a randomly selected sample of business capable of representing what is happening on average. The aim has been to consciously represent the activities of leading companies with respect to CSR. One must also be aware of the fact that since the research was concluded in an impersonal, quantitative form, the interpretation of the different questions might have been different in some cases.

The intention of the questionnaire to reach business forerunners with regard to CSR was achieved. Almost three quarters of the companies are actively engaged in CSR schemes and activities. According to the questionnaire, environmental management characterizes CSR in the most appropriate way. However, it has to be stated that the general thinking and, consequently, also the formulation of the questionnaire, was coined by more environmental aspects of CSR than social ones. Nevertheless, respondents were free to choose and the fact that 91.9% of the companies find CSR best characterized by environmental management is telling. CSR has been a buzzword in the business world since at least the mid 1990s. The results of the questionnaire indicate that CSR activities have started to a large proportion much earlier. Almost two thirds of the respondents stated that they have CSR schemes in place since more than 11 years (including 32.5% with a CSR history of more than 25 years). A long tradition in CSR was also the most prominent answer on the question on what the reasons for CSR engagement were. All these findings support the conclusion that CSR is not seen as a new phenomenon, but rather as a continuation of existing schemes and activities under a new term.

General expectations of corporations with regard to CSR have risen according to questionnaire results. More than two thirds (71.4%) of the respondents see higher expectations on companies. The reasons for these higher expectations are predominantly external to the companies. Legal requirements, general external pressure (NGOs, globalization) and media coverage and campaigning are responsible factors for rising expectations on corporations to adopt CSR schemes. Internal aspects such as productivity considerations are only secondary factors for change according to the questionnaire.

CSR is most important to a number of business responsibilities such as attracting and retaining a quality workforce and enhancing brand images and sales. Moral considerations are also important. Business core interests, such as improved financial performance and increased shareholder value, are seen as less relevant.

Stakeholder management, a key concept of CSR, is not as wide spread as one might expect, even among potential business forerunners. 43.2% of the companies use stakeholder management and 26.4% do not. The most influential stakeholder groups are customers, followed by investors, and employees. NGOs are the least influential stakeholder according

to the questionnaire. The environment as a stakeholder got a surprisingly high approval rate of 62.9%.

The main driving forces behind CSR development are the board of directors and the middle management, two internal forces. So far we have identified external forces being overwhelmingly responsible for change in the business world towards more CSR activities and schemes. At first glance these two findings seem contradictory. However, the results can be interpreted in the way that external factors have triggered change in the business world towards CSR, but when initial CSR policies and schemes are under discussion, internal forces take over and lead the process. Furthermore, the results of the questionnaire show that external forces, such as government, NGOs, and communities, are not relevant with respect to driving CSR development forward.

In general, the business forerunners are actively engaged in CSR policies. All companies have one instrument or another in place to facilitate CSR, reaching from management systems (ISO 140001, EMAS), to dedicated programs and projects. Triple-bottom line reporting, another key concept of CSR, is the least proliferated instrument with 46.8%. Triple-bottom line reporting is systematically implemented within 45.7% of the companies. It is interesting to notice that both Stakeholder management and triple-bottom line reporting, two key concepts connected to CSR, are implemented by less than half of the respondents. And since this research has been drawn on business forerunners, we can assume that the results for a randomly selected sample would be much lower. Hence, one could argue that these two key concepts connected to CSR are still not accepted and implemented by the business world.

The measurability of CSR on a company's core business is also a critical point when it comes down to the usefulness of CSR. According to the questionnaire responses only 37.3% of the companies are able to measure the impact of CSR and 62.7% are not. This result might be explained in two ways. The first explanation could be that scientific knowledge and tools to evaluate the impact of CSR are not developed enough or that the existing theoretical tools are not diffused enough within the business world. The second explanation could be that current CSR policies and schemes are not making a real difference in the day to day functioning of a company. In other words, this would mean that current CSR schemes are not sufficient and don't really deserve the name. However, there are a number of impacts due to CSR policies noticeable. Reductions in pollution and more efficient usage of resources are seen as direct impacts of CSR engagement by the respondents.

