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(CSR)? A survey among key stakeholders

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## What Motivates Managers to Pursue Corporate Responsibility? A Survey among Key Stakeholders

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**ABSTRACT**  
Following several decades of scholarship with several disciplinary points of departure, there is today a great heterogeneity of theories and approaches to Corporate Responsibility (CR). Taking a pragmatist position, this paper takes some of the most central theoretic perspectives on CR and exposes them to an evaluation by three panels: corporate leaders, MSc students and NGOs. The purpose of the paper is to clarify and compare what these panels think motivates managers to pursue CR from a positivist and normative perspective.  
We find that the three panels are in surprising agreement as to what they assume motivates managers to pursue CR and what *should* motivate the same managers. We also see a large discrepancy between what they think motivates and what should motivate managers. Branding, stakeholders, and value maximization are assumed to be key motivators, whereas sustainability and branding should be the key motivators. Copyright © 2010 John Wiley & Sons, Ltd and ERP Environment.

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## **Abstract**

Following several decades of scholarship with several disciplinary points of departure, there is today a great heterogeneity of theories and approaches to Corporate Social Responsibility (CSR). Taking a pragmatist position this article takes some of the most central theoretic perspectives on CSR and exposes them to an evaluation by three panels: Corporate leaders, NGO employees and master students at business school. The purpose of the paper is to clarify and compare what these panels think motivate managers to pursue CSR from a positivist and normative perspective.

We find that the three panels are surprisingly agreed on what they assume motivate managers to pursue CSR and what should motivate the same managers. We also see a large discrepancy between what they think motivate and what should motivate managers. Branding, stakeholders and value maximization are assumed to be key motivators, whereas sustainability and branding should be the key motivators.

## Introduction

After more than a decade of increasing focus on Corporate Social Responsibility (CSR)<sup>1</sup> and business ethics there is a vast literature on why businesses engage in activities associated with social and environmental responsibility. Much of this literature has been of a general philosophical nature (Garriga and Melé 2004, Secchi 2007, Scherer and Palazzo 2007). Little CSR research has so far been focused on the more pragmatic realities of managerial decision-making (Engle 2007, Sarkar 2008, Hahn and Scheermesser 2006). Even less research has been dedicated to other stakeholders' views of managers' CSR motivation. One exception is Welford, Chain and Man's article "Priorities for Corporate Social Responsibility: a Survey of Businesses and their Stakeholders" (Welford et al. 2008). This article investigates what Hong Kong businesses and their stakeholders see as important factors in CSR. While Welford et al have focused on 15 areas of CR, such as environment, health and safety and governance, our survey focuses on testing key theoretical approaches to CSR.

Most business school disciplines, including finance, marketing, strategy, organisation theory, innovation theory etc. have now developed their own CSR approaches and argumentation along the lines of their school of theories. We have selected ten of the best known business school disciplines, and developed arguments or statements reflecting their stand on CSR. Our study surveys how three key stakeholders groups: Corporate leaders, Students and NGOs evaluate the relevance of these ten pragmatic arguments for actual CSR practice. In addition, this study follows up the inconsistencies between practices and ideals observed by Luring and Thomsen (Luring and Thomsen 2009). The survey therefore measures opinions about both existing and desired practices:

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<sup>1</sup> Many different definitions of CSR exist (Dahlsrud, A. 2006. 'How Corporate Social Responsibility is Defined: an Analysis of 37 Definitions.' *Corporate Social Responsibility & Environmental Management*, 15:1, 1-13.), and several other names are applied to describe the same theme; Corporate Responsibility, Corporate Citizenship, Sustainability are some examples. Issues like environmental protection, human rights, ethics, corruption, employee rights, charity, philanthropy, donations, voluntary work and supplier relations are some examples of elements often included in CSR. To avoid confusion, we will in this paper use the term "Corporate Social Responsibility" (CSR).

What the three stakeholder groups think motivates senior managers to pursue Corporate Social Responsibility (the positivist approach) relative to the ten theoretical approaches presented, and

What the three stakeholder groups think should motivate senior managers to pursue Corporate Social Responsibility (the normative approach) relative to the ten theoretical approaches presented.

The rest of the paper is organized in the following way: The next section provides a list of the ten pragmatic CSR theories we have selected, and describes in more detail what they encompass. Thereafter methods and data collection are described in more detail, followed by a presentation of the results. The final section discusses the findings and presents conclusions.

## **Perspectives on Corporate Social Responsibility**

In our study we have grouped the pragmatic CSR theories in the business literature under the following ten headings:

1. **Profit maximization:** solely to increase profit
2. **Value maximization:** to create long-term value for shareholders
3. **Stakeholdership:** to satisfy different stakeholders
4. **Cluster-building:** to build a strong cluster to provide a favourable business context for the company
5. **Branding:** to build a positive reputation and brand image
6. **Innovation:** to develop new products and business concepts
7. **Copying / imitating:** to resemble other companies
8. **Ethics / morals:** to do the “right thing” (a moral issue)
9. **Managerial discretion:** to fulfil the personal preferences and interests of the manager or person in charge of CR
10. **Sustainability:** to contribute to long-term sustainable development

A brief expansion on each of the ten perspectives with respect to both their positive and normative salience follows below.

### ***Profit- and Value-Maximization Approaches***

Our first and second perspectives draw on a strong tradition in finance and core economics that link CSR consistently to profit- and/or value-maximization (Jensen 2001, Friedman 1970). The firm, in this tradition, is a vehicle primarily created for the investors, where management exercises delegated responsibility to act on their behalf and leaves little room for the broad stakeholder engagement that Freeman (1984) proposes. Drawing on classical liberal regulation theory, Friedman (Friedman 1970) argues that society should set framework conditions through regulation and businesses should maximise profits within this framework. In line with well-established economic theory, Friedman argues that social welfare is maximised when each firm in an economy maximises its total market value. CSR, in this line of reasoning, should only be pursued if it leads to immediate returns.

