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CRRC 2024

BOOK OF ABSTRACTS

Corporate Social Responsibility (CSR):
Holistic and Issue-specific approaches

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SESSION 1A STAKEHOLDER ENGAGEMENT AND COMMUNICATION FOR CSR (1/2)

Corporate Deception Through Misinformation and Decoupling

Paul Dunn, Goodman School of Business, Brock University

Jennifer J. Griffin, Quinlan School of Business, Loyola University Chicago

Deception intentionally provides untrue information to gain an advantage or avoid a loss. Using resource dependency and institutional theory we develop a typology that analyzes corporate deception in terms of employing misinformation through words or deeds to create false impressions; or deception by decoupling organizational structures giving the appearance of adhering to institutional norms to prevent the loss of legitimacy. We then explore the subtleties of corporate deception as violations of integrity-based trust and discuss implications of organizational deception in CSR outreach.

Deception is ubiquitous in social and business settings. On average people tell at least one lie per day (Markowitz, 2022), of which 90 percent are innocuous white lies, the most common of which is “I’m fine” (Serota et al., 2021). Businesses deceptions can be major such as Purdue Pharma’s misbranding of OxyContin as safe and effective medicine while promoting its use with false claims to doctors (Keefe, 2021) to minor, such as BMW labelling its vehicles as the ultimate driving machines. Our focus is on corporate as opposed to personal deception.

Jenkins and Delbridge (2020) developed a taxonomy of four types of workplace lies: principled, malicious, defensive, and material.

Principled lies are prosocial deceptions to protect others from harm whereas malicious lies are intentionally used to do harm. Defensive lies are designed for self-protection and to cope with conflicting organizational demands while material lies are used for personal and/or corporate financial gain. We focus on defensive and material lies because these are the two most common reasons why businesses, as opposed to employees, deceive.

Deception is a form of impressions management used to gain an advantage or avoid a loss (Cohen, 2019). Impressions management attempts “to create, maintain, protect, or otherwise alter an image by a target audience” (Bolino et al., 2008, 1080). It can be used defensively to avoid social disapproval or proactively to gain a material advantage. Businesses engage in deceptive advertising to increase sales (Carson et al., 1985) and organizations targeted by social movements are more likely to publicize prosocial claims to protect and defend themselves by diluting negative media attention after a boycott announcement (McDonnell and King, 2013). The former is an attempt to gain a material advantage and the latter to defend against social criticism.

A negative consequence of deception is that when detected it erodes trust (Kim et al., 2004, 2006). This is evident by popular opinion that has a jaundice view of business. According to the Havas Meaningful Brand Report of 2021 only 47 percent of brands are seen as trustworthy; 72 percent of consumers have little faith that companies will keep their promises; and only 34 percent think that businesses are transparent about their commitments (Havas, 2021).

This paper examines the phenomenon of corporate deception using resource dependency theory and institutional theory. Our objective is to heighten awareness of the subtleties of deception and to better understand the contexts in which different types of deception might occur and propagate.

Keywords: deception, misinformation, decoupling, resource dependency, institutional theory

Local Media as Sites of CSR Re-production: A Case Study of the Cruise Industry in Southampton

Katherine Fox, University of Leeds
Horacio Gonzalez, Glasgow Caledonian University
Esra Aydogdu, University of Glasgow;

The cruise industry has been under scrutiny related to its Corporate Social Responsibility (CSR) practices and strategies (Ahn et al., 2021; Bonilla-Priego et al., 2014; Di Vaio et al., 2021). This topic has gained interest in the sustainable tourism literature due to the crossing of the attractiveness of marine travelling (Chin, 2016; Kizielewicz, 2013) and the commitment of cruise companies to mitigate their environmental impacts (De Grosbois, 2016). Critically, this literature has indicated that media is an important forum for communicating sustainability issues (Jaques et al., 2019; Ballestar et al., 2020). Using their corporate power, industrial leaders can influence reports about them in local media and affect public opinion (Ackerman, 2017; Tiago et al., 2018; Thirumaran et al., 2021).

The interplay of these three elements has been scarcely explored in the sustainable tourism literature. Our paper aims to fill that gap by investigating the interrelation between cruise companies' CSR strategy and local

media. This leads to our research question: "How does the UK cruise industry influence the narratives of local media outlets regarding their sustainable approach?"

Conceptual Framework

To analyse this phenomenon, we developed a conceptual framework based on Bourdieu's theory of fields (1979, 1986, 1989 and 1991). A field is a structured space in which powerful actors accumulate and distribute different types of capital (Swartz, 2016). This illustrates the power imbalances arising from different levels of symbolic power (Bourdieu, 1979, 1989 and 1991) within an industry, influencing peripheral actors to mould their behaviour and fit with the views of dominant companies. Integrating Bourdieu's terms "Habitus" and "Doxa", we develop a framework to analyse the discourse used by media to communicate hegemonies of thought (Decoteau, 2016) in the cruise industry.

Our framework, shown in Figure 1, departs from the notion that economic and political forces influence the media (Couldry, 2003). This agent absorbs key messages from the cruise sector and reproduces these to a wide audience. "Doxa" constitutes a set of presuppositions that adhere to a dominant elite (Hilgers & Mangez, 2014). In this case, the reinforcement of the cruises' sustainability position through the media. This shapes the "Habitus", the social arena in which citizens establish interrelationships (Costa & Murphy, 2015), and undermines the ability of the local community to hold the cruise industry accountable.

We employ a qualitative case study in Southampton port, a hub of international cruising (Southampton City Council, 2022). We thematically analysed 232 newspaper articles from Southampton newspapers. This was compared with 12 environmental, social and governance reports from cruise leaders operating in Southampton.

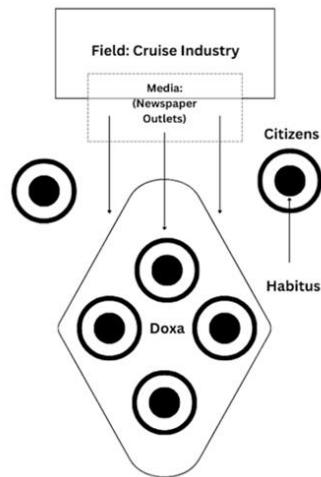


Figure 1. Conceptual framework based on Bourdieu's theory of fields

We discovered that the flow of power influences the media to produce content supportive of the cruise industry. The initial findings showed that news outlets act as sites of cultural capital production within the cruise industry by softening the negative realities of sustainable marine tourism.

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The Operationalization of Online CSR Communication in the SDGs Era: The State of the Art and Directions for Future Research

Chanapa Itdhiamornkulchai, Faculty of Communication Arts, Chulalongkorn University, Thailand
Parichart Sthapitanonda, Faculty of Communication Arts, Chulalongkorn University, Thailand

Systematic reviews of CSR communication research articles published up to 2016 revealed emerging interests in CSR communication across academic and business sectors, including public relations, corporate communications, management, and organizational studies (e.g., Golob et al., 2013;

Crane & Glozer, 2016; Tuan et al., 2019; Verk et al., 2021). A major shift from one-way to two-way CSR communication has been found, especially through interactions on websites and social media (Crane & Glozer, 2016). Digital corporate communications have been utilized to enhance the co-participation, co-creation, and co-production of the SDGs (Canel, 2023). Therefore, a systematic review by conducting documentary research on online CSR communication during SDGs would provide theoretical and practical implications on holistic and issue-specific approaches to CSR communication research.

The present documentary research examines empirical studies on online CSR communication published on the SCOPUS database during the first five years of SDGs. By searching for journal articles in English from 2016-2020 with “CSR communication” or “corporate social responsibility communication” in the title/abstract/keywords and “online”, “website”, or “social media” in full texts, the operationalizations of online CSR communication in 169 relevant articles were analyzed, especially the scope and research methods. Regarding the scope, 53% of empirical studies analyzed the content of online CSR communication, 44% investigated the effects of online CSR communication, and only 3% explicitly examined both the content and effects of online CSR communication.

Among 89 studies that analyzed content, 42% examined CSR communication across industries, especially large samples of companies from globally renowned listings, including the Dow Jones Sustainability World Index (DJSWI), the Reputation Institute's CSR Ranking, and the Forbes Global 2000. Meanwhile, 58% examined 30 specific industries with merely one to six articles per industry with 10 articles on case studies of one company/campaign per article, including Nestlé's CSR reports, Ferrero's Facebook posts, P&G's “Thank You Mom” campaign, and Diesel's “Global Warming Ready” campaign.

Concerning research methods, 84% of studies on content used content analysis, while 9% used mixed methods, including (1) content analysis and interviews of managers/employees, (2) discursive analysis and interviews of senior managers, and (3) text mining and data mining of big data. Over half (54%) analyzed corporate websites (36%) or CSR/sustainability reports (18%), while others analyzed various social media platforms.

Concurrently, among 74 studies on effects, 85% conducted experiments (49%) or questionnaires (36%). Almost half (44%) of experiments and questionnaires used fictitious CSR messages to avoid influence from existing attitudes toward brands. Several studies proposed frameworks/models/scales for evaluating the effects of CSR communication.

This state-of-the-art review provides several implications for further studies. Firstly, since limited studies analyzed both the content and effects, further studies could examine both by comparing CSR engagement/sentiment on websites/social media to stakeholders' self-reports in experiments/questionnaires/interviews besides brand-generated content. Secondly, future studies could explore CSR communication on Instagram/YouTube/LinkedIn since few studies examined these channels. Thirdly, future research could compare the effects of online CSR communication between real and fictitious companies. Finally, further studies could propose new frameworks/models/scales for evaluating online CSR communication to offer theoretical contributions in the digital era.

Keywords: Corporate social responsibility communication, CSR communication, Digital era, Operationalization

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SESSION 1B CLIMATE CHANGE AND CSR

From Farm to Fork: Apologetical Rhetoric of the 'Institution of Animals as Food' by the Spanish Meat Lobby

Estela M. Díaz, Universidad Pontificia Comillas. Business Management Department
Amparo Merino de Diego, Universidad Pontificia Comillas. Business Management Department
Antonio Núñez Partido, Universidad Pontificia Comillas. Business Management Department

Research Question: Amidst growing scrutiny over environmental impacts, public health issues, and ethical considerations of animal treatment, this study explores how Spanish interprofessional meat industry associations use rhetorical strategies to justify and maintain their operations in light of CSR demands. It examines the dual questions: How is the meat lobby discourse responding to pressures challenging the institution of meat and animal as food? How do interprofessional associations frame their arguments, and what narratives do they employ to support their stance?

Theoretical Framework: This research is anchored in Aristotle's rhetoric, which focuses on the use of ethos, pathos, and logos as central persuasive strategies. This classical framework is integrated with the concept of institutional logics, which provides insights into how social practices are maintained within specific contexts. Studying the narratives of meat associations is essential due to their significant role in institutional work. They shape regulatory, environmental, and ethical standards and facilitate community interactions, acting as both negotiators and representatives. They also play a key role in developing, reproducing, and enforcing

collective beliefs and practices (Greenwood et al., 2002). As central figures, these associations influence societal perceptions and practices in meat production, reinforcing or challenging the industry's status quo.

Method: A multi-phased rhetorical analysis was employed to dissect the communications from seven interprofessional associations recognized by the Spanish Ministry of Agriculture, Fisheries and Food. The dataset included 194 documents comprising news articles and press kits published in their official websites. Initial thematic analysis identified primary narratives, which were further examined through detailed rhetorical analysis focusing on Aristotle's persuasive strategies. Triangulation and additional random sampling of documents ensured the robustness of findings.

Results. The study unveils a sophisticated rhetorical construction by the meat industry, where presences and absences play a crucial role in framing the discourse. Firstly, livestock farmers are prominently presented as stewards of societal and economic stability, employing a combination of ethos and pathos to construct a positive image. This portrayal emphasizes their role in sustaining traditional practices and contributing to the economy, while strategically minimizing the visibility of animal suffering. Secondly, the analysis reveals how animals themselves are rhetorically absent; they are often reduced to mere products or depicted only in terms of welfare compliance. This dual strategy of highlighting human actors and obscuring animal subjects allows the industry to navigate ethical criticisms and maintain a veneer of legitimacy.