The comparative part of the paper also shows some interesting insights. The next section shows the main findings concerning different CSR perceptions in Germany, the Netherlands, and the UK. British companies have a higher level of very high CSR engagement than Germany and the Netherlands. The UK also has a slightly different perception of CSR. 66.7% of British respondents see CSR as environmental management, in contrast to 48.3% of the German and 39.3% of the Dutch respondents. Differences concerning the starting period of CSR engagement could be observed in a rather mixed form. The only real tendency observable is that German companies state overwhelmingly that they have CSR schemes in place for a longer time than the other countries. Another tendency is that German companies started their CSR activities based more on internal grounds. 75.41% of the German companies stated that they have a long tradition in CSR and 44.26% stated that aspirations of a strategic leader were crucial for CSR engagement. British and Dutch companies, on the other hand, were more driven by external factors. Third-party pressure and public

expectations were the main reasons encouraging more socially responsible behavior. Expectations of corporations rose in the last decade according to the questionnaire results, including significant differences with respect to the results by countries. 94.4% of the British companies perceive that public expectations have risen compared to 54.1% in Germany. We already identified that external factors are predominantly responsible for engaging in CSR in the UK. The results concerning the change factors for these higher expectations on corporations support the previous findings. External pressure (NGOs, globalization), media coverage and campaigning, and legal requirements are seen as much more pressing in the UK, and to a lesser extent in the Netherlands, than in Germany. Companies in Germany identified to a much higher degree (48.1% in contrast to 17.1% British and 15.4% Dutch ones) productivity considerations being the responsible factor for implementing CSR. It can be concluded that German companies perceive CSR more as an internally driven concept, not so much influenced by the outside world, whereas British (and to a lesser extent Dutch) companies are more driven by external forces to act socially responsible.

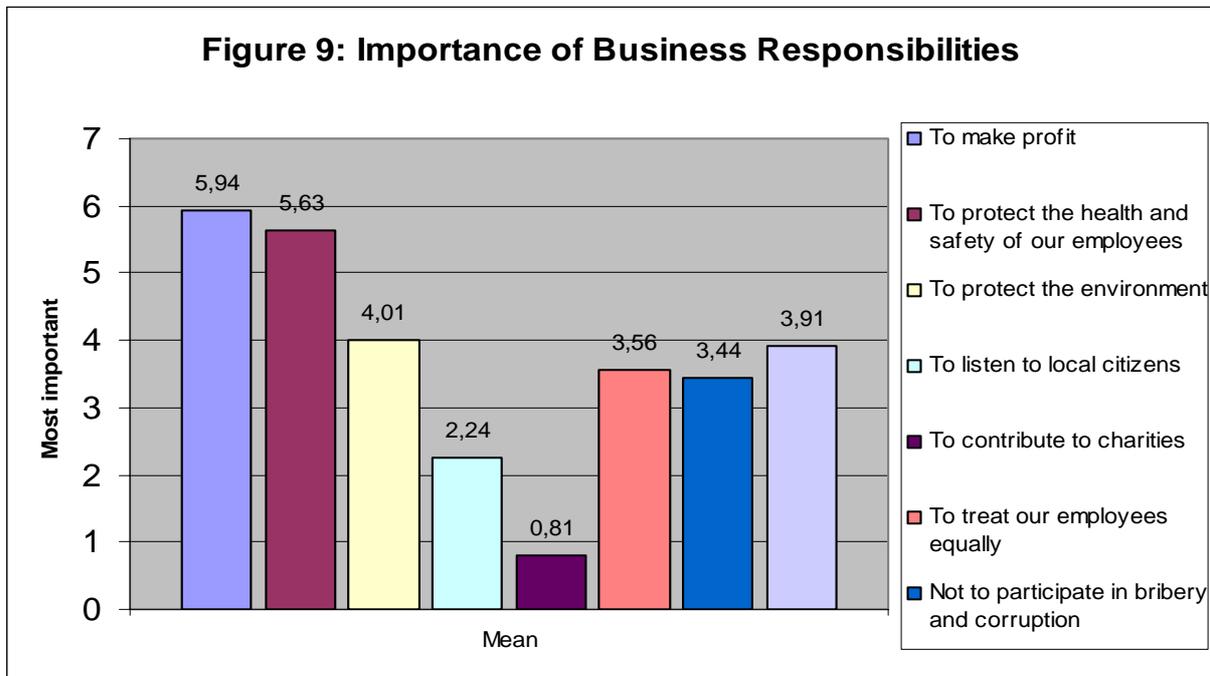
CSR practices and impacts on a company's core business also show interesting details. British companies see CSR as relevant for financial performance, access to capital, enhancing brand image, better risk management, and increased shareholder value. German companies see the main relevance of CSR in attracting and retaining a quality workforce (90.9%). The results concerning the implemented instruments to facilitate CSR differ somewhat. British and Dutch companies have more dedicated programs or projects implemented than Germany. Furthermore, partnerships have proliferated more in the UK than in the continental European countries. Also with regard to noticeable impacts of implemented CSR schemes and instruments, differences between countries occurred. German companies, for instance, associated the development of additional products and the more efficient usage of resources with CSR, whereas British respondents found the opposite.