More recent approaches to CSR from a financial perspective of the firm take a somewhat softer approach to CSR. This is done by shifting the focus from short-term profit to long-term value-maximization. In this expanded perspective, which Jensen calls “enlightened value-maximization”, much of the structure of stakeholder theory is disciplined by maximization of the long-run value of the firm as the criterion for making the requisite tradeoffs among its stakeholders<sup>2</sup>.

As a positive theory, profit-maximization as focused on in classical economic theory leaves little room for CSR in business operations. Long-term value focused finance theory allows some room for stakeholder dialogue as a business driver, but only to the extent that it can prove its case in long-term value creation. As normative theories, both approaches argue that profit- or value-maximizing business strategies follow from rational

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<sup>2</sup> More specifically Jensen (2002) argues that: “..I clarify what I believe is the proper relation between value maximization and stakeholder theory by proposing a (somewhat) new corporate objective function. I call it *enlightened* value maximization, and it is identical to what I call *enlightened* stakeholder theory. Enlightened value maximization uses much of the structure of stakeholder theory but accept maximization of the long-run value of the firm as a criterion for making the requisite tradeoffs among its stakeholders...” page 9.

economic behaviour and should be encouraged as a means to maximise societal welfare.

### ***The Stakeholder Approach***

Our third perspective, the stakeholder approach, has become a cornerstone in both CSR thinking and business ethics (Doh and Guay 2006, Enquist et al. 2006, Morsing and Schultz 2006, Freeman and Liedtka 1991). It implies that the firm must justify its strategies not only to its shareholders and to authorities with a regulatory responsibility, but also to an extensive group of stakeholders. Building, in part, on the open systems perspective (Emery and Trist 1965, Rhenman 1980), stakeholder theory links up with a strong tradition in organisational theory, where the organisation's ties to its environment are seen as a major premise for its value creation.

According to Freeman (1984) the firm must clarify its most important stakeholder relationships and systematically evaluate how its goals and action plans affect its stakeholders, in order to engage in active negotiations to build collaborations and/or to reconcile differences (Freeman 1984). Typical stakeholders are owners, financiers, activist groups, suppliers, customers, employees, trade unions, competitors, authorities and political groups.

As a positive theory, stakeholder theory postulates that Corporate Social Responsibility is pursued in order to understand and satisfy stakeholders. As a normative theory, stakeholder theory could be seen to prescribe stakeholder engagement, as a means to develop a successful business.

### ***The Reputational Approach***

Our fourth perspective, the reputational approach, as presented by, for example, Charles Fombrun et al (1996), focuses primarily on communicative and reputational aspects of CSR (Fombrun 1996). By doing good, they argue, managers generate reputational gains that improve a company's ability to attract resources, enhance its performance, and build competitive advantage. According to Fombrun, citizenship programmes also mitigate the risk of reputational losses that can result from alienating key stakeholders.

The reputational approach to CSR comes as an extension of a trend in marketing to move into new levels of engagement with customers and society. Traditional product focused marketing to mass consumers in a temporary, passive relationship is here supplemented with relational marketing and brand development (Gummesson 1999). There is a general agreement in the literature that corporate brands are required to have a wider

appeal than product brands (Macrae and Uncles 1997) and to develop identities which embody symbols with meaning in a wider social context (Urde 1994, Hankinson 2007). The reputational approach to CSR here comes as a natural and logical extension.

As a positive theory, reputation management theory postulates that reputation and brand image are major drivers of Corporate Social Responsibility. As a normative theory, reputation management theory may be seen to prescribe reputation and brand image as central vehicles for successful business development.

### ***The Cluster Approach***

Our fifth perspective entails expectations that business should contribute to the building and development of local infrastructure and industrial clusters. Corporate Social Responsibility, in this context, implies engagement that contributes to increased competitiveness of the cluster and the firms that participate in it. This positioning of Corporate Social Responsibility draws on Michael Porter's well-established cluster approach to business strategy (Porter 1980, Porter 1998), which again is anchored in a long tradition of systems-oriented understanding of industrial development (Edquist 2000, Lundvall and Nielsen 2007). Together with Kramer, Porter has over the last decade developed an explicitly CSR-oriented extension of the cluster (Porter and Kramer 2002, Porter and Kramer 2007) which has become widely referred to both in academia and in business practice.

Porter and Kramer (Porter and Kramer 2007) argue that collective social investment by participants in a cluster can improve the context for all players, while reducing the cost borne by each individual player. Such investments may therefore have positive spill-over effects independent of the particular position of the individual firm and its dynamic development, as long as it remains within the cluster.

As a positive theory, the cluster-based theory of CSR postulates that cluster-building effects are major drivers of Corporate Social Responsibility. As a normative theory, the cluster-based theory of CSR may be seen to prescribe cluster-building as a central vehicle for successful business development.

### ***The Social Innovation Approach***

A strand in economic analysis, going back to Marx and Schumpeter, focuses on development and growth as a function of innovation. It recognises that competitive pressure is also of central importance, but in its capacity as a

force to stimulate creativity rather than to spearhead cost minimisation (Edquist 2000, Lundvall and Nielsen 2007)<sup>3</sup>.