Do the oil and gas industry engage in sustainable development? A characterization of one oil and gas major sustainability and impacts on society

Claire-Lise Speisser, Cnam Paris – HEC Lausanne¹

Defining one company's sustainability degree or strategy is as difficult as defining what is sustainability. The role of business in society is yet central, especially regarding climate change, to embrace sustainable development. The oil and gas industry is in that regard of particular interest, since it represents both a threat to natural resources depletion and global warming, because of the greenhouse gas emissions (GHG) emitted in the all value chain of fossil fuels. The understanding of one oil and gas major's sustainability approach and strategy is thus of interest for scholars and policy makers, predicting to what extent this industry is going to engage in sustainable development in the next coming decades. Measuring the sustainability practices is one step to assess the real impact of one's company on its environment, it still remains a challenge (Cantele et al., 2024), especially because the scope and boundaries of sustainability are unclear.

This study aims at defining, what are the scope and boundaries of sustainability from the perspective of an oil and gas major industry incorporated in one European country. By understanding the system that represents sustainability for this company, current and future practices could be better analyzed and predicted, as much as their impact on the society. To access this system of sustainability, the representations of internal stakeholders (employees, managers, shareholders) need to be captured. To characterize the sustainability system of the

studied company, the management research focused on the relationship between business and society will be mobilized. The corporate social responsibility (CSR) literature is an important stream of research to that regard. We will identify the ethical roots of the sustainable system of the studied company (Garriga & Mele, 2004), testing the pertinence of the corporate sustainability field of research (Burbano et al., 2023). This characterization of the sustainable system of the studied company will also serve for the construction of the theoretical framework that will be used to further study the company, as for example examining its scales of actions, the alignment of CSR (Mellahi et al., 2016), corporate political action (CPA) (Lyon et al., 2018) and its strategy, its political engagement (Lock & Seele, 2018) within sustainable development.

This study uses qualitative and inductive methods, namely long-term participant observation (three years) as lobbyist for one renewable energy production business unit, in company studied. The data collected (field log, interviews, internal and external documentation, press, mails) were sorted to constitute observation units (more than a hundred) to build an embedded case study taking into consideration the organizational and external context of the case (Yin, 2014), and enabling comparison analysis between observation units through coding (Glaser & Strauss, 1967).

Results indicate disparities between internal stakeholders, and the high importance of context and shareholding structure, highly pressuring the sustainable strategy and shifting towards a more sustainable development if not as rentable as fossil fuels are in defining the sustainable system.

Keywords: climate change, oil and gas industry, CSR, corporate sustainability, qualitative methods

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Technological innovation, Corporate Social Responsibility, and (environmental) sustainability transition: an empirical analysis.

Marco Menoni, Independent researcher

This study aims to better understand the relationship between CSR and Technological Innovation (TI) (Yang et al 2024) in fostering sustainability transition. In particular, the role of the institutional context in the relation of IT to CSR (Yang et al 2024) is investigated. Undertaking more CSR can allow businesses to receive additional financial incentives, which supports the increase of innovation breadth and quality (Ma & Zhou 2024).

A comparison between different countries' contexts can help to evaluate the local adaptability of the CSR model (Yang et al 2024). In this situation, it is evaluated the kind of innovation, that range from incremental to disruptive and its capacity to have spillover effects on CSR and transition dynamics. It has made the difference between high-polluting industries and those with low environmental impact. This can help to better understand the role of CSR in socio-technical systems and its timing in the transition process.

A Multi-level perspective (MLP) and socio-technical system theory can contribute to explaining the role of TI and CSR in fostering the sustainability transition. They explore the relationships and changes between the macro environment, meso regime, and micro-niche while seeing the study topic as a system and conducting a comprehensive analysis of its internal structure and function (Yao et al 2023; Geels 2022). Furthermore, an X-Curve model (Hebinck et al 2022) can assist in delineating the dynamics of CSR and TI in

supporting an environmental sustainability transition.

Institutional theory can assist in understanding isomorphism at the firm level. As main corporations in heavy social and environmental impact sectors, like oil or mining, implement behavior to deal with social and environmental issues, other organizations have to follow that action to preserve legitimacy, underling the importance of industry context (Fatima & Elbanna 2023). Then home country context has an impact on multi-national corporations' CSR strategy type (Fatima & Elbanna 2023).

CSR performance is better in firms that have an innovation-oriented strategy with respect to those following an efficiency-oriented strategy (Yuan et al 2020). The purpose of CSR can be extrapolated by text analysis in CSR reports. The relationship between TI and CSR is investigated with a quantitative statistical methodology. The data are second-order data. It examines a panel of firms located in different countries, ranging from 2012 to 2023. The variables are both at the firm and country level.

The main expected outcomes of the paper regard the crucial role of TI in fostering the sustainability transition pathway. Given the importance of corporations in sustainability transition (Delmas et al 2019) CSR can exert a catalyst function between TI and sustainability transition. Particularly in the long period, it is possible to observe institutional (change) variable at the country and regional level in the relation between TI, CSR, and sustainability transition.

This work could be of interest to Sub-theme 10: Climate Change and CSR or Sub-theme 13: Innovation and CSR.

Keywords: Technological innovation, Corporate social responsibility (CSR), sustainability transition

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SESSION 1C MANAGEMENT AND THE ANTHROPOCENE

Leadership of strategic attention on biodiversity preservation in the food supply chain

Turunen, Marja, Turku School of Economics, University of Turku

The loss of biodiversity (Wilson, 1988) is a grand anthropocentric challenge for the future of humanity. Companies both cause significant biodiversity loss and are deeply dependent on biodiversity for their business. Although biodiversity loss is caused by businesses in all sectors, food production is one of the largest and best-known contributors to biodiversity loss worldwide. In this article, we focus on companies in the Finnish food chain. We ask how the strategic attention to biodiversity preservation is led in the food sector.

We theorize on strategic attention (Ocasio, 1997) as a foundation of company strategic management. According to Ocasio those issues that hold the focused attention of the individual, team or company are crucial for company behaviour. On the other hand, the companies can be understood as complex systems of collective attention. Furthermore, attention may be an alternative to deterministic views of companies (Ocasio, 2011). According to Panwar & al. (2023), biodiversity is an unpleasant concept in business. This refers to decision-makers and their low tolerance for biodiversity-related ambiguities which might, in the best case, enable new openings as alternatives to the Anthropocene.

We conducted a qualitative study with in-depth interviews with 50 food chain actors in Finland on biodiversity preservation.

Our results show that different business actors pay strategic attention to biodiversity in different ways in their respective positions in the food value chain. We identified three dimensions of strategic attention related to biodiversity preservation: focus of attention, quality of attention and systems approach. These were related to regenerative business throughout the food value chain. Business actors more or less position themselves to fight for biodiversity and renew business in a biodiversity-preservative way and, on the other hand, based on a lack of strategic attention – or the missing leadership - dismiss the importance of biodiversity in their business. We will discuss future research directions for a biodiversity preservation strategy.

Keywords: biodiversity, leadership, strategy, attention, business, agency, food chain

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Degrowth as a precondition for an ecological civilization: Letting go of commodity and machine fetishism

Kiira Parikka*, Joshua Hurtado Hurtado^b, and Pasi Heikkurinen^{a,b}

^a LUT University, Finland; ^b University of Helsinki, Finland

This chapter examines the call for degrowth in relation to the emerging grand narrative of ecological civilization. It argues that a reduction of matter-energy throughput is needed for sustaining a human civilization on the planet. This signifies that the global economy must realign itself with the biophysical needs of ecosystems by slowing down the human-induced metabolism on Earth.

To revert the destructive effects of industrialization—here theorized as a consequence of commodity and machine fetishism—the technocapitalist desire must undergo a metamorphosis. The chapter builds on the premise that the current unsustainable civilization is based on an experience of lack, which keeps feeding into the ecospheric crisis through constant production of machine-mediated goods and services, trying to compensate for a feeling of inadequacy, both material and immaterial. Industrial machines were once seen as agents for human freedoms by thinkers such as Marx, but over the past hundred years of accelerating economic growth, and subsequently, technocapitalism, we have come to witness a once constructive force turning into one of destruction.

What Marx introduced as commodity fetishism—and which Hornborg extended to machine fetishism—where relations between humans become relations between objects, is a helpful concept in understanding how this state of ecospheric unbalance—anthromes at

the expense of biomes—has come to be. This chapter will build on these notions of commodity and machine fetishism towards encompassing the human relation to the environment as constitutive to the processes of fetishization. In a technocapitalist system, nature is perceived as having mainly instrumental value. However, the ecology of any place, terrestrial or maritime, is based on the relations between its parts. Each living organism within that space contributes to its overall balance. Technocapitalism has expanded the field of human action and power over other living organisms, creating a state of matter-energetic unbalance.

This chapter suggests that degrowth is a precondition for an ecological civilization. To reduce matter-energy throughput, there is a need to develop cultures that do not fetishize commodities and machines, but rather, find balance in things that do not speed up the economy. The technocapitalist libidinal economy elicits human desires through constant mechanized production of more goods to consume. This chapter reevaluates the human relationship within nature through its discussion on the need to not only wanting less but also the possibilities of redirecting those wants. How could we achieve an ecological civilization, if we are living within a system of technocapitalism that cannot stop subordinating the Earth in the service of our cumulating, resource-hungry desires?

SESSION 2A STAKEHOLDER ENGAGEMENT AND COMMUNICATION FOR CSR (2/2)

Engaging (More) Voices of Stakeholders?: The State of the Art on Online CSR Communication in the SDGs Era

Chanapa Itdhiamornkulchai, Parichart Sthapitanonda
Faculty of Communication Arts, Chulalongkorn University, Thailand

Keywords: Corporate social responsibility communication, CSR communication, Digital era, Operationalization, Sustainable Development Goals (SDGs), State of the Art

Systematic reviews of CSR communication research articles published up to 2016 revealed emerging interests in CSR communication across academic and business sectors, including public relations, corporate communications, management, and organizational studies (e.g., Golob et al., 2013; Crane & Glozer, 2016; Tuan et al., 2019; Verk et al., 2021). A major shift from one-way to two-way CSR communication has been found, especially through interactions on websites and social media (Crane & Glozer, 2016). Digital corporate communications have been utilized to enhance the co-participation, co-creation, and co-production of the SDGs (Canel, 2023). Therefore, a state-of-the-art analysis by conducting documentary research on online CSR communication during SDGs would provide theoretical and practical implications on holistic and issue-specific approaches to CSR communication research.

The present documentary research examines empirical studies on online CSR communication published on the SCOPUS database during the first five years of SDGs. By searching for journal articles in English from 2016-2020 with “CSR communication” or “corporate social responsibility communication” in the title/abstract/keywords and “online”, “website”, or “social media” in full texts, the operationalizations of online CSR communication in 169 relevant articles were analyzed, especially the scope and research methods. Regarding the scope, 53% of empirical studies analyzed the content of online CSR communication, 44% investigated the effects of online CSR communication, and only 3% explicitly examined both the content and effects of online CSR communication.

Among 89 studies that analyzed content, 42% examined CSR communication across industries, especially large samples of companies from globally renowned listings, including the Dow Jones Sustainability World Index (DJSWI), the Reputation Institute’s CSR Ranking, and the Forbes Global 2000. Meanwhile, 58% examined 30 specific industries with merely one to six articles per industry with 10 articles on case studies of one company/campaign per article, including Nestlé’s CSR reports, Ferrero’s Facebook posts, P&G’s “Thank You Mom” campaign, and Diesel’s “Global Warming Ready” campaign.

Concerning research methods, 84% of studies on content used content analysis, while 9% used mixed methods, including (1) content analysis and interviews of managers/employees, (2) discursive analysis and interviews of senior managers, and (3)

text mining and data mining of big data. Over half (54%) analyzed corporate websites (36%) or CSR/sustainability reports (18%), while others analyzed various social media platforms.

Concurrently, among 74 studies on effects, 85% conducted experiments (49%) or questionnaires (36%). Almost half (44%) of experiments and questionnaires used fictitious CSR messages to avoid influence from existing attitudes toward brands. Several studies proposed frameworks/models/scales for evaluating the effects of CSR communication.

This state-of-the-art analysis provides several implications for further studies. Firstly, since limited studies analyzed both the content and effects, further studies could examine both by comparing CSR engagement/sentiment on websites/social media to stakeholders' self-reports in experiments/questionnaires/interviews besides brand-generated content. Secondly, future studies could explore CSR communication on Instagram/YouTube/LinkedIn since few studies examined these channels. Thirdly, future research could compare the effects of online CSR communication between real and fictitious companies. Finally, further studies could propose new frameworks/models/scales for evaluating online CSR communication to offer theoretical contributions in the digital era.