Corporate social responsibility is a broad field with lots of different approaches and interpretations. The conducted research on CSR perceptions in Europe brought some interesting insights. Now it makes sense to compare the more theoretical working definition from the beginning of the paper with the findings of the questionnaire. The key points of the working definition will be numbered and then compared to the results of the questionnaire. The working definition was as follows:

CSR is the voluntary commitment (1) by business to honor ethical values (2) and respect people (3), communities (3), and the natural environment (4). Business activities can affect the interests of all normative and derivative stakeholders (5) (Phillips, 2003; BSR, 2004) including investors (6), customers (7), and employees (8) and are reflected in the company's policies and actions.

**Voluntary commitment (1):** Voluntary commitment is an integral part of the business driven concept of CSR and stressed in almost all definitions of CSR by the business world. The questionnaire results are significantly different in this respect. Only 24.6% (ranked 1 or 2) of the respondents stated that voluntary led initiatives and market mechanisms are sufficient to mobilize the majority of companies to improve their ethical, social and environmental performance. In contrast, 50% of the companies indicated that such schemes are not sufficient.

**Ethical values (2):** To honor ethical values is rather vague. However, the way the working definition is formulated already excludes some possible meanings (respect communities, the natural environment, and the interests of a number of stakeholders). Hence, to honor ethical values can be reduced to not participating in bribery and corruption, behaving socially responsible and providing transparency. The questionnaire results indicate that respondents honor these ethical values in reality on a moderate level compared to other values. Figure 9 illustrates the findings:



**Respect people and communities (3):** To respect the interests of communities is part of stakeholder management. Nevertheless, we will look at it separately from other stakeholder groups because it is also stated separately in the working definition. Results on respecting the community are surprisingly low. Only 51.7% of the respondents (ranked very influential or influential) see the community as an influential stakeholder group. Among a long list of different stakeholder groups (government, investors, suppliers, activists, natural environment, customers etc), community ranks in the middle with a mean level of 2.53 (see table 12 for more details). To listen to local citizens as a business responsibility ranked second to last (see previous figure), which also supports the previous findings.

Table 12: Influence of Stakeholder Groups of a Company's Decision-making process

Stakeholder group	Very influential (%)	influential (%)	Mean	N
Financiers/Investors	36,2	39,7	2,02	116
Employees	13,8	54,3	2,26	116
Customers	47,4	30,2	1,84	116
Suppliers	4,3	25	3,06	116
Communities	12,9	38,8	2,53	116
Media	8,6	35,3	2,83	116
Activists (NGOs)	4,3	20,7	3,26	116
Natural Environment	13,8	49,1	2,41	116
Competitors	11,2	22,4	2,91	116
Government	21,6	37,9	2,4	116

**Natural environment (4):** Respecting the environment seems to be of slightly more importance than respecting the interests of local people and the communities. 62.9% (ranked very influential or influential) of the respondents stated that the natural environment is an influential stakeholder in their company's decision making process. The natural environment comes third among the different business opportunities which reflect its rather high level of importance.