Taking the dynamic innovation perspective on the firm, as a point of departure, our sixth perspective focuses on an emerging paradigm for innovation, based on partnership between private enterprise and public interest, that produces profitable and sustainable change for both sides (Kanter 1999) Moving beyond corporate social responsibility to corporate social innovation, Kanter argues, involves new engagements where innovative corporations can stretch their thinking, reap the advantages of being a first mover, acquire a deep knowledge of new markets and develop strong relationships with them.

An important part of the literature in this category has focused on the base of the pyramid, focusing on innovation that targets the unmet needs of low-income populations while creating profitable markets (Prahalad and Hammond 2002, Prahalad 2005). Another strand of literature has focused on ecologically-oriented innovation, where contribution to environmental upgrading is of central concern; this includes work on green entrepreneurship (Wüstenhagen 2003, Hockerts 2003)

As a positive theory, the social innovation perspective on CSR postulates that the search for opportunities for social innovation is a major driver of Corporate Social Responsibility (Midttun 2008). As a normative theory, the social innovation perspective prescribes contribution to innovative involvement in solving social problems as a central vehicle for successful business development.

### ***The Institutional Isomorphism Approach***

Our seventh perspective draws on institutional theory and more specifically on institutional isomorphism. The institutional isomorphism thesis in neo (or new) institutional theory argues that organizations (e.g. corporations) are driven by the desire to conform to the pressure of constituents in the

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<sup>3</sup> The organisation theory correlate is the innovative (Langlois 2003) or explorative (March 1991) firm, with a focus on the accumulation and transformation of capabilities and investment in a skill base that can carry the innovative strategy of the firm.

organizational field. The result of this process is that companies under similar societal pressure are becoming more homogenous (DiMaggio and Powell 1983). This leads to corporate practices which are not necessarily driven by efficiency and economics, but which are more focused on legitimacy. The suggested three mechanisms: coercive isomorphism, normative isomorphism and mimetic isomorphism, can all be relevant in explaining CSR activities.

Taking the institutional isomorphism hypothesis as a basis, one may argue that Corporate Social Responsibility strategies could be far less rationally motivated than implied in many of the nine other theoretical perspectives of this paper. Coercive compliance pressure to keep up CSR standards in industrial supply chains may, for instance, force actors to engage in CSR, whether they are otherwise rationally motivated or not. CSR may also spread through normative diffusion, through for instance, consultancy services, where influential consultants spread similar approaches and norms across firms and industrial sectors. Finally, direct mimicking of CSR practices in other firms may be an important CSR-driver, irrespective of its functional motivation.

As a positive theory, this perspective on CSR therefore postulates less functionally rational and more norm-oriented backgrounds for CSR. As a normative theory, this perspective prescribes imitation as a major CSR-driver despite incomplete information and uncertainty.

### ***The Managerial Discretionary Approach / Manager Personal Preference***

Our eighth perspective refers to individual managers' personal preferences. When addressing CSR we refer to corporations as individual entities. However, empirical studies have shown that CSR decisions are often taken by top management (Treviño et al. 2008, Hibbert and Horne 1996, Brammer and Millington 2003, Burton and Goldsby 2009).

Vagueness in evaluating CSR measures gives considerable leverage to individual managers to follow their personal convictions. As Fred Robins put it: "He who pays the piper will always call the tune". ... "One may reasonably ask under what authority, and with what expertise such a self-appointed group of people make decisions regarding social or environmental issues in the community. This is not a trivial or unimportant question" (Robins 2008).

Still, the managerial discretion perspective does not necessarily imply that personal benefit is the key driver for CSR related activities. Managers can

also pursue programs which have no personal benefit to them, yet their decisions do not reflect the opinions of the majority of the employees as reported by (Bhattacharya et al. 2008).

As a positive theory, the managerial discretionary hypothesis postulates a correlation between personal values and attitudes of management and CSR. As a normative theory, this perspective highlights the importance of personal values and engagement as a premise for CSR.

### ***The Moral/ethical Approach***

Part of the literature also shows CSR to be motivated by an ethical and moral discourse. The theoretical underpinnings of the moral/ethical approach vary, and include duty-ethical, virtue-ethical and consequentialist-ethical elements (Hursthouse 1999, Wenstøp 2005), which are all part of a reviewed business school discipline – business ethics. This discipline reintroduces moral reflection into economics, which was central to classical economists like Adam Smith.

From a virtue-ethical point of view, the important point is the focus on action, and not on its consequences. The question is one of moral character, or as Hursthouse (1999) puts it: “Virtue ethics” is an art term, initially introduced to distinguish an approach in normative ethics, which emphasizes virtues, or moral character. According to Aristotle, virtues promote human flourishing.

From a duty-ethical point of view, actions possess moral worth only when we do our duty (Gregor 1991, Stratton-Lake 2000). The spokesman for duty ethics beyond anyone else, Immanuel Kant, developed a principle for determining what our duty is, known as the categorical imperative: “Act only on that maxim through which you can at the same time will that it should become a moral law!” As Wenstøp (2005) points out, the United Nations’ Universal Declaration of Human Rights of 1948 is a notable example of a system of Kantian rules for public policy, where the rights are considered absolute, regardless of their consequences.

Finally, with David Hume, there is also a strong consequentialist tradition in ethics, where the consequence of action, rather than virtue or rule-following, is the core issue (West 2003). We form beliefs about future consequences of actions through reasoning, but (moral) feeling is the ultimate basis for (ethical) choice.

Irrespective of the ethical position one may choose, the ethical approach, as a positive thesis, assumes that firms’ engagement in CSR is morally guided

and relates to an ethical argument for “the right thing to do”. As a normative position, the moral/ethical approach assumes that this is what should motivate CSR engagement in business.