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Stakeholder voice and corporate irresponsibility: a legal problem?

Jack Oortwyn, School of Law, University of Leeds

Key Words: Stakeholder Voice, Corporate Irresponsibility, Corporate Law, Corporate Governance, Social Responsibility, Stakeholder Empowerment

Research Question: What role should corporate law have in facilitating stakeholder voice within irresponsible corporations?

This paper examines the extent to which company law mechanisms offer empowerment for stakeholder voice within UK corporations. Stakeholder voice can be understood as the processes used by stakeholders to convey their interests in the corporation and impact corporate governance decisions. This way, stakeholder voice can be

viewed as two distinct components: space to vocalise and power to influence. It is often seen as fundamental for fostering more responsible corporations. A proliferation of corporate scandals has, however, led to questions regarding corporate social responsibility, stakeholder governance and the role that shareholder voice plays (or does not play) in this. Indeed, fraud, accountancy and reporting scandals have become common within the business environment, with Enron and Volkswagen providing some fairly stark examples of this. This position has led to widespread criticism of corporate law, its tendency to protect shareholder interests over broader stakeholder concerns, and its impacts on corporate governance. Whilst shareholder voice has been empowered through control rights, stakeholder voice has been primarily mitigated through corporate law mechanisms, such as derivative actions and director duties. The limitations of stakeholder's voice through law and the proliferation of irresponsible corporate practice have led to significant questions concerning the role of stakeholder's voice within the irresponsible corporation. It will be argued that whilst conventional legal approaches attempt to provide space for stakeholder voice, there is a general lack of empowerment in company law to drive significant governance changes. This becomes particularly evidenced when attempts are made to harness stakeholder voice to challenge irresponsible corporate behaviour. It will be concluded that to begin altering the norm of corporate irresponsibility and instil a more robust positioning of stakeholders in the corporation; corporate law must focus on the second aspect of stakeholder's voice: empowerment.

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The Radius of Trust: Internal-External CSR Gap, Country's In-Group Trust Gap, and Firm Value

Sang-Bum Park, School of Management, University of Bradford
Youngbin Joo, Leeds University Business School, University of Leeds

Keywords: corporate social responsibility, internal-external CSR gap, trust, in-outgroup trust gap, firm performance

Research Question & Theoretical Framework

Focusing on a firm's imbalanced orientations between internal versus external stakeholders, we propose that the influence of such imbalances on its market value is contingent on country-level trust. Moving beyond extant work on the direct relationship between corporate social responsibility (CSR) and firm value (Hawn & Ioannou, 2016), we advocate for a theoretical synthesis of a potential interactive mechanism between a firm-level and a country-level social capital on corporate financial performance. Our focal premise is that the relationship between the firm's gap in internal versus external actions and its market value is often contingent upon the institutional environment where it is embedded. That is, under the condition that a firm's commitments in internal and external

CSR actions reflect its social capital accumulation toward its heterogeneous constituents, such a linkage is rather interactive with the nature and direction of social capital at the institutional level (Surroca et al., 2020). Drawing from the notion that trust is the core constituent of social capital (Schilke et al., 2021), we posit that trust radius, “the circle of people among whom cooperative norms are operative” (Delhey et al., 2011: 787), may significantly influence the relationship between firms’ internal-external CSR gaps and their market values across countries. Thus, integrating recent sociological research on trust with strategy research on CSR, we develop a multi-level social capital framework on firm value with a comparative perspective.

Methods & Findings

We empirically investigate how the country-level trust radius and the firm-level gaps between internal and external CSR initiatives interactively determine firm value among 4,739 listed firms (29,456 firm-year observations) across 46 countries from 2003 to 2019. We find that when firms are located in countries with greater out-group trust, their gaps between internal and external CSR

initiatives impact firm value more negatively. In contrast, for those located in countries with greater in-group trust against out-group trust, the negative influence of their CSR gaps will be mitigated.

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SESSION 2B BUSINESS AND BIODIVERSITY IN SUSTAINABLE CHANGE

Joint value creation for biodiversity: An analysis of business-stakeholder relationships and their dynamics

Riikka Tapaninaho, Faculty of Management and Business, Tampere University

Annika Blomberg, Faculty of Management and Business, Tampere University

Johanna Kujala, Faculty of Management and Business, Tampere University

In the era of global climate crises, both management scholars and business practitioners are increasingly interested in issues related to biodiversity loss and enhancement (Panwar et al., 2023). However, the focus has mostly centred around biodiversity reporting as well as biodiversity impacts and indicators, and management theory lacks means to comprehend the relationship between business and biodiversity more profoundly. Especially, focus on the industries based on heavy natural resource extraction and how they can be understood from the point of view of biodiversity is topical. Additionally, while the research has sought to understand the negative effects of business on biodiversity, firms are often equipped with resources that could be better directed to protect, enhance, and even generate biodiversity. While acknowledging the significant effects of human and business behaviour on the natural environment and the risk of greenwashing, impression management and other deceptive means of dealing with and communicating biodiversity, it is important to build on

opportunities and extant practices that already exist within business-stakeholder relationships to enhance and generate biodiversity.

The purpose of this paper is to examine business-stakeholder relationships and their dynamics in the nature-invasive mining sector to understand how mining companies and their stakeholders can jointly create value for biodiversity. We build on stakeholder theory and value creation (Freeman, 1984, 2010) and analyse 24 interviews of three mining companies and their stakeholders carried out in 2023.

The preliminary findings show that biodiversity is increasingly recognised as a relevant issue within the business-stakeholder relationships and various elements of joint value creation for biodiversity can be identified. First, value for biodiversity is created through fulfilling the minimal requirements set by authorities, such as following the demands of the environmental permits to measure and minimize impacts on the environment and making the formal, operational processes of the organisations less harmful for the environment. Second, companies create value for biodiversity together with their stakeholders through aspirational biodiversity actions, such as participating in sustainability networks and frameworks or engaging with voluntary biodiversity efforts. Third, additional and generative value for biodiversity is often created in local, bottom-up processes and surprising stakeholder encounters.

This paper builds a bridge between stakeholder theory and biodiversity and directs attention to the crucial role of business-stakeholder relationships in

addressing biodiversity as simultaneously a local and global phenomenon.

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Constituting the worth of biodiversity: An analysis of mining companies' sustainability reports

Annika Blomberg, Faculty of Management and Business, Tampere University

Neha Neha, Faculty of Management and Business, Tampere University

Riikka Tapaninaho, Faculty of Management and Business, Tampere University

Johanna Kujala, Faculty of Management and Business, Tampere University

Lotta Sihvo Matikainen, Faculty of Management and Business, Tampere University

Abstract

Human life on earth is dependent on nature and the ecosystem services that it provides. Given that biodiversity is a key characteristic of flourishing ecosystems and a foundation of functioning ecosystem services, biodiversity loss is one of the main challenges of our time. While the importance of biodiversity is

starting to become clear for managers and organizations, our understanding of what biodiversity means for business and how best to disclose it remains limited (Panwar et al., 2022).

The purpose of this study is to examine how biodiversity is communicated in companies' sustainability reports. More specifically, the study focuses on what is considered worthy and valuable in biodiversity reporting of mining companies. We acknowledge that biodiversity is a new and pressing issue for companies, and perhaps even an uncomfortable topic for many businesses, particularly in nature-invasive industries, which makes addressing the topic in company communication delicate. Therefore, we are interested in exploring and unveiling the hidden assumptions and shared rationales that underlie corporate biodiversity reporting and that the companies build on in their reports.

We apply the conventionalist analysis framework (Boltanski & Thévenot, 2006) and focus on how biodiversity is justified in the sustainability reports. The analysis framework consists of six common worlds: 1. The inspired world in which inspiration, independent thinking, intuition, and uniqueness are valued. 2. The domestic world in which personal relationships, tradition, and family hierarchies are valued. 3. The opinion world in which the opinions of others and presence in the public eye are valued. 4. The civic world in which worth is attributed to masses and collectives. 5. The market world in which customers, creating market value and finding competitive advantage are valued. 6. The industrial world in which operational efficiency and superiority in technological expertise are valued. (Boltanski & Thévenot, 2006; Daigle & Rouleau, 2010.)

The findings show that companies communicate and justify biodiversity by multiple rationales, each based on different orders of worth. Biodiversity is predominantly

attributed worth through the industrial world for efficiency and through the opinion world for image building. In addition, biodiversity is attributed worth through the civic world for the consideration of local communities and the market world give for value creation. The inspirational, and civic worlds were also present in the discourse, albeit not predominantly. The least prevailing world in biodiversity reporting is the domestic world, which values traditions and hierarchies.

The study contributes to the literature on biodiversity communication by showing how the worth of biodiversity is constituted in sustainability reporting and how certain assumptions and values are brought forth while others are hindered.

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SESSION 2C PLACE-SPECIFIC AND PLACE-BASED APPROACHES TO CSR

Exploring CSR understandings in non-western contexts: the case of Chile

Verónica González-Navarro, Gary Dymiski & Lena Jaspersen, Leeds University Business School, University of Leeds

Abstract

How businesses understand their responsibilities towards society and the environment varies across contexts. Such variation has been explored in the comparative corporate social responsibility (CSR) literature. Drawing on institutional theory, this stream of research investigates how normative, regulative, and cognitive-cultural aspects of a specific context shape CSR understandings and engagement. Recent scholarly debate has called into question the application of Western-developed theories in research conducted in non-Western settings. Comparative CSR has been highlighted as an example of how de-contextualisation and Western-centric bias can perpetuate epistemic coloniality and overlook local interpretations of corporate obligations towards society (Banerjee, 2022; Filatotchev et al., 2022).

Latin America's unique context has been recognised as a fertile ground for research that questions the underlying theoretical assumptions of Western-developed theories and develops new theoretical insights as a result (Aguinis et al., 2020). A region marked by (post)colonialism, political struggles, growing uncertainty, social inequality, and poverty, Latin America is well-suited for research into CSR understandings in non-Western regions and the potential role of CSR

for advancing sustainable development in such contexts. Known for its distinctive institutional development led by the implementation of neoliberal policies since the mid-1970s, Chile represents a particularly interesting case. While it experienced higher economic growth and social development than its neighbours, this was accompanied by an uneven distribution of socioeconomic benefits. The resulting social inequality is believed to have been a driving factor in the development of an ongoing social, economic, and political crisis, which triggered a constitutional process that aimed, among other objectives, to reformulate the business-society relationship.

Adopting an interpretivist approach and phenomenographic research strategy (Lamb et al., 2011), this research investigates how locally embedded Chilean businesses understand their responsibilities towards society and the environment, and what this might imply for how they engage in CSR. In-depth semi-structured interviews were conducted with CEOs and senior executives of small, medium, and large enterprises based in the Biobio Region; a region located in the centre of the country. While the analysis of the interviews is still ongoing, preliminary findings will be available to share during the Conference. The presentation will summarise these findings and consider how these could inform the development of an 'understanding-based theory' of CSR engagement. The research contributes to an emerging literature on the meaning of CSR in non-Western contexts. By studying how local businesses understand CSR and engage with it, we may come to a better appreciation of how CSR may

(or may not) contribute to sustainable development in non-Western contexts.

Keywords: Comparative CSR, CSR understandings, Non-western contexts, Phenomenography, Chile.

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The community-place-nature triad in social entrepreneurship: Meanings of nature shaping community-based enterprises

Amparo Merinoa, Braulio Parejaa

Faculty of Economics and Business Administration, Universidad Pontificia Comillas (Madrid)

Research Question: This paper explores the role of place in community-based social entrepreneurship by examining the meanings attributed to nature. It addresses the following research questions: How do

members of community-based enterprises engage with their community and the social enterprise it shapes through their interpretations of the natural site that the community inhabits?

Theoretical framework: The research question arises from a gap in the intersection among three interrelated theoretical groundings. First, community-based approaches to social entrepreneurship are based on the view of (social) entrepreneurship as a collective process rather than the result of individual and heroic leadership (Mitzinneck and Besharov, 2019; Montgomery, Dacin and Dacin 2012). Second, the focus on place and its crucial role in shaping the community in which (social) entrepreneurship is rooted has important implications for the accomplishment of a social mission (Dale et al. 2008; Masterson et al. 2017). Third, previous research has highlighted the centrality of community identity in this phenomenon and explored the role of community culture, values and norms in shaping social entrepreneurship (Bacq et al. 2022; Grenni et al., 2020; Peredo and Chrisman, 2006). However, little attention has been paid to the dimension of spiritual values attributed to nature in sensing and practising the community at the heart of social entrepreneurship. This is despite the relevance of spiritual values shared by local communities in nature conservation as the body of research of sacred natural sites has largely proved (see a recent literature review by Tatay and Merino, 2023). The goal of this work lies at the intersection of community, place, and nature in the realm of social entrepreneurship.

