

# **Contents**

<b>1 Introduction.....</b>	<b>1</b>
<b>2 Overview over the historical development .....</b>	<b>7</b>
<b>3 Why Exactly has CSR Become a Necessity?.....</b>	<b>19</b>
3.1 Exercise of Immense Power .....	19
3.2 Increased Deregulation, Liberalisation and Privatisation of Formerly Public Industries .....	22
3.3 Potential for Innovation and Progress.....	23
3.4 Increased Social Legislation.....	25
3.5 Modern Technologies and the Mass Media.....	27
3.6 Globalisation and its Influence on Cultures.....	28
3.7 White-Collar Crimes: Corporate Fraud, Scandals and Excesses ....	30
3.7.1 The Fairy Tale of “Less Detrimental” White-Collar Crime ....	31
3.7.2 A Shift in Paradigm When Dealing With White-Collar Crimes .....	32
3.8 A “Capitalist Imperative” .....	34
<b>4 CSR Conceptualisation.....</b>	<b>37</b>
4.1 Clarification of Denominations and Underlying Concepts.....	37
4.1.1 Corporate Social Responsibility .....	38
4.1.2 Corporate Social Responsiveness .....	43
4.1.3 Corporate Social Performance.....	45
4.1.4 Corporate Governance.....	46
4.1.5 Corporate Citizenship .....	49
4.1.6 Corporate Sustainability .....	51
4.1.7 Socially Responsible Investment.....	52
4.1.8 Socially Responsible or Philanthropic Marketing Practices....	54
4.1.9 Business Ethics Theory .....	56
4.2 An Overview Over the Most Important Theories on CSR .....	58
4.2.1 (Neo-)Classical View: Friedman .....	59
4.2.2 Stakeholder Theory: Freeman .....	65
4.2.3 The Pyramid of Corporate Social Responsibility: Carroll.....	69
4.2.4 The Triple (P) Bottom Line .....	71

4.2.5 Competitive Advantage: Porter .....	72
4.2.6 The Different Levels of Engagement .....	74
4.2.7 A Human-Rights Based Approach to CSR.....	75
<b>5 Concrete CSR Measures: What can a Firm do?.....</b>	<b>77</b>
<b>6 Major Potential Benefits of CSR Engagement.....</b>	<b>89</b>
6.1 Achievement of Competitive Advantage.....	89
6.2 Value-Added to Products and Services .....	92
6.3 Achievement of Organisational Commitment .....	95
6.4 Equal Opportunity Compliance, Diversity and Their Inherent Benefits.....	97
6.5 Enhanced Corporate Financial Performance .....	99
6.6 Prevention of or Exit Strategies to Organisational Crises .....	101
6.7 Opportunities for Partnerships and Alliances .....	104
<b>7 Factors Impacting Upon CSR Engagement .....</b>	<b>107</b>
7.1 Institutional Factors .....	108
7.1.1 Organisational Structure and Firm Size.....	108
7.1.2 Resource Availability .....	110
7.1.3 Development Stage of the Firm.....	111
7.1.4 Decision-Maker Personality and Values .....	113
7.1.5 Corporate Culture and Organisational Ethical Climate .....	117
7.1.6 Board Composition.....	119
7.2 Individual Factors .....	121
7.2.1 Gender Influence .....	121
7.2.2 Cultural Background .....	124
7.2.3 Minority Background .....	125
7.2.4 Religious Background .....	126
7.2.5 Ethics Education .....	128
7.2.6 Other Demographic Factors.....	130
7.3 Environmental Factors.....	131
7.3.1 Industry Attributes .....	131
7.3.2 Competitive Environment.....	132
7.3.3 Governmental Regulation and Incentives.....	134
<b>8 Conclusions.....</b>	<b>137</b>
<b>References.....</b>	<b>141</b>