### ***Sustainable Development and Transformation Approach***

Our tenth perspective addresses sustainable development. Sustainable development has been a key issue related to a corporation’s role in societal development since the book “Our Common Future” was launched by the UN World Commission on Environment and Development, the Brundtland Commission, in 1987 (United Nations 1987). The Commission argued that many of the development paths of industrialized nations are unsustainable. Against this background, the Commission recommended economic growth that was simultaneously socially and environmentally sustainable.

Taking the Brundtland Commission as a major source of inspiration, Elkington (2001) presents a vision of a transformation of industrial focus from a purely financial one to a broader environmental and social orientation (Elkington 2001). For Elkington this is part of a radical shift that is now penetrating business strategy as a major theme; but sustainability is also taken up more pragmatically in accounting practice, under what is known as “triple bottom line accounting”. Following the Brundtland Commission (1987) and Stuart Hart (1997), Elkington argues that sustainable capitalism will need to address radically new views of what is meant by social equity, environmental justice and business ethics.

As a positive theory, the sustainability perspective on CSR postulates that the search for sustainable business models is a major driver of Corporate Social Responsibility. As a normative theory, the sustainable development perspective may be seen to prescribe the need to develop ecologically and socially sustainable forms of production of goods and services as central vehicles for successful business development.

### ***Summing up***

To sum up, the pragmatic business perspectives on CSR argue the business case for CSR from very different viewpoints and leave open what weight each viewpoint should carry. Our survey represents a first attempt at providing an answer.

## Method and Data Collection

### **Subjects**

The empirical basis for the analysis consists of a survey conducted with three panels: a corporate leader's panel, a business student's panel and a NGO panel. All the participants were guaranteed 100% anonymity.

The *corporate leader's panel* consisted of participants at the Board Member Conference (Styredagen 2007) held at BI - Norwegian School of Management (BI-NSM) in September 2007. A majority of respondents were board members, but they also included CEOs, corporate lawyers and consultants. The surveys were distributed at the conference, filled out in the break and collected at the exit. Of the 210 participants, 79 responses were received, implying a response rate of about 38%.

The *students panel* consisted of Master of Science students on the mandatory BI-NSM Corporate Social Responsibility course, in fall 2007. The survey was distributed at the end of a class, and the students had 10 minutes to fill it out. The surveys were either handed in, or picked up by research assistants. There are 300 students in this class. Approximately 200 of these attended the class the day the questionnaire was distributed. Almost 100% percent of the students participated.

The *NGO panel* consisted of the employees of two of Norway's largest NGOs from respectively the environmental and the human rights field.

The environmental NGO, the World Wide Fund for Nature Norway (WWF-Norway), has about 30 employees. The survey was distributed during the lunch break, and collected by one of the authors of the paper. We received 24 responses from WWF-Norway, implying a response rate of about 80%. The human rights oriented NGO Amnesty International Norway has about 35 employees. The survey was distributed by regular mail and returned directly to the authors. We received 20 responses from Amnesty, implying a response rate of approximately 57%.

Although the respondents were not systematically drawn from international or even national "universes" of corporate leaders, master students and NGO employees, the selection of the two first groups should be broad enough to tentatively justify some national generalisations. Our NGO respondents were sampled from only two organisations. However, the spread across environmental and human rights issues and the choice of large and prominent NGOs contributes to representativity. In the analysis the three

samples are treated as convenience samples with the significance level added in parentheses.

### ***The survey***

The purpose of the survey was to test and compare the ten theoretical perspectives presented in this paper from a positivist perspective and a normative perspective. The survey thus consisted of two page addressing:

1. What the respondent thought motivated senior manager to pursue Corporate Social Responsibility (the positivist approach) relative to the ten theories presented, and
2. What they thought should motivate senior managers to pursue Corporate Social Responsibility (the normative approach) relative to the ten theories presented.

The following are some examples of the statements posed from a positivist perspective: “Senior managers engage in CSR solely to increase profit”, “Senior managers engage in CSR to satisfy stakeholders”, etc. The questions were subsequently repeated on the next page, but formulated normatively, with a “should” included in each question: “Senior managers’ motivation *should* be to increase profit”; or “Senior managers’ motivation *should* be to satisfy stakeholders” etc. The respondents were asked to check one of the five boxes: *Strongly agree*, *somewhat agree*, *neither agree/nor disagree*, *somewhat disagree* or *strongly disagree* for each of the twenty perspectives on CSR presented above.

The questions were posed as statements about senior managers’ motivation. The respondents were asked to have senior managers in Norway’s 20 largest companies in mind when answering the questions. A list of the company names was included in a footnote to remind the respondents which companies are the 20 largest in Norway. No definition of CSR was provided in the survey, as we wanted the respondents to apply their own understanding of CSR.

The surveys were punched in manually through Conformat (www.conformat.com), and the statistical analysis was conducted through Excel and SPSS. For each of the three groups, the corporate leader panel, the student panel, and the NGO panel, the average score for each of the 20 questions (10 questions about “Assumed present practice” and 10 questions

about “Normative objectives”) were computed and presented in a radar graph. A simple T-test was also conducted for each of the groups to test the significance of the relative differences between the responses to each of the 10 x 2 questions and the average response to all the questions in each of the three groups (see attachment 1: Significance tests)

### ***Socially Desirable Responses***

A key problem in survey studies is that respondents, when assessing themselves, tend to portray themselves as more altruistic and responsible than they actually are (Banaji & Bazerman 2003 ref.). Furthermore “individuals generally believe that they are more ethical compared to their peers” (Chung and Monroe 2003). To avoid the pitfalls of socially desirable responding (SDR) (Chung and Monroe 2003, Zerbe and Paulhus 1987) we did not ask the respondents to assess themselves, but senior managers of the 20 largest Norwegian corporations. The 100% anonymity of the survey also contributed to avoiding SDR errors. The survey was distributed and collected in a manner that made it impossible for the authors to identify individual respondents.