Methods: With the aim of exploring how feelings about surrounding nature shape communities and their social mission in the community-based social entrepreneurship phenomenon, we focus on an impoverished rural area. Specifically, we conduct a case study of a community of small coffee producers in the Sierra Nevada de Santa

Marta region in Northern Colombia. Our data collection comprises in-depth interviews with members fulfilling various roles within the social enterprise, field notes taken during meetings and assemblies, and archival data. We employ an abductive approach in a thematic analysis of the data.

Results: Our preliminary findings suggest salient themes regarding the role of place in sensing the community that shapes the social enterprise. A central theme emerges from our exploration of the spiritual values attributed to surrounding nature, revolving around ambivalent meanings and feelings towards nature, such as nature as tamed vs. untamed; caring vs. to care for; benevolent vs. hostile; and indigenous vs. western framing. Through a nuanced understanding of the interplay between place and community, grounded in the community members' perceptions of nature, we contribute to unveiling a key mechanism underlying community-based social entrepreneurship. Thus, we contribute to enhance the understanding of the collective dimension of entrepreneurship in its purpose to create social impact.

Keywords: community-based social entrepreneurship, place, community, meanings of nature, social enterprise

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SESSION 3A INTERNATIONAL CSR (1/2)

Scandinavian approaches to integrating sustainability in public procurement: cohesive and relational work

Mai S. Linneberg, Department of Management, Business & Social Science, Aarhus University

Relevancy and objective:

Public procurement, i.e. the purchases of products and services by government and public institutions is recognized as having a considerable size. I.e. for the 22 OECD EU countries where data is available, public procurement was up to 14.9% of GDP in 2020 (OECD, 2021). In this way, public procurement highly influences the development of society and humans' lives. Public procurement is based on tax revenue so unlike in the private sector, public procurement should not merely reflect efficiency but also public concerns for instance related to sustainability. Public procurement like private sourcing, however, is a global endeavour and therefore inextricably linked to substandard working conditions in the Global South from which various products for the health sector such as surgical instruments or disposable garments are most often produced. Such production takes place in so-called risk areas, where working conditions and human rights are commonly compromised. Subsequently, public health care systems of welfare societies, like Scandinavia, are intricately linked with substandard workers' conditions through their sourcing from the Global South. Risk areas such as Pakistan or Bangladesh are challenged in myriad ways relating to the organizational impact on humans. Even if human rights of workers are defined in United Nations (UN) international human rights instruments, the

International Labour Organization (ILO), and existing national law (Ruggie, 2009), there are still substantial deifies in their implementation in labour standards, working conditions, and rights of workers as social actors, and decrease in labour rights abuses (Barrientos, Gereffi & Rossi, 2011).

This paper focusses on the way public procurement work to avoid their sourcing not to carry an unethical mark through the breach of human rights. The objective of this research is thus to understand how such work is experienced by the purchasing organisations in the Global North, here Scandinavia.

Concepts & model: With a starting point in the literature on public sourcing, this paper adds an illustration of how public procurement make use of a combination of cohesive and relational emphatic approaches in their work to implement social sustainability. As a basis for the conceptual model, the paper reviews the relational sourcing literature (e.g. Erikson & Svensson, 2015) and the public procurement literature (e.g. Gelderman et al., 2006; 2015) to combine it with the concept of emphatic engagement (Linneberg et al, 2021). Based on a synthesis of these literatures we propose a model for challenges in relational work in public procurement processes.

Methodology/Approach: The research design is an embedded case study of public procurement of health care products with data from the three Scandinavian countries. The approach is grounded in interview data focusing on the practices and perspectives of central actors to the process of public procurement of relevant product groups. The data collection is consisting of 27 qualitative in-depth interviews corresponds to about 30 hours of interviews. About 1/2 of the interviews are with public procurers from the

Scandinavia regions such as strategic buyers and legal procurers and five interviews are with suppliers of health equipment including surgical instruments. The remainder of interviews are with related stakeholders such as human rights specialists, certifiers and auditors of sustainable procurement and specialists on Global South risk areas.

Findings: The data shows an imbalance both in the resources and the knowledge related to social sustainability between public procurers and the private suppliers of medical equipment. Thus, in the Regions there is a lack of capacity and knowledge related to working practices that will enable a responsible purchasing practice in terms of securing human rights throughout the supply chain. This fosters the use of both cohesive and relational empathic approaches applied by the purchasers across cases. We thus find an intricate relation between understanding public procurement as a legal or a relational process. The challenge of relying of a pure legal process in terms of improving supply chain sustainability is mitigated with relational approaches. This is important in terms of developing a trusting supplier relationship but also attaining knowledge about the supplier's supply chain through enhanced transparency.

Value and Impact: This last decades, the demand on organisations engagement in suppliers' sustainability work has increased both through market and regulative demands, even though the private sector is well-ahead of the public sector in terms of sustainability and related transparency (Gardner et al., 2019). This study contributes a rare in-depth study of implementation of public strategies to improve sustainability impact.

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Lifelong Learning as a Catalyst for Sustainable Management: A Job Demand Resources Perspective

CASCIOLI KARIVALIS, Fiammetta, OHANA, Marc KEDGE Business School

This research explores the critical role of individual capabilities in achieving sustainability, emphasizing the need to

identify resources for this endeavor. The significance of individual capabilities in achieving sustainability, defined as the set of effective, deliberate, and anticipated actions resulting in individual and social well-being (Corral-Verdugo & Pinheiro, 2004), has been emphasized in the literature. It is pertinent to study factors that can serve as resources for such capability.

Lifelong learning underscores the importance of continuous learning at every stage of an individual's development (Sheehan, 2001), rooted in the notion of adults engaging in learning throughout their professional journey. According to Knowles (2020), adults engaged in lifelong learning possess the capacity for self-direction and resist situations where external will is imposed upon them, thereby assuming control of their goals and purposes. Building on this foundation, lifelong learning emerges as a self-enhancement posture for environmentally sustainable action facilitated by self-direction.

Theoretical Framework :

Sustainable managerial behavior, defined as supervisors' inclination to encourage environmental actions (Ramus, 2001), encompasses various managerial dimensions, including supervisory support for environmental innovation, competence building, use of rewards and recognition, and goal setting and responsibility allocation. Indeed, for firms to enact environmental actions, it is imperative that supervisors internalize organizational environmental commitment and behave in a manner that encourages sustainability behaviors among employees (Anderson et al., 2005).

This relationship between self-directed learning and sustainable managerial behavior may be elucidated by the Job Demand Resource (JDR) Model (Bakker & Demerouti, 2008), with work engagement serving as a mediator. Further delving into the conditions for individuals to exert work engagement, we consider organization-based self-esteem,

defined as the extent to which individuals believe their needs can be fulfilled through active participation within the organization.

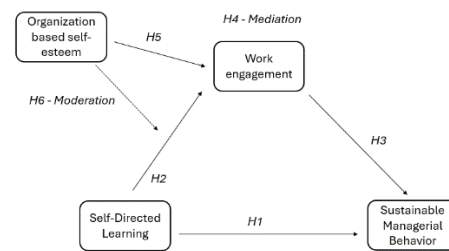


Figure 1. Theoretical model

Method:

To test our model, we collected data through an online sample provider at three different time points, with a total of 372 managers responding to our three surveys. The model was tested through path analysis using Amos 29, and the results confirmed our hypothesized relationships. Theoretical and managerial contributions are derived from these findings.

Findings:

This research substantiates the argument that, in cultivating a self-directed learning disposition, the cultivation of an active and energetic involvement (Alvi et al., 1990) or a work-related mood (Schaufeli & Salanova, 2007), becomes relevant in assisting managers to enhance concentration and invest effort for sustainability (Hopstaken et al., 2015). Furthermore, it establishes that organization-based self-esteem plays a crucial role as a significant motivator for work-related learning (Judge et al., 1998). The engagement in lifelong learning is not solely attributable to high organization-based self-esteem; instead, the mechanism hinges on the regulatory influence of organization-based self-esteem on managers' learning disposition, serving as a moderator through a "resource passway" (PM et al., 2023).

Keywords: Lifelong learning, work engagement, sustainable managerial

behaviors, organization based self-esteem, sustainability.

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SESSION 3B CSR AND SUSTAINABILITY FOR SMES (1/2)

Evaluating the use of financial transaction data for calculating SME scope 1 and 2 emissions

Alec Phillpotts^a, David Leake^b, Jonathan Norman^a, John Gathergood^c, Norbert Jobst^d, Anne Owen^a

^a Sustainability Research Institute, School of Earth and Environment, University of Leeds, Leeds, UK

^b Behavioural Science, Lloyds Banking Group, London, UK

^c School of Economics, Faculty of Social Science, University of Nottingham, Nottingham, UK

^d Portfolio Analytics, Lloyds Banking Group, London, UK

Key Words: Corporate Footprints, Emission Disclosure

Abstract:

The three scopes of emissions, outlined by the Greenhouse Gas (GHG) Protocol of 2001 have helped distinguish between direct and indirect sources of corporate emissions profiles (Huang et al., 2009). In its current form, emission disclosure policy is inadequate for the monitoring the carbon emissions of UK businesses due to early compliance issues arising from inconsistencies in reporting units, methodologies and unreported GHG conversion factors. Moreover, the policy's failure to capture small and medium-sized enterprises (SMEs), excludes 99% of the UK's business population. These challenges, as well as fast approaching net zero pledges, suggest a clear need to explore additional methods

which allow for low-cost emission reporting in a manner that is both consistent with the current framework and deployable to the currently excluded SME population.

Financial transactions are a low-resource, ultra-fast, and highly scalable dataset (Trendl et al., 2022), naturally collected by financial institutions. Intrinsically tied to any business with a bank account, these transactions offer objective insights into daily operational behaviours. When correctly identified and converted, energy and fuel transactions can serve as proxies for estimating a firm's scope 1 and 2 emissions. Whilst a spend-based method is not a novel approach, a comprehensive and scaled validation against official datasets remains outstanding. This research paper addresses this gap by leveraging the transactional data of a sample of 80,000 UK SMEs and comparing calculated emissions estimates against official industry-level environmental and economic data. Subsequently, the varying trends in emission estimates across different industries are explored, with the aim to identify the key sectoral and firm level causes of variation.

To capture the sectoral and firm level causes of variation, a hierarchical regression model is deployed, allowing for the inclusion of both firm level and sectoral level predictors that explain the variation between the macro- and transaction-based estimates. Current results indicate that the inclusion of firm size and a variable for industry distribution is able to explain 80% of the variation between the macro- and transaction-based estimates. From these initial results two potential conclusions can be drawn; 1) Transactional data can be used to create meaningful and significant emissions estimates, with the potential to fill a

key policy gap in current UK regulations, 2) With a relatively small amount of information, in the absence of this rich dataset, an estimate for firm level emissions can be generated within known confidence intervals. This final conclusion can be applied directly to financial institutions who are required to disclose their financed emissions through the PCAF framework.

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Can we predict the emissions of agricultural SMEs?

Jasmine J. Wells,¹ Anna Trendl², Anne Owen¹, David Leake², John Barrett¹, Norbert Jobst³

1 Sustainability Research Institute, University of Leeds, Leeds, UK

2 Behavioural Science, Lloyds Banking Group, London, UK

3 Portfolio Analytics, Lloyds Banking Group, London, UK

Key words: Agricultural SMEs, UK Net Zero, Emissions prediction, Machine learning, Supply-chain risk

Theoretical framework: To achieve the UK's ambition of net zero by 2050, the Sixth Carbon Budget (CCC, 2020) sets out a 78% reduction in territorial emissions by 2035 (compared to 1990). However, the UK currently faces challenges in meeting its commitments. The latest progress report by the Committee for

Climate Change (CCC) highlights vulnerabilities, spotlighting small and medium-sized enterprises (SMEs). These SME's – constituting a substantial portion of the UK business landscape (DBT, 2023) – struggle to navigate the complexities of achieving net zero emissions and urgently need targeted support.