**Stakeholders (5):** Stakeholder management is of considerable importance according to the studies undertaken which culminated in the working definition. However, the questionnaire results do not support this. Only 43.2% of the respondents indicated that they use stakeholder management, whereas 26.4% stated they do not. Hence, it can be argued that the theoretical concept of stakeholder management is somewhat overestimated by academic scholars. The low level of respondents using stakeholder management could also be interpreted in the way that the concept is not really accepted and diffused in the business world.

**Investors (6):** Despite stakeholder management seeming to be less embodied than expected, stakeholder groups have, by varying degrees, relevance for the business world. Investors are, according to the results of the questionnaire, very influential and, therefore also significant for companies. 75.9% of the respondents indicated that they see investors as very influential or influential with regard to their decision-making processes. We can conclude that investors are important in both theory and reality.

**Customers (7):** The same holds for customers as a stakeholder group. 77.6% of the respondents stated that they perceive customers as influential in their decision-making processes. Here again, theoretical knowledge about CSR matches quite accurately with existing CSR understandings and perceptions in the real business world.

**Employees (8):** The same holds also for employees, although to a lesser extent. 68.1% of the companies reported that they see employees as influential in their decision-making processes. Theoretical understandings find also in this point a pretty well matching counterpart in the real business world.

A summary of the questionnaire results could result in a CSR definition like the following:

CSR is the voluntary commitment by business, assisted by legal actions (to motivate laggards and provide additional incentives), to respect the natural environment. The interests of all by business activities concerned normative interest groups including investors, customers and employees are reflected in the company's policies and actions.

When we compare the working definition directly with the definition of CSR resulting from the questionnaire results, we observe some similarities and some differences. The development of CSR policies is not as far progressed as we would like to believe if we only look at stated CSR definitions in academic books and on corporate homepages. CSR in the current business world is narrower with regard to stakeholder influence and ethical values. However, CSR should be understood as a process leading in a more sustainable and responsible direction, and as that the CSR concept is certainly able to develop and adjust to additional demands and requirements.

## Conclusion

The results in this paper should help connect theoretical concepts with CSR practices in the current business world. The empirical data indicate some interesting tendencies. CSR as perceived within the business community is strongly related to environmental management and has a longer history than might have been expected. External factors, such as legal requirements, general external pressure (NGOs, globalization), and media coverage and campaigning have triggered changes in the business world in favor of CSR, but when CSR policies and schemes are initially under discussion, internal forces, such as the board of directors and the middle management, take over and lead the process. Furthermore, the results of the questionnaire show that external forces, such as government, NGOs, and communities, are not relevant with respect to driving CSR development forward.

Results between the countries differ in some respects and show similarities in others. British and Dutch companies are more likely than German ones to start CSR because of external factors (public pressure, legal requirements, and media coverage and campaigning). German companies find internal factors (tradition of CSR, aspirations of a strategic leader, and productivity considerations) more crucial. It was remarkable to notice that all countries have the same driving forces behind CSR. In all three countries, the board of directors and the middle management drive CSR development and implementation, with more external forces playing a minor role. All these forces come from within corporations; hence it can be argued that the driving forces behind CSR are currently internal and top down.

The key concepts of stakeholder management and triple-bottom line reporting connected to CSR are not as well known and, hence, implemented as one might expect. When it comes to CSR's impact on a company's core business, the questionnaire results reveal some remarkable information: Companies find it difficult to measure CSR activities in their day-to-day functioning. This finding fuels the debate on whether current CSR policies and practices genuinely change the way a corporation functions. However, one should always keep in mind that the concept of CSR is in constant development and flux. As a concept in a steady transition process, CSR may—with the cooperation of business practitioners and scholars—develop measurement tools and more sophisticated policies and schemes to accomplish the ambition of a more responsible and sustainable business world.

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