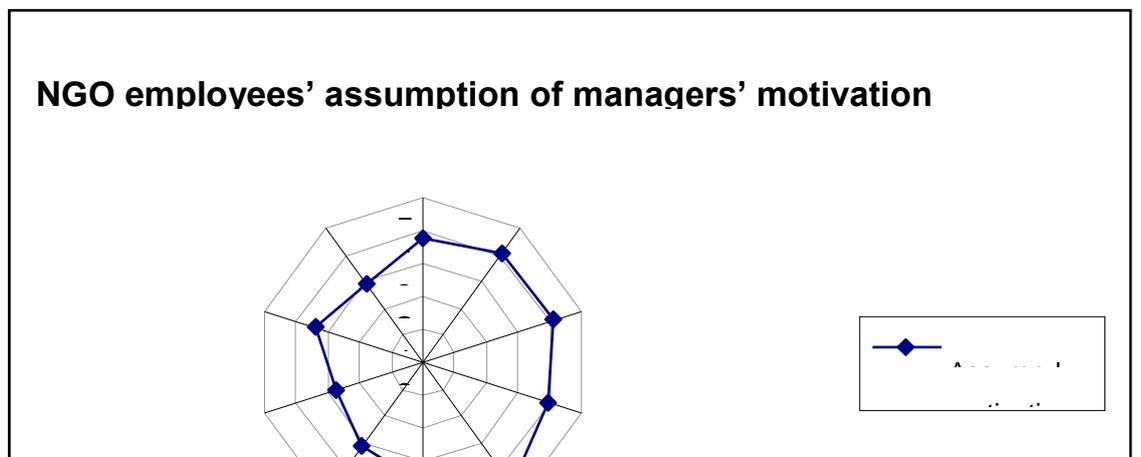
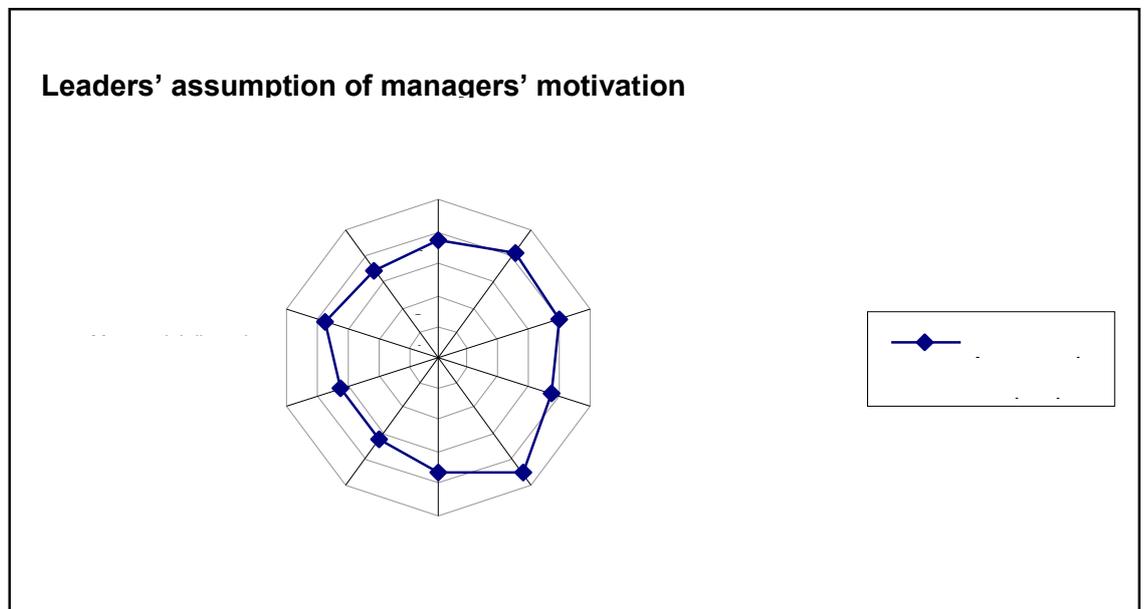
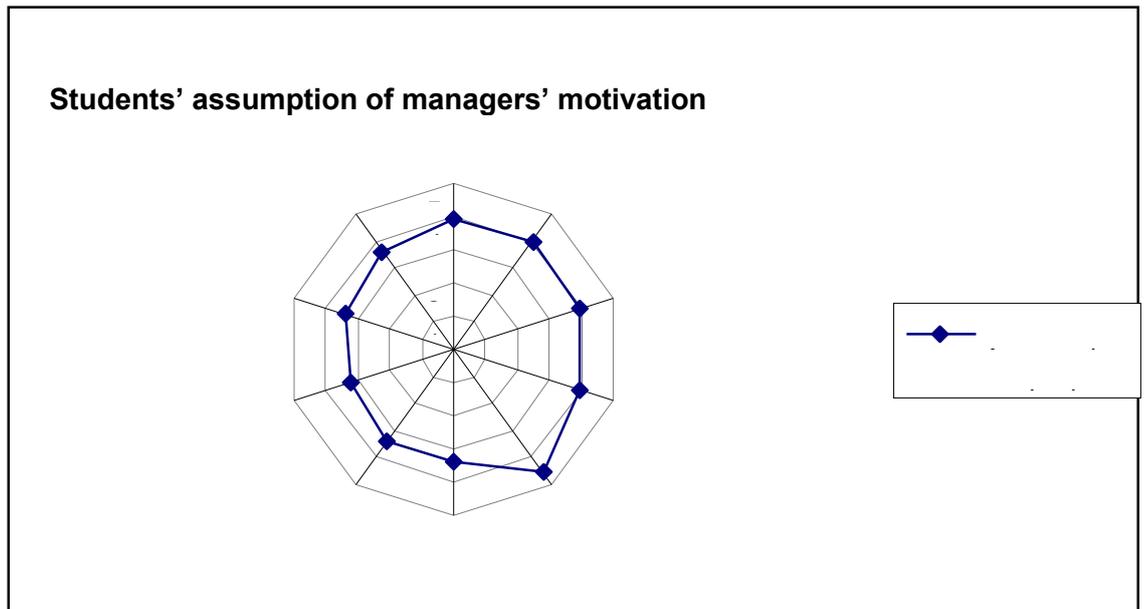
## **Findings**