This struggle is particularly pronounced for SMEs operating in high-carbon sectors like agriculture, where farming activities contribute significantly to UK territorial emissions. Many farms are part of the supply chains of larger corporations (e.g., supermarket chains) that have established net-zero ambitions, including plans to only purchase produce from UK farms who meet these standards (Morrisons, 2024). This puts supply contracts at risk where minimum standards have not been met (Sakrabani et al., 2023). Yet, many farms are not yet willing or able to calculate their emissions due to informational barriers and financial constraints (DEFRA, 2022).

Accessing emission figures in a manner that is low in cost and effort will help farms to understand their baseline and manage associated risks (Sakrabani et al., 2023; Neethirajan, 2024). This paper introduces an approach for predicting onsite emissions at the farm level, offering agricultural SMEs an initial assessment tool. Removing barriers associated with cost and effort will likely empower individual farmers and landowners to take steps towards reducing emissions from agriculture.

Method: This research uses a machine learning approach to predict the direct emissions of UK farms, using input variables obtained from farm-level survey data (n = 500) and publicly available datasets. The survey contains information such as total emissions broken down by source, financial information, size of the farming land, and exact types of activities that occur on the farm broken down by enterprise (e.g., poultry, dairy, arable crops,

etc.). Through this model, we evaluate the most important variables that explain sources of variation in emissions. Predictive power is assessed through a series of goodness-of-fit statistical techniques, to enable comparison between predicted and observed results.

Findings: 76% of variation in direct emissions can be explained using four variables: $\log(\text{annual turnover} * \text{macro intensity})$, SIC sub-group, livestock flag (where 1 = livestock present), and $\log(\text{farm area})$. Inclusion of biotic drivers (animal and crop type), abiotic drivers (climate, soil characteristics) and management practices (yield, size of herd, fertiliser use) could help elucidate further variation between farms and improve the predictive outcome.

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SESSION 3C SUSTAINABILITY, LEADERSHIP AND ORGANISATIONAL BEHAVIOUR (1/2)

Net-positive business in practice - what are the drivers and how is it different from other approaches?

Hannah Birch, Katy Roelich & Rory Padfield – University of Leeds

Key words: Net-positive, CSR, Sustainability Reporting

Research Context and questions.

Forum for the future (2019) describe 'Net Positive' as a new way of doing business that works across society, environment, and global economy, striving to put back more than is taken out. Polman and Winston (2021) urge companies to become "net-positive - giving more to the world than they take," describing the benefits and offering detailed guidance to business leaders. Similarly, the 'Net Positive Project' brings together companies to guide them through an aligned net positive approach (Norris, G. A. 2019). There are some clear 'advocates' for this approach, including those referenced, each with their own principles and guidance, and 'adopters' - businesses that are using the approach, for example Dell and Target, participants of the net positive project (2019). With a varied set of advocates and adopters, it is important to find clarity on how the approach is conceptualised, measured, and reported, and what differentiates it from other sustainable business approaches?

This paper seeks to understand (1) Within the context of business, how is the term 'net positive' conceptualised within the grey literature (2) Who are the 'advocates' and

'adopters'? (3) How does this conceptualisation influence its operationalisation and measurement?

The 'Triple Bottom Line' approach to CSR, challenges businesses to measure and report performance across three areas- social, economic, and environmental (Elkington, J. 1998). 'Net- positive' builds upon this approach but calls for business to have a positive impact in these areas.

Transparency in all three areas is becoming crucial for business credibility (Gardner et al., 2018). However, even with a myriad of evaluation frameworks, standards, tools, and indicators available, it is challenging to capture business impact, particularly when attempting to quantify intangible goods and services, such as social outcomes (Xu, Wang and Liu, 2017). There is often a disparity between company policy, and practice, as they attempt to respond to institutional pressures, leading to a theme of reporting that lacks third-party assurance, scoping, and time frames (De Grosbois, 2016). Net positive brings the additional challenge of not only measuring impact but capturing overall positive impact.

This paper identifies key advocates for the Net Positive approach and uses documentary analysis to understand how the concept is defined, measured, and reported.

Documentary analysis will involve reviewing guidance documents, books, and website content from each advocate to identify the concepts and processes outlined.

In contrast, key adopters of the concept will be identified, and documentary analysis of CSR reports and website content will be used to follow how the concept has been defined,

measured, and reported. This will be done against the GRIs 8 key reporting principles (Global Reporting Initiative, 2024)

An initial review of advocacy approaches has identified distinct and varied approaches to conceptualisation and quantification of 'net positive'. Through this research we hope to characterise the series of narratives that underpin the conceptualisation that has given rise to the different approaches.

Initial review of reports from key adopters shows a lack of clarity in understanding of net-positive and what differentiates the approach from other similar approaches. We hope to trace this lack of clarity back to the multiplicity of narratives underpinning the Net Positive concept.

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The spillover of employees' pro-environmental behavior at work: an other-focused analysis

Wenjing Guo, Antai College of Economics and Management, Shanghai Jiao Tong University; Leeds University Business School, University of Leeds

Yuan Jiang, China Europe International Business School

Keywords: Workplace pro-environmental behavior, Spillover effect, Perceived prosocial impact, Perceived organizational environmental support

Global warming and environmental degradation are a shared challenge for all mankind, which has led to environmental protection attracting the attention of numerous disciplines. Organizations are believed to be the critical entity in tackling these challenges and promoting sustainable development because, on the one hand, organizations are the main source of climate

change; On the other hand, organizations can probably provide solutions due to their large scale of capital (Wright & Nyberg, 2017). However, it is hard for organizations to solve environmental problems without the support of employees because employees are the agents to implement organizational change and practices and have tacit knowledge to identify and cope with complex environmental issues (Boiral, 2009; Dumont et al., 2017). Recognizing the value of employee pro-environmental behaviors (PEBs), research has gradually focused on organizational interventions that can promote both in-role and extra-role employee PEBs. However, there has been limited attention on the “knock-on” effect of organizational environmental interventions, which is adverse to promoting their effectiveness. To our knowledge, there are only two studies investigating how the engagement on one PEB can influence the other (Guo et al., 2024; Zhang et al., 2023), and research on PEB spillover mainly centered on the private sphere. In addition, existing studies on PEB spillover, including those in private and workplace sphere, mainly focus on the mediating effects of environmental self-identity (Van Der Werff et al., 2014b; Zhang et al., 2023), environmental concern (Ha & Kwon, 2016; Thøgersen & Noblet, 2012), personal norm (Klößner et al., 2013), and anticipated guilt (Truelove et al., 2021). These mechanisms are driven by self-centered theories, such as self-perception theory, action-based learning theory, moral licensing theory, and moral cleansing theory. On the other hand, as Terkel (1974) noted, “Work is about the search for daily meaning as well as daily bread”. Thus, it is reasonable to go beyond the self-focused mechanism and investigate how other-focused mechanisms, such as work meaningfulness, explain the positive spillover from prior in-role PEB to subsequent in-role and extra-role PEB.

Drawing on Kahn’s psychological conditions for engagement model (Kahn, 1990), we propose that employees’ previous

performance of in-role PEB can positively spill over to subsequent in-role and extra-role PEB via their perception of prosocial impact, which is a representation of work meaningfulness. In addition, these positive indirect effects can be strengthened by employees’ perception of organizational environmental support. Through a three-wave field study (N = 312), we found that the positive spillover effects were supported, and employees perceived organizational environmental support positively moderated the positive indirect effect of previous performance of in-role PEB on subsequent in-role PEB. However, employees perceived organizational environmental support failed to moderate the positive indirect effect of employees’ previous performance of in-role PEB on subsequent extra-role PEB. This research therefore contributes to the refinement of the theoretical framework surrounding PEB spillover effects and carries important implications for organizations.

Leadership for cherishing biodiversity: Emotional work and sensemaking in the Finnish food sector

Tiina Onkila, University of Jyväskylä & Sally Russell, University of Leeds

Keywords: Biodiversity, emotions, professionals, emotional work, sensemaking

Business operations are having a significant impact on biodiversity loss (Whiteman et al. 2013). This is particularly true in the food industry where the production of meat products and use of agricultural land are hotspots for biodiversity impact (Crenna, Sinkko, & Sala, 2019). In this study we examine the experiences of those industry leaders who are actively trying to redress the balance by embracing and cherishing biodiversity and explore how they encourage

and champion changes in the understanding within their industry. Furthermore, we investigate the emotionality of the leaders' work (Wright and Nyberg, 2012) and the complexities inherent in their work. We combine the concept of emotional work (Ashkanasy and Humphrey, 2011) with sensemaking theory (Weick, 1995) to further the understanding of the meaning of emotional work for cherishing biodiversity in the food sector.

We conducted interviews with 37 professionals in the Finnish Food sector representing different parts of the Finnish food value chain. We included different types of companies in the Finnish food chain, ranging from primary producers to retail, and different sized companies, from SMEs to larger firms. The interview questions covered background questions, practices related to biodiversity, relations with other aspects of sustainability and future visions, and personal experiences on leading change towards biodiversity respective business. The interviews were analyzed based on principles of sensemaking theory (Weick, 1995) and emotional work in sustainability (Wright & Nyberg, 2012).

Our findings show that both positive and negative emotions arose when discussing experiences of leading biodiversity-related changes in business operations in the Finnish food sector. Positive emotions were raised when discussing experiences of being able drive change and to support and advance biodiversity cherishing. We found that positive emotions were evoked by experiences of joint and shared efforts in pushing for change. Pride and joy were raised when discussing practical new solutions to support biodiversity cherishing. However, all of these situations were limited to small-scale changes reflecting principles of weak sustainability.

Negative emotions were evoked by issues, events, and situations that dealt with the complexities and challenges in biodiversity

cherishing. Negative emotions were described in relation to uncertainties in the kind of action that should be taken in leading change. Irritation arose when there was a perceived inability to produce change in supply chains, describing the limited power of participants in wider contexts. Disappointment was expressed when participants encountered resistance to change, a perceived lack of support, or on receiving negative feedback on the needed change. The situations that evoked more negative emotions most often involved more radical changes in food systems and thus were closer to principles of strong sustainability.

Our results show that leadership for biodiversity cherishing is a challenging job that entails a substantive emotional load. Our research shows that although positive emotions arose from small-scale change, it is the most needed large-scale and strong sustainability changes that are most challenging and most often evoked negative emotions. We discuss the implications of these findings for future research and practice.

SESSION 4A INTERNATIONAL CSR (2/2)

Applying the Concept of Transnational Social Space to MNE Organizing for Sustainability

Preuss, L. and Barkemeyer, R. Kedge Business School

Keywords: Global value chains, Multinational enterprises, Sustainability challenges, Transnational social space

Multinational enterprises (MNEs) are uniquely positioned to address sustainability challenges due to their resources and capabilities as well as their reach along global supply chains. Yet, any single MNE is typically simultaneously exposed to a variety of such challenges, each having its own characteristics. Not least, this is due to the coexistence of sustainability challenges that are primarily global in nature (e.g. climate change) and those that are highly context-specific (e.g. working conditions). Hence, there cannot be a 'one-size-fits-all' approach to MNEs addressing sustainability challenges. This raises the question how more complex, tailor-made MNE responses to sustainability challenges can be designed.

To explore our research question, we apply the concept of transnational social space to MNE organizing for sustainability. Originating in the social sciences, notably in migration studies (e.g. Portes, Guarnizo, & Landolt, 1999), transnational social spaces can be defined "as plurilocal frames of reference which structure everyday practices, social positions, biographical employment projects, and human identities, and simultaneously exist above and beyond the social contexts of national societies" (Pries, 2001, p. 23). It is a defining feature of a transnational social space that the main modes of connection between

actors and groups operate across national boundaries and do so in a form that is "more than simply the sum of interactions between different 'national' units; it constitutes a social space sui generis that cannot be reduced to the interplay of pre-existing national groups or interests" (Morgan, 2001, p. 115). Applying this concept, our paper will identify transnational social spaces within and around the MNE that allow the company to address sustainability challenges.

Given insufficient prior knowledge on our topic, we selected the case study method as it allowed us to conduct an in-depth contextual analysis of a particular problem. We focussed on one company and two of its value chains to generating an in-depth account of activities, structures and processes. We started the process of selecting our case company by contacting an NGO working in the field of responsible business, who suggested several firms that, in their view, have generated an above-average track record in addressing sustainability. Following their recommendations, we settled for an agricultural multinational headquartered in Europe. The MNE comprises several business segments in the areas of chemicals, materials and nutrition and agriculture. In 2022, it had more than 111,000 employees worldwide, was present in more than 90 countries and generated a turnover at group level of EUR 87 billion. We conducted 35 semi-structured interviews with organizational actors at various positions in the MNE – from the board to country management and the shop floor – as well as its suppliers. The interviews took place between October 2020 and March 2022, lasted between 60 and 180 minutes and resulted in some 500 pages of transcription.

We identified several structural features that enabled this MNE to successfully organize its

activities to respond to sustainability challenges. These include cross-cutting committees, a linchpin function of middle managers and a hybrid approach that embeds both the business case and the societal case for sustainability into the structure of the organization.

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Cognitive Framing of Corruption: An International Comparative Study of Mind Maps

Barkemeyer, R.; Preuss, L. and Zec, D. Kedge Business School

Keywords: Corruption; Cognitive Frames; CSR; Mind Maps; Perceptions

Corruption is a prototypical Grand Challenge (George et al., 2016) and wicked problem in that it is a multi-faceted, wider societal problem for which no obvious solutions are presently available (Grewatsch et al., 2023). Even though it is commonly discussed under the umbrella of corporate social responsibility (Rodriguez et al., 2006), it stands out as an

issue that is even more difficult to capture: it is largely illegal, corrupt practices tend to be stigmatized, and frequently is linked to concealed work and one-off projects. Empirical research continues to be scarce given that the extent of the problem can commonly only be measured indirectly, as in the case for the Corruption Perceptions Index and Bribe Payers Index. From the scarce information that is available, it is clear that there are country-level differences in both the severity and the nature of corruption. This is where our study is positioned. In order to address corruption, it is important to first understand how individuals perceive of and conceptualize corruption. Our theoretical lens is centred on cognitive frames, which can be understood as knowledge structures that individuals impose on the myriads of external stimuli in order to reduce complexity (Suedfeld & Tetlock, 1977) and to make sense of a phenomenon (Daft & Weick, 1984). Cognitive frames held by individuals differ in terms of both content and structure (Walsh, 1995). An established way of measuring cognitive frames captures (a) differentiation, i.e. the number of cognitive elements or units of information on a topic; and (b) integration: the connections between these units (Suedfeld & Tetlock, 1977). We apply this approach in order to measure country-level differences in cognitive frames related to corruption. Following the protocol of Baker-Brown et al. (1990; see also Preuss et al., 2023, 2024), we conduct an international comparative analysis of mind maps produced by students from eight different countries. Particular emphasis is placed on the complexity of cognitive frames, measured in terms of differentiation and integration, and the topics individuals associate with corruption. We relate emerging patterns to a set of independent variables including both individual-level and country-level factors in order to move towards a more refined understanding of the micro-foundations of corruptions in different country contexts.

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SESSION 4B CSR AND SUSTAINABILITY FOR SMES (2/2)

How Do Founders of Sustainability-Driven SMEs Make Sense of Sustainability Tensions

Preuss, L., Zeng, K.Y.-E., Karki, S.T., Brieger, S.
Kedge Business School

Keywords: Sustainability tensions, Small and
medium-sized enterprises (SMEs),
Sensemaking

Research Question:

Companies typically perceive multiple sustainability goals, i.e. economic, social and environmental goals, to stand in tensions to each other. How companies engage with such sustainability tensions in their operations and strategy has, furthermore, been largely explored from the perspective of large businesses. By contrast, we aim to shed new light on how entrepreneurs, specifically founders of sustainability-driven small and medium-sized enterprises (SMEs), make sense of sustainability tensions.

Theoretical Framework:

Sensemaking is a social process through which people interpret their environment to “understand issues or events that are novel, ambiguous, [or] confusing” (Maitlis & Christianson, 2014: 57). According to Daft and Weick (1984), the sensemaking process entails three stages: scanning for information, interpreting that information and then identifying and evaluating alternatives of action.

Method:

Given the under-explored nature of our research question, we employed a multiple case-study approach using in-depth qualitative data. This approach allowed us to explore how founders go through the sensemaking stages once a sustainability tension is identified. We carried out interviews with 10 founders of sustainability-driven enterprises in the UK between February and August 2020. In the data analysis, we use the perceived tension as our unit of analysis. We define a sustainability-driven SME as a business that was originally established with social and/or environmental goals in mind and has a headcount of fewer than 250 people.

Findings:

We identified two distinct approaches to making sense of sustainability tensions among the founders of the sustainability-driven enterprises in our sample. In a first type, we observed a linear approach: the nature of the sustainability tensions appeared clear to the founders. The tensions required minimal cognitive effort for the founders to comprehend what kind of issues they faced. This allowed them to quickly recognise these sustainability tensions when initially confronted with them. In the second, less linear approach, the sustainability tensions often appeared to be vague to the founders when they first confronted them. These tensions were seen as being complex and associated with multifaceted sustainability values. Hence, they presented much ambiguity for the founders to work through their nature.

These two types echo the distinction between hierarchical and paradoxical thinking about

sustainability (e.g. Hahn et al., 2014) inasmuch as they seem to apply to specific types of tensions. That work assumed that hierarchical vs paradoxical thinking could apply to any sustainability tension, i.e. that they two are complementary; however, our data suggest that certain types of tensions are more likely to invite one or the other approach. For example, we found linear sensemaking where a sustainability tension is related to business development and non-linear sensemaking where a tension related to lack of external support.

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Differentiated carbon emissions policy for small and medium sized enterprises: Carrots, sticks, sermons, dialogues, and coalitions

Alice Owen, University of Leeds, Laura J. Spence, Royal Holloway, University of London.

Keywords: Carbon emissions; Climate governance; Net Zero; Small and medium sized enterprises (SMEs); Policy instruments; Policy mix.

On the path to Net Zero carbon emissions, small and medium sized enterprises (SMEs) are at least as important as large firms in terms of carbon emissions and associated research and policy. But very little is known about what most effectively influences SMEs to make carbon reductions (Hampton et al., 2023). In this paper we pose the question: How can traditional and alternative policy instruments be employed to support SMEs in reaching Net Zero carbon emissions? The weight of the paper is conceptual, drawing on extant research to support the development of a nuanced typology of policy actions, sensitive to social, economic, ecological, and political context, emphasizing the importance of the policy mix, not least in relation to carbon (Rogge & Schleich, 2018). The main outcomes of the paper thus relate to (1) encouraging greater creativity in identifying and selecting policy instruments to create effective policy mixes, and (2) providing clarity in how to differentiate SMEs so that policy achieves effective climate outcomes without disregarding social and economic impacts.

In policy terms, the paper uses and extends commonly used policy instrument types. For many years researchers have broadly considered carrots (economic means), sticks (regulation), and sermons (normatively directed information) as mechanisms to influence practice. We find this inadequate in the example of SMEs and carbon emission reductions. We turn to feminist policy to develop an approach based on mutual exchange and dialogue (Blackmore, 1995). In addition, we draw on theories of collectivism to include coalitions as a form of policy instrument (Bok et al., 2021).

We employ different constellations of these five policy instruments for carbon emission reduction in response to different types of SME. In doing so, we take a novel approach to SME differentiation (i.e. beyond the important but insufficient focus on size, geography, or sector), by focusing on the nature of the SME's relationship to carbon. This approach,

recognising the variety of SMEs, is meaningful rather than convenient, and gets to the heart of the reason why SME policy for carbon emission reduction has been so ineffectual.

Our typology of policy instrument types is put to the service of SMEs which respectively are: Carbon consumers (a) embedded in the carbon intensive economy and/or (b) entrained in the carbon economy (secondary carbon users and emitters); or low carbon solution providers (c) reliant on a low carbon transition;

We discuss the dynamics, contexts, and characteristics of the resulting typology which counterpoints SMEs based on their carbon relationships against our inclusive mix of policy instruments. In the paper we draw on practical examples, empirical evidence, and theory to build our case. The resulting typology is scholarly in its foundations, and of practical use for policy makers, intermediaries, and businesses seeking to make a positive contribution to reaching Net Zero carbon emissions in a timely fashion. Finally, in discussing a new research agenda for SME climate change policy we outline further, motivating, dimensions of SME decision making.

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SESSION 4C SUSTAINABILITY, LEADERSHIP AND ORGANISATIONAL BEHAVIOUR (2/2)

Navigating sustainability in business schools: strategies and leadership in institutionalising sustainability

Maija Lähteenkorva, Jyväskylä, Irene Kuhmonen, Bhavesh Sarna, Venla Wallius, Annukka Näyhä, Stefan Baumeister & Hanna-Leena Pesonen, University of Jyväskylä

Keywords: Sustainability Institutionalisation, Business School, Institutional theory, Leadership, Agency

Business schools play a crucial role in addressing sustainability challenges through various means, including fostering sustainable practices, developing innovative solutions through research and stakeholder collaboration, and educating future professionals to navigate the complexities of sustainability in organisations (García-Feijoo et al., 2020; Snelson-Powell et al., 2020). However, to maximise their societal impact in tackling today's grand sustainability challenges, such as climate change, it is imperative for sustainability to become institutionalised within the core strategies, teaching methodologies, and research frameworks of business schools. Although existing literature has explored different aspects of business schools' sustainability efforts, such as education (A. Barber et al., 2014; Landrum, 2021), research (Reed, 2009), and management (Dickson et al., 2013; Snelson-Powell et al., 2020), a more comprehensive investigation into how business schools embed sustainability into their operations is still lacking. To bridge this

gap, our study aims to explore sustainability institutionalisation in business schools by addressing the following research questions: 1) What strategies do business schools employ to address sustainability issues, and how do these strategies reflect the institutionalisation of sustainability? 2) How does the agency of business school leaders contribute to the institutional work on sustainability?

Our research draws from robust survey data collected in 2020, encompassing a global network of business school leaders (N=454). This extensive dataset allows us to analyse the institutionalisation of sustainability in the context of business schools. Our analytical framework is built upon institutional and agency theory, exploring the business schools' past and contemporary strategies in addressing sustainability and their future aspirations for embedding sustainability in their operations. Our preliminary findings reveal various sustainability institutionalisation strategies business schools employ, spanning across teaching, research, management, and community engagement. Our initial analysis also illuminates how business school leaders allocate responsibility for addressing global sustainability challenges, highlighting the complexities of sustainability governance within business schools. These insights offer a foundational framework for evaluating the level of sustainability institutionalisation in business schools and underscore the need for further research to explore the allocation of responsibility for addressing global sustainability challenges in educational settings. It's important to note that these insights are based on preliminary analysis, and further examination and

refinement of the data are ongoing and will be presented at the conference.

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Exploring Decolonization in the sustainability, CSR, and

Business curriculum at the University of Leeds

Pollen, C. , University of Leeds

Key words: Decolonization, Sustainability, CSR, Business, discourse analysis, Global South

Progressively, issues of Sustainability, CSR and business have undoubtedly gained prominence globally and institutional approaches have been developed to manage them. Unfortunately, since the 21st century, the legacy of colonial thinking has largely dominated the teaching of sustainability and CSR/business. The development of sustainability and CSR discourse has been criticized for lacking inclusion of non-western context and theorization. This is a reflective paper about understanding colonialism in the teaching of sustainability and business in the Sustainable Research Institute (SRI) at the University of Leeds, UK. Critical to the decolonization of the Sustainability and business curriculum is the inclusion of non-western scholarship and voices that offer alternative approaches to the understanding of sustainability and business. Rambaree (2021) claims that discourses in CSR are constructed within company interests largely in western contexts so that proxy establishment of social issues and segments of business in societies that may be less beneficial to companies become insignificant, as they are kept outside the discourse on CSR. This article will conduct a discourse analysis of three modules taught at undergraduate and master's level through the assessment of the reading lists, lecture slides and seminars presented on Minerva. This content analysis will be utilized to inform the level of inclusiveness of global south alternative approaches to sustainability and business in the curriculum. Informal interviews with key module leaders and demonstrators will be used to gain deeper insights into the challenges presented by the current teaching methods. The results of the content analysis

will uncover if/how colonial legacies have continued to reproduce themselves in teaching whilst underpinning the ways in which Sustainability, CSR and business teaching practices and hierarchies can be decolonized.