There are several interesting outcomes of our comparison of CSR-related theoretical discussions with the opinions of the three panels. Firstly, there is a surprising consensus among the three panels both about assumed business motivation for CSR and on normative issues related to CSR. Secondly, the three panels appear comfortable with striking balances across theoretical divides, indicating an ability to factor in instrumental, political, integrative and ethical perspectives and to cross the normative-positivist divide.

### ***What is assumed to motivate senior managers to engage in CSR?***

The most striking finding of the three panels’ evaluation of assumed present practice is their agreement on the salience of the branding perspective and the devaluation of ethics as a CSR-motivator of senior management.

*Figure 1. Assumed motivation for CSR (1=strongly disagree, 5= strongly agree)*



As indicated in figure 1, the branding argument is assumed to be the most important motivator for CSR in business by all three panels (score above average significant at 0.000 level) (Appendix 1: Significance test). Value-maximization and stakeholderism follow thereafter as prioritised CSR-drivers (score above average significant at 0.000 level). Profit-maximization also scores relatively highly as a CSR-driver according to students (score above average significant at 0.002). However, corporate leaders and NGO employees disagree here with students, and give it only an average score (no significant deviance from average). It may seem that “textbook economics” is more alive with students than with seasoned corporate leaders, who draw more on their personal experience.

Ethics scores at the bottom of all three panels’ evaluation of CSR-drivers (score below average significant at 0.000 level), as does sustainability, which scores low both with business leaders and NGOs (score below average significant at 0.05 level). The students, however, tend to score sustainability in the middle as a CSR-driver (insignificant deviation from average). Institutional isomorphism also scores fairly low as a CSR-driver among all panels (score below average significant at 0.001 level)

The cluster-building and innovation arguments for CSR engagement are given closer to medium weight by all groups. For the NGO and leader panels, managerial discretion falls into the same medium category. However the student group scores managerial discretion far lower as a CSR-driver (score below average significant at 0.000 level).

The prioritizing of assumed CSR-motivators in actual practice is summarised in Table 1:

**Table 1. Summary of assumed CSR motivators**

<b>Assumed motivation</b>	<b>MSc Students</b>	<b>Corporate Leaders</b>	<b>NGO employees</b>
High priority	<ul style="list-style-type: none"> <li>• Branding</li> <li>• Value maximization</li> <li>• Stakeholdership</li> <li>• Profit maximization</li> <li>• Cluster building</li> </ul>	<ul style="list-style-type: none"> <li>• Branding</li> <li>• Value maximization</li> <li>• Stakeholdership</li> </ul>	<ul style="list-style-type: none"> <li>• Branding</li> <li>• Stakeholdership</li> <li>• Value maximization</li> <li>• Cluster building</li> </ul>
Medium	<ul style="list-style-type: none"> <li>• Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Managerial discretion</li> <li>• Profit maximization</li> <li>• Cluster building</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Profit maximization</li> <li>• Innovation</li> <li>• Managerial discretion</li> </ul>
Low priority	<ul style="list-style-type: none"> <li>• Copying/imitating</li> <li>• Innovation</li> <li>• Managerial discretion</li> <li>• Ethics/moral</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Ethics/moral</li> <li>• Copying/imitating</li> </ul>	<ul style="list-style-type: none"> <li>• Copying/imitating</li> <li>• Sustainability</li> <li>• Ethics/moral</li> </ul>

***What should motivate senior managers to engage in CSR?***

The most striking finding when it comes to normative expectations is the salience of sustainable development as a factor that, according to all three panels, should be the dominant motivator for CSR with senior business management, as well as a considerable upgrading of ethics (figure 2). The remarkable difference between assumed present motivation and the prescribed motivation appears consistently across all three panels.

All three panels agree that sustainable development should be the most important driver. For the NGOs and the corporate leaders’ panels, this implies a fundamental shift in priorities from the bottom to the top of the list. For the student panel it implies a somewhat less dramatic move from the middle to the top position. For all three panels the score above average is significantly above the 0.000 level (Appendix 1: Significance test).