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From Compliance to Commitment: Examining the Influence of Corporate Governance and Social Performance on Firms' Circular Economy Initiatives

Basil Al-Najjar^a, Aly Salama^b and Alaa Abed^c

a Manchester Metropolitan University Business School, UK

b Newcastle Business School, Northumbria University, UK

c Manchester Metropolitan University Business School

Keywords: Board structure, Circular economy, corporate governance, Social performance, UK context.

Research question/aim: This study examines the relationship between corporate governance, social performance, and Circular Economy (CE) initiatives in the UK, by exploring the intricate relationship between governance practices, social performance, and CE initiatives. We introduce a pioneering CE index that surpasses conventional accounting disclosure approaches, providing a comprehensive evaluation of firms' CE policy initiatives, including waste management, eco-design products, and recycling policies. In addition, our study investigates the impact of a robust good governance practice index on firms' CE initiatives index. Finally, we empirically examine the association between the Corporate Social Performance Index and CE initiatives, unravelling an underexplored facet of sustainable business practices.

Theoretical Framework: In this study, we use the 'Stakeholder-Agency Theory' to shed light on the crucial role of effective governance structures in driving CE endeavours. The Circular Economy (CE) is gaining popularity as a solution to climate change and sustainability issues, with the European Union (EU) actively promoting it and major companies leading the way (MarcoFondevila et al., 2021). Corporate narrative disclosures, such as standalone sustainability/CSR reports, can help organisations communicate with stakeholders about their performance, strategies, and prospects. While these narratives can be informative and valuable, they have limitations, including impression management techniques (Kassem et al., 2023; McDonnell &

King, 2013). Companies may engage in impression management, which entails moulding the narrative to generate a positive image and influencing stakeholders' perceptions. Using the stakeholder theory, Jo and Harjoto (2012) find that corporate governance positively affects CSR. From an agency theoretical perspective, Jizi et al. (2014) also examined the impact of corporate governance on the quality of CSR disclosure in US-listed banks' annual reports. They found that board independence and board size are positively related to CSR disclosure.

Research Method: We employ a robust CE index encompassing recycling, product eco-design, and resource utilisation. Employing advanced econometric methodologies, including panel data analysis, 2SLS, and quantile regression. In order to investigate the impact of corporate governance and social performance on CE initiatives, we employed a panel data model to reflect both firm and year effects. Our sample consists of all non-financial publicly listed firms within the FTSE 350 index for the period spanning from 2013 to 2022, totalling 217 firms. The data used in our analysis is collected from the Refinitiv Eikon database.

Research Findings: The findings of this study shed light on several key insights. Firstly, it shows that firms with strong governance practices are more likely to hold and engage in CE initiatives, underscoring the key role of effective governance mechanisms in driving environmental sustainability efforts, particularly in the realm of CE. Furthermore, the study demonstrates that firms exhibiting commendable social responsibility are more inclined to participate in environmental initiatives, specifically those pertaining to CE. This highlights the potential of social responsibility as a catalyst for fostering sustainable practices, with CE initiatives serving as a tangible manifestation of these values.

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SESSION 5A SOCIAL SUSTAINABILITY AND MULTI-STAKEHOLDER INITIATIVES FOR CSR (1/2)

Triple marginalization in meaningful professions: The case of German care workers

Wolfgang Bichler-Riedl, University of Kassel

Stephanos Anastasiadis, Police Academy of Lower Saxony

Stefan Gold, University of Kassel

Keywords: Meaningful work, vocational calling, marginalization, sacrifice

Prosocial work can be deeply meaningful. Fields such as childcare, adult care and nursing often attract people with a sense of vocational calling (Duffy et al., 2016). However, many such professions entail low social status, reducing their attractiveness. This has led to ongoing, widespread staff shortages. For example, a recent German study found that few sectors suffer as strongly from staff shortages as prosocial work (Hickmann and Koneberg, 2022).

Such shortages not only disadvantage employers and those being cared for, but also hinder workers themselves, particularly those with a sense of calling. Caught between personal professional aspirations, on the one hand, and the lack of necessary resources, on the other, workers can be expected to either reduce their aspirations, or increase their commitment. Moreover, highly committed workers are regularly found to view their profession as a calling and to exhibit self-

sacrificing behaviors that are associated with the “dark side” of such calling (e.g., overworking and work-family conflict; Bunderson and Thompson, 2009).

One can therefore conceptually identify two groups of workers, which we name ‘full-throttle’ and ‘reserved’; that is, those whose motivation remains unadulterated in the face of adversity, and those who adjust their aspirations to what they deem sensibly achievable. The extent to which these two groups of workers are distinct, and how they interact, remains unexplored, rendering the research questions:

RQ1: To what extent does willingness to sacrifice for work form two distinct groups of workers?

RQ2: How do both groups make sense of the other and how does it relate to calling?

Our empirical study addresses this interplay, drawing on 47 interviews with employers and their workers from a range of prosocial work backgrounds. The preliminary results indicate that there are indeed two distinct groups of workers, differentiated by their willingness to self-sacrifice. On the one hand, the ‘full-throttle’ group readily offered personal time to fill in for colleagues, or to do additional work beneficial to clients. On the other hand, workers in the ‘reserved’ group rejected sacrifice as detrimental to health and the longevity of their career. Members of both groups understand their profession as one that is deeply meaningful, suggesting two

kinds of lived callings. However, both members of the 'full-throttle' group and employers often denigrated the reserved group as being unwilling to take necessary action and/or as being selfish. 'Full-throttle' workers highlighted their own willingness and ability to sacrifice as an indicator of their calling in contrast to less-sacrificing peers. We thus argue that prosocial workers who resist sacrifice are prone to triple marginalization: (1) by society, who often stigmatize prosocial work as largely-unskilled; (2) by employers, who typically prefer self-sacrificing workers; and (3) by 'full-throttle' colleagues, who consider them less competent. Intriguingly, we identify a possible cohort effect, with older workers tending to disproportionately engage in self-sacrifice.

We contribute to the literature on characteristics of vocational calling (Bailey et al., 2019), employers incentivizing self-sacrifice (Berkelaar and Buzzanell, 2015), and generational conflicts in assessing the worth of work (Bennett et al., 2017).

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The role of corporate social responsibility in poverty alleviation: Case study of Pakistan

Zeeshan Saeed, Liverpool John Moores University

The nexus between the poverty alleviation and the Corporate Social Responsibility (CSR) is a rather difficult one due to the voluntarily nature of corporate social responsibility. There exist plenty of debate and paucity of evidence on practices that allow alleviating poverty as an outcome of corporate action. For instance, it is still part of the debate whether and under which legal and normative setting should corporations be compelled to replace the historical functions of political economy and government including the poverty alleviation. The pro-poor policies of the firms are not always a result of intrinsic goodness of the firms whereby it behaves in an altruistic fashion; in fact it can be sometimes guided by well calculated and planned outcomes related to the profit motivation and the performance of the firm. Poverty has led to a series of adverse consequences for social development. It is the condition of not having the means to fulfil the basic needs (food, clothes, shelter, education, health and other amenities) in life. It is a widespread problem in developing countries like Pakistan. In Pakistan poverty is

predominantly in the rural areas where about 70 percent of the population and more than three quarters of all poor people reside and mostly depend on agriculture. According to 2018 survey, 21.9% proportion of population is living below the national poverty line. 3.7% of employed individuals are earning as low as \$1.90 per day only (Asian Development Bank, 2022). The research philosophy used in this research is Interpretivism, emphasizing the understanding of subjective experiences and meanings. The researchers holding positivist stance always tend towards figures and generalizability (Saunders et al., 2007). Their view towards a problem is entirely different from that of Interpretivism as they research for facts only. This research is inspired with positivism which is more concerned with humanistic feelings. Therefore, the most suitable research approach for this study will be inductive approach (Easterby-Smith et al., 2008). The approach used for data collection is mixed method approach which comprises of semi structured interviews and focus group discussions. The thematic analysis has been done for the codes generated. The outcome of the research shows a weak legal framework pertaining to corporate social responsibility in Pakistan. A lot of work is required in this aspect if there's a corporate social responsibility law in Pakistan then it will help in the poverty alleviation in the country. The research will have a huge impact in the form of policy change and new law which will result into economic and social impact in the country.

SESSION 5B CONSUMER BEHAVIOUR ON SUSTAINABILITY ISSUES

Exploring the Price Premium for Eco-labelled Food Products

Lee, S.E.^a, Young, C.W.^b, Barkemeyer, R.^c

a ESRC Consumer Data Research Centre & Leeds University Business School, University of Leeds

b ESRC Consumer Data Research Centre & Sustainability Research Institute, School of Earth and Environment, University of Leeds

c KEDGE Business School (Bordeaux)

Key words: Competitive Strategy, Corporate Social Responsibility (CSR), Eco-labelling, Food, Price Premium, Sustainability

Food production systems constitute a vitally important dimension of our global economy. Like other socio-economic systems, they are – as currently practiced – patently unsustainable. Hence, there is an urgent need for systemic change and a transition to sustainable food systems that ensure better quality of life as well as living within safe planetary boundaries (Willett et al., 2019). Governance for sustainable food systems has emphasized market-based instruments and the interplay of supply and demand. Mainstream food retailers are vitally important in this context given that they account for most product purchases (Barkemeyer et al., 2023). Conscious consumers are expected to demand more sustainable food products and to incentivize companies to lower the environmental impacts associated with large-scale food production (Lu et al., 2023; Springmann et al., 2021). In turn, companies are expected to move consumers towards more sustainable modes of food consumption, e.g., through

eco-labelling approaches, choice architecture and the promotion of pro-environmental minority behaviours (Demarque et al., 2015; Lehner et al., 2016). Yet even though these nudging strategies (Thaler & Sunstein, 2009) hold some potential in bringing about incremental change and the promotion of pro-environmental consumption behaviour, product price is arguably crucially important when it comes to the mainstreaming of sustainable food products. In recent years, some product groups such as free-range eggs (Chintakayala et al., 2018) or MSc-labelled fish (Asche et al., 2015) have succeeded in reaching mainstream consumers; the vast majority of sustainable product alternatives, however, have a much smaller market share, and also tend to be characterized by high mark-ups when compared to conventional product alternatives (Aschemann-Witzel & Niebuhr Aagaard, 2014). It is generally acknowledged that there needs to be a price premium for sustainable product alternatives to recover additional costs linked to e.g., quality considerations, higher production standards, better working conditions, fairer treatment of farmers and/ or animal welfare. The size of this premium is inextricably linked to competitive strategy and market positioning of sustainable products (cf. Porter, 1980; Shrivastava, 1995). Ultimately, it will dictate product demand and its likelihood of appealing to mainstream consumers. This is where our study is positioned. We track price data of a mainstream UK food retailer to determine the current price premium of a basket of 146 eco-labelled food products in comparison with their closest conventional product alternatives. Based on the price differentials and extant market share, we apply different scenarios regarding the

increase in production cost for sustainable product alternatives (5%, 10%, 50%) increase as well as the corresponding improvement in terms of environmental impact (5%, 10%, 50%), to extrapolate supply and demand. Subsequently, we explore implications of these scenarios for (a) the financial bottom-line as well as (b) overall environmental impacts. As the headline finding of our study, we observe an average mark-up of 98% across the set of 146 food products for sustainable products when compared to their conventional alternatives. Based on the scenario analysis, we show that this premium on sustainable products not only locks them into a market niche and stifles demand, but also represents a foregone profit opportunity for food retailers as well as significant costs for the natural environment.

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Unravelling Consumer Behaviour on Sustainability Issues: Insights from Case Studies in Lowland and Highland Distilleries

Luba Petrova Pirgova-Morgan & Alice Owen,
University of Leeds

Keywords: consumer behavior, sustainability, case study, ethnography, distilleries, productivity

Research Question

This paper embarks on an inquiry into the dynamics of consumer behavior and sustainability practices in Scottish Lowland and Highland distilleries. Guiding research questions are ‘what factors shape industry decisions to adopt sustainable practices?’ and ‘what is the influence of consumer preferences?’

Theoretical Framework

Presenting a preliminary analysis of consumer behavior and industry practices, we share insights into the interplay between consumer preferences, industry practices, and environmental stewardship.

We scrutinize an evolving landscape of sustainability practices, examining how businesses innovate to bolster productivity while minimizing environmental impacts. An example is the incorporation of gin into traditional whisky distilleries as a theoretical pathway to Net Zero practices, responding to growing production of gin in the UK. We also present evidence of how distilleries engage in varied sustainable practices, such as agricultural innovations, ingredients substitution, the use of eco-friendly materials, and recycling initiatives that can impact consumer purchasing decisions while also reducing CO₂.