The shift from a descriptive to a normative perspective also implies an upgrading of ethics as a CSR-motivator. The NGO panel list it as the second

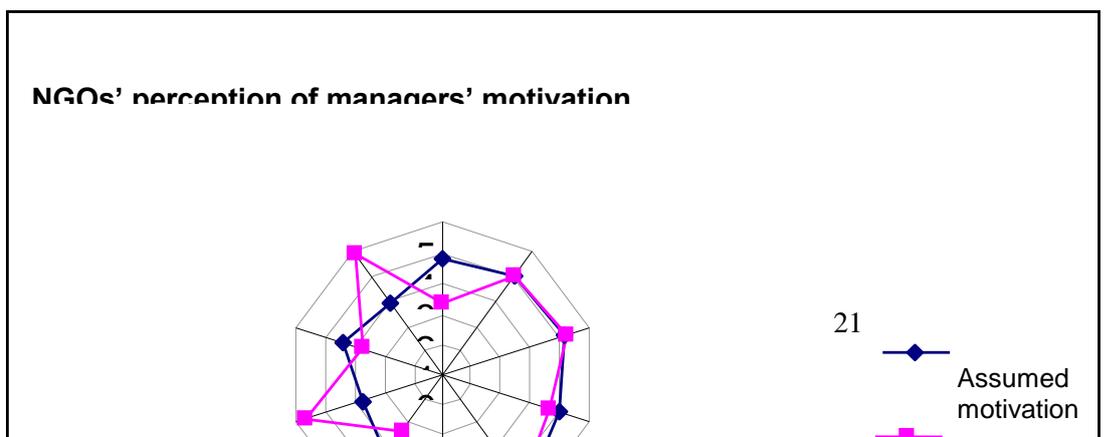
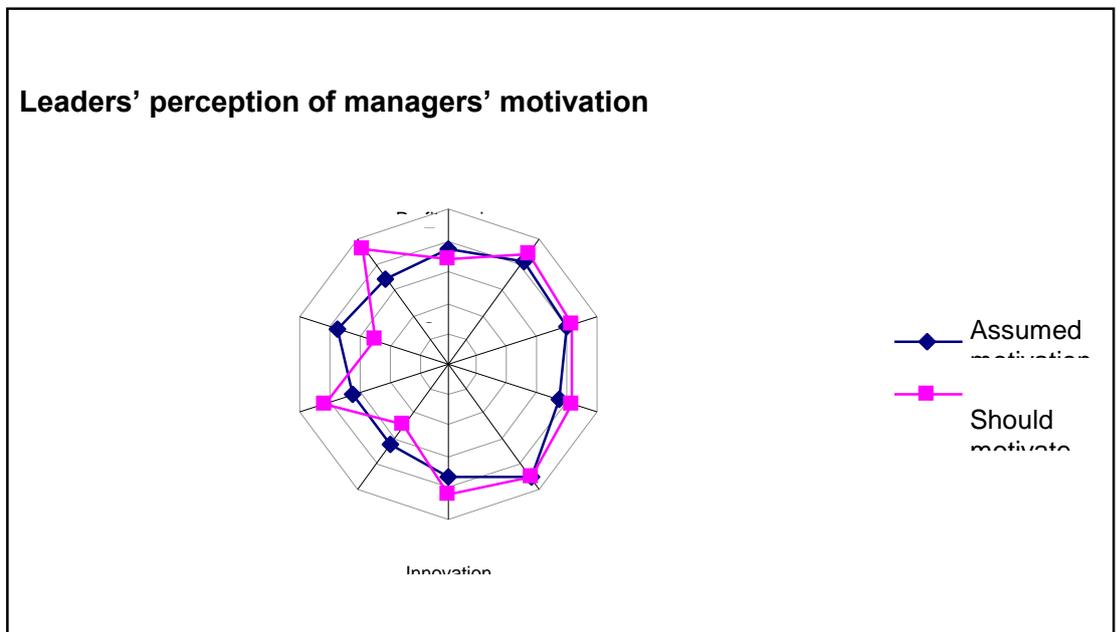
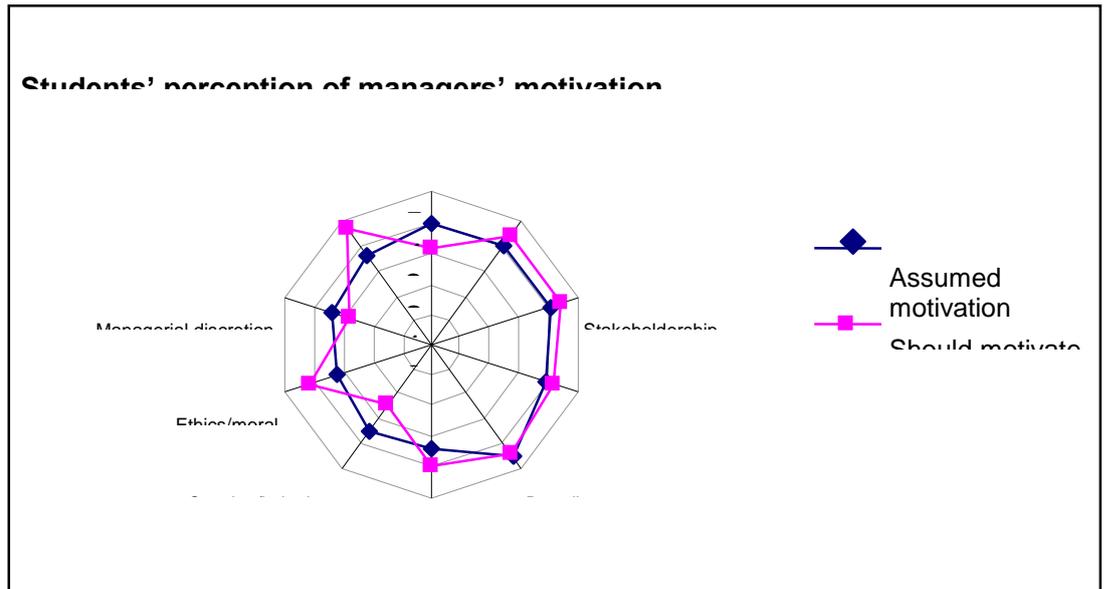
most important motivation for CSR, while the student and corporate leaders only upgrade ethics closer to the middle range. For all three panels, however, the score above average is significant at or above the 0.001 level.