These insights sit within a wider research programme exploring the relationship between sustainability and productivity as enterprises navigate the path towards net-zero emissions. Distilleries as a sector allow us to analyse sustainable production techniques, waste reduction initiatives, and energy-efficient practices, to illuminate the evolving contours of sustainability within the alcoholic beverage industry while maintaining the traditional Scottish whisky image.

Methods

We are developing qualitative case studies, defined by sector and geography, to understand the innovations adopted by these industries to enhance productivity and achieve net-zero goals. The selected distilleries are located in the Western Lowlands and Highlands of Scotland. Ethnography was conducted in two sites and data collection methods included interviews, observations, and various document analysis.

Discussion and findings

This paper hopes to offer a holistic perspective on the interplay between consumer behavior and sustainable practices in lowland and highland distilleries, emphasizing the innovative strategies deployed. Our comparative analysis unveils both parallels and divergences between the distillery cases in their individual pathways towards sustainability and net-zero aspirations. The convergence of consumer preferences and industry-driven sustainability initiatives underscores the transformative potential of collaborative endeavors aimed at shaping a more sustainable future. On the other hand, both types of distilleries have their own lessons to share. Our preliminary analysis also allows us to comment on whether the vision of sustainability that is the driving force behind technology development in both types of distilleries is actually related to consumer behavior or whether there are stronger forces and factors at play irrespective of consumer demand.

SESSION 6A SOCIAL SUSTAINABILITY AND MULTI-STAKEHOLDER INITIATIVES FOR CSR (2/2)

Motivations and barriers to positive socio-environmental impact work in Brazil

Felipe Brescancini, University of Leeds

Keywords: positive socio-environmental impact, social entrepreneurship, sustainability, CSR, and prosocial.

This research studies the social phenomenon of individuals who work towards positive impacts that foster socio-environmental justice. The forms of work committed to such impacts are not the most common across the workforce in Western capitalist societies. Social change can happen through each one's work and people who can freely choose work can exercise their human agency (Bandura, 2006) to work towards positive impacts that can benefit society and nature. Literature approaches work motivations and barriers to individuals focusing on various sectors and professions, as well as to related behaviours like prosocial (Bolino & Grant, 2016) and pro-environmental. Well-known work motivation theories, e.g. self-determination theory (Deci & Ryan, 1985), do not cover an approach to positive impact works. Regarding barriers, scholars examine individual behaviour in daily life (Kollmuss & Agyeman, 2002), within organisations (Garavan et al., 2010), and fewer explore them as workers only (Hoogendoorn et al., 2019). Even less attention is given to how individuals overcome these barriers to work and the Global South population (Leite et al., 2014). This research question is how do people who work for positive socio-

environmental impact in Brazil overcome barriers to sustain their work motivation over time? Among forms of work in which workers may have similar positive impact intentions at its core, this research focuses on three that only recently became established in modern society, which are social entrepreneurship, sustainability agency, and corporate social responsibility (CSR).

The method used was the phenomenological interview with individuals in Brazil who work in these three kinds of work as their main paid work over time, who were located using purposive sampling. Fifty one interviews were done with an average duration of 67 minutes, 31% in person and 69% online. The average age of the participants was 39 and 51% were women. The interviewees have been committed to positive socioenvironmental impact work for twelve years on average and 51% of them have worked with impact since the beginning of their careers. 33% of the sample works in nonprofits, 20% in social enterprise, 31% with sustainability, and 16% with CSR. The most representative sectors they work in are consulting, consumer goods, education, environment, human rights, and social finance. The analytical method is the interpretative phenomenological analysis and Thematic Analysis. As the data collection happened until June 2024, the findings are preliminary at this stage. Common barriers identified across interviewees were: the income from positive impact work positions is consistently lower compared to the private sector; a growing mental and physical fatigue from work; levels of frustration are rising once it is realised that the impact is not as much as

expected; and a there is a lack of public interest, understanding and prioritisation of the positive impact agenda. To overcome such barriers over time, some participants mentioned: maintaining close contact with people with similar interests; maintaining psychological support like therapy; developing self-awareness and work-life balance practices; partnering with impact organisations and across sectors that value impact; and learning continuously.

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Why do multi-stakeholder sustainability initiatives fail? The case of 'The Complete the Cycle' programme (2011-2020) and examination of the social influencers engagement approach

Dejan ZEC, University of Leeds & KEDGE Business School

KEYWORDS: sustainability, multi-stakeholder initiative, pharmaceutical, social influence

Businesses are evermore engaging in sustainable transformation, as they are expected to, but also because it can bring them various benefits. However, this process requires high levels of social engagement and stakeholder communication, especially if the sustainability is to be pursued through collaboration, such as multiple-stakeholder initiatives. Different companies and sectors, however, face obstacles in their stakeholder management, especially companies which are by the nature of their business detached from their customers, such as for example, the pharmaceutical companies. This study explores how sustainability related multi-stakeholder initiatives work in such

conditions, focusing on the case study of the 'Complete the Cycle' scheme to collect and recycle used inhalers by the pharma company GlaxoSmithKline, in partnership with their stakeholders. The study focuses on the theoretical angle of social influence, where social influencers are seen as agents who have the power to bring detached companies and their customers closer in pursuing sustainability goals, and trying to examine the conditions under which this approach works or fails.

SESSION 6B CORPORATE RESPONSIBILITY, CSR AND SUSTAINABILITY

Recalculating ESG ratings: Does industry classification matter?

Thomas Schmidl, Otto-Friedrich-Universität Bamberg

Key words: ESG ratings, recalculation, stock returns

Sustainability information on environmental (E), social (S), and governance (G) factors has become increasingly important for investors in recent years. As such, firms are increasingly mandated to provide ESG reporting, satisfying the growing demand from investors (Ilhan et al., 2023). ESG ratings aggregate this sustainability information into a single number, but the market for these ratings remains unregulated (ESMA, 2021). This lack of regulation can lead to disagreement between rating agencies (e.g. Chatterji et al., 2016; Berg et al., 2022). Furthermore, the assessments of individual providers also lead to confusing inconsistencies. For example, the China Shenhua Energy Co LTD is one of the greatest coal producers in Asia, and consequently, one of the leading emissions' polluter. Refinitiv gives it an ESG rating of A- and an environmental pillar rating of A+. In contrast, the Sunnova Energy International Inc. as commercial and residential solar company contributes to the reduction of pollution receives a C+ as ESG rating and a C- as environmental pillar rating. The reason for these confusing ratings is that those ratings are calculated by comparing just companies in the same industry group.

The aim of this study is to analyse the risk differentiation of Refinitiv's ESG score. In order to do this, we change the industry classification of the companies. More

precisely, the company MC Mining Limited is no longer assigned to the coal industry, but to the superordinate category energy. This means that the company has to compare itself with companies from the renewable, uranium, oil & gas and oil & gas related equipment industries, which could result in a change in the ESG score. Following Khan et al. (2016), we sort the stocks into decile and quintile portfolios based on their ESG rating. We then estimate the Alpha (the abnormal return) using the Fama and French (2015) five-factor model. We measure the performance difference between stocks with the highest and lowest ESG ratings as the differences in abnormal returns (Delta Alpha).

We demonstrate that our recalculated economic-sector-based ESG rating could enhance the differentiation of firms based on stock returns. Stocks with the highest sustainability ratings exhibit lower returns compared to those with lower ratings. Hence, sustainability serves as a financial hedge. This effect is more pronounced for our recalculated rating. While Refinitiv's weights also differentiate between financially under- and over-performing stocks, the performance differences are smaller.

Our study extends the strand of sustainable finance literature that participates in the discussion to construct better ESG measures (e.g. Dumrose et al., 2022). Previous literature about ESG ratings focuses on rating disagreements between different providers (Chatterji et al., 2016) and the relative importance of attributes (Berg et al., 2022). To the best of our knowledge, besides Drempetic et al. (2020) and Dobrick et al. (2023), who identified a size bias in Refinitiv scores, we are the first to analyse the individual construction

of a particular ESG scores, its implications, and possible biases.

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Mandatory CSR expenditure and stock return: evidence from India

Ghorpade Atul, Department of Humanities and Social Sciences, IIT Madras, Chennai, India

Mandal Sabuj Kumar, Department of Humanities and Social Sciences, IIT Madras, Chennai, India

Keywords: Mandatory CSR, Firm performance, Shareholder value, Stock return, India

The Companies Act 2013 in India made it mandatory for certain companies to spend on and report their Corporate Social Responsibility (CSR) activities. Thus, India become the first country in the world to mandates firms to spend a minimum amount on CSR activities and disclose them. In this study, we examine the impact of mandatory CSR expenditure on the stock return of listed companies in India.

There are two prominent views of CSR; shareholders view considers CSR as an agency problem and a waste of corporate resources (Friedman, 1970) and argue that profit maximisation is the only responsibility of the firm. Secondly, the stakeholders and good governance view argue that CSR can be consistent with wealth maximisation through mitigating agency problem, reducing information asymmetry as well as achieving broader social goals. (Freeman, 1984)

The study utilizes actual CSR spending data from Indian listed companies on the National Stock Exchange (NSE) for the period 2010-2022. The data is extracted from CMIE's Prowess database. We employ a fixed effect model and apply the Difference-in-Difference (DID) technique to examine the impact of the mandatory CSR regulation on stock return. The mandatory CSR regulation is treated as an exogenous shock in the analysis. The study findings reveal that CSR has a negative impact on stock return in the long run. However, the

Difference-in-Difference analysis shows that the mandatory CSR regulation has a negative impact on stock return for treated firms in the post-2015 period compared to the pre-2015 period when CSR was voluntary. The study also explores the effect of CSR expenditure levels on this relationship by examining subgroups of firms that spend more than, less than, or equal to the mandated 2% spending. We deploy different robustness analysis such as IV DID, Synthetic Control DID, RDD and it confirms our main results.

This paper contributes to the emerging literature on mandatory CSR and firm performance. It is the first study as per our knowledge to examine the long-term impact of mandatory CSR spending on stock return using actual CSR expenditure data using the Difference-in-Difference (DID) methodology in the pre and post-regulation scenario of the Companies Act 2013. The study concludes that CSR has a negative impact on stock return in the long run, the mandatory CSR regulation has a negative impact on stock return for treated firms in the post-2015 period. These findings indicate that the mandatory CSR regulation has altered the relationship between CSR expenditure and stock return in India.

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The Shadow of Hierarchy and the Global Diffusion of CSR

Robert Kudlak, Adam Mickiewicz University, Poznań, Poland

Ralf Barkemeyer, Kedge Business School

Key words: governance, shadow of hierarchy, corporate social responsibility, developing countries

Why do some companies take up corporate social responsibility (CSR) practices whilst others are not? A growing body of literature has started to explore this topic, most notably in the fields of international CSR and global governance. Of note, prior research has explored the antecedents of CSR of multinational companies (MNCs) and, as importantly, their host country subsidiaries. Arguments here include the ideas that (a) subsidiary CSR can be explained by geographic/ institutional distance between home and host contexts (Kostova et al., 2020; Reddy & Hamann, 2010), or (b) that MNCs engage in CSR in order to overcome market entry barriers linked to the so-called 'liability of foreignness' (Zaheer, 1995). In this study, we aim to provide empirical support for an alternative explanation, i.e. that the home country governance context determines MNCs' CSR engagement and performance in developing countries (especially those characterized by a "limited statehood") We claim that the increasing social and environmental activism of private businesses observed in developing countries can be explained by the institutional and regulatory pressure emanating from their home states. A central notion here is that of the shadow of hierarchy (Börzel & Risse, 2010): CSR does not happen in a vacuum, but in the context of existing country-level governance, and companies are more likely to act voluntarily whenever there is a credible threat – explicit or implicit – of government intervention if they chose not to act voluntarily. Conceptually, we extend this idea to the level

of MNC subsidiaries, arguing that MNC (home country) governance contexts can help us to explain MNC (host country) subsidiary CSR. In other words, stronger “shadow of hierarchy” pressures exerted on companies by a state in their home countries leads to a higher subsidiary-level CSR engagement in the host countries. Empirically, we test these relationships based on a data panel consisting of an international sample of MNC host country subsidiaries.

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