Having said this, branding and market communication retain a high position, and still lead the “pragmatic” motivators for CSR (score above average with 0.000 significance for all three panels).

All three panels, furthermore, agree that imitating others should be the least important motivator on our list. They also generally agree that the personal discretion of managers also should not be a strong CSR-motivator (score below average with 0.000 significance). Simple profit-seeking is also unanimously seen as an inappropriate motivator for CSR (score below average with 0.001 significance). Relatively speaking, long-term value-maximization is clearly seen as more appropriate by the student and leaders panels (score above average with 0.000 significance), whereas the NGOs only score it as average (no significant deviation from average).

Stakeholder management is most popular with the student panel, but still a priority with corporate leaders and NGOs (score above average with 0.000 significance (Table 2)).

Figure 2. What should motivate CSR (1=strongly disagree, 5= strongly agree)



*Table 2. Summary of what should be CSR motivators*

<b>Should motivate</b>	<b>MSc Students</b>	<b>Corporate Leaders</b>	<b>NGO employees</b>
High priority	<ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Stakeholdership</li> <li>• Branding</li> <li>• Value maximization</li> <li>• Ethics/moral</li> <li>• Cluster building</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Branding</li> <li>• Value maximization</li> <li>• Innovation</li> <li>• Stakeholdership</li> <li>• Ethics/moral</li> <li>• Cluster building</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Ethics/moral</li> <li>• Branding</li> <li>• Stakeholdership</li> <li>• Innovation</li> </ul>
Medium	<ul style="list-style-type: none"> <li>• Innovation</li> </ul>		<ul style="list-style-type: none"> <li>• Value maximization</li> <li>• Cluster building</li> </ul>
Low priority	<ul style="list-style-type: none"> <li>• Profit maximization</li> <li>• Managerial discretion</li> <li>• Copying/imitating</li> </ul>	<ul style="list-style-type: none"> <li>• Profit maximization</li> <li>• Managerial discretion</li> <li>• Copying/imitating</li> </ul>	<ul style="list-style-type: none"> <li>• Managerial discretion</li> <li>• Profit maximization</li> <li>• Copying/imitating</li> </ul>

## Discussion and conclusion

Several interesting observations emerge from our analysis. The broad consensus among the three groups is remarkable, indicating widely shared positive observations and normative positions among corporate leaders, masters students and employees in major NGOs. This finding is somewhat contrary to Welford et al.'s: that "There are notably differences between businesses and their stakeholders and within different stakeholder groups."(Welford et al. 2008). On the other hand, our study investigate stakeholders general attitude to CSR, not concrete issues relating directly to stakeholders area of operation (for example Environmental NGOs first priority being Environment and Investors first priority being Governance).

In their description of present practice among the largest companies, all three panels agree that instrumentality prevails as a CSR-motivator, with branding and reputation-building as the primary CSR-drivers. We argue that this probably reflects the strong brand orientation in Western business practice, and its entanglement in the world of media and communication.

Yet political, integrative and managerial factors also stand out: Cluster-building and stakeholder management are widely seen as central CSR-drivers by all three panels. The relatively low ranking of ethics as a CSR-motivator in current business practice could be taken as an indication of the view that the corporate world has adopted CSR mainly for pragmatic or functional reasons, and remains as “amoral” as the Canadian corporate lawyer Joel Bakan (2005) suggests.

All three groups make marked distinctions between the descriptive and normative positions, which is in line with previous finding (Lauring and Thomsen 2009, Fougère and Solitander 2009). There is a clear willingness to upgrade ethics and sustainability when they move from description of present practice to expectations of what business should be doing. While sustainability tops the priority list as a CSR-driver in all three groups, ethics also comes in as a much more central driver, particularly for the NGO employees.

When it comes to instrumental drivers, the shift to a normative perspective implies downgrading of shorter term profit-maximizing. This shift is shared by all three panels, but is most pronounced with the students and NGOs. Yet instrumental drivers generally continue to score highly as CSR-motivators, even from a normative point of view.

Taken at face value, the normative shift appears to signal the expectation of a different role for business in society where ethics and sustainability are upgraded and where business takes a longer perspective on value creation. However, this shift does not in general imply downgrading of instrumental factors, which continue to be seen as central CSR-drivers, across all three panels. The fact that all three panels unanimously prioritise long-term value creation over short-term profit-seeking as a CSR-motivator is a further indication of a paradigm shift towards a broader perspective on value creation. The panels here apparently agree on the impossibility of seeing immediate payoffs from CSR engagement, and yet potentially expect payoffs to be there for value creation in the longer run.

A more pessimistic interpretation is also possible, namely that the discrepancy between what is perceived as present motivation and what one would like to see from a normative point of view will continue. Even though the panels agree on what is the right thing to do, this does not necessarily lead to subsequent action. This finding argues for more formal regulations are necessary to close the gap between positivistic, or actual, and normative, ideal, CSR behaviour (Fougère and Solitander 2009, Maximiano 2007).

By exposing predictions and normative statements derived from theories of CSR to the three panels, we have started to move beyond pure deductive theorising towards empirical practice. While the theoretical approaches understandably develop stringent systematic schemes, they often end up giving us an impression of absolutist divides. Responses from the three panels in this study indicate an evolution of expectations across theoretical divides, with a willingness to balance instrumental/utilitarian with integrative/political perspectives. However, the discrepancy between assumed practice and expected norms remains a challenge which calls for further ethical reflection and empirical testing. Performing the same survey with similar panels in other countries would be an interesting next step. It is always an open question how persistent attitudes are across cultural differences.



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