Corporate Social Responsibility: Making Sense and Realising Benefits

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Abstract

The process of sense making in Corporate Social Responsibility (CSR) is complex and is impacted on by a range of issues. The experiences and values of the person, the espoused and actual values of the organisation and the impact and input of external stakeholders all have a role to play in the process. This paper examines the way that employees of a range of businesses make sense of CSR, how they identify with initiatives and what, if any, business case can be made for CSR. By taking a Grounded Theory approach this article considers what CSR means to staff; utilising a range of business and organisation types and outlining a framework for a range of activities that might be classified as socially responsible. Implications are developed concerning the impact that different CSR categories have on both business and employees.

Introduction

In 1970 the Nobel Laureate Milton Friedman stated that the 'only social responsibility of business is to increase profit'. Whilst this may have been an overriding view in 1970, the fact that corporate social responsibility (CSR) is a major concern of business, government, academia and society at large in the new millennium should not come as a major surprise. More recently Social Responsibility was ranked second in an FT/PriceWaterhouseCoopers survey of the views of 750 CEOs on the most important business challenges to companies (Morimoto 2004).

There has been a major change in the perception of business and its role in creating value (Porter 2011). Until the recent past, traditional capitalism was held up as the answer to all questions of wealth and value creation; where value was seen as belonging primarily to shareholders. The global recession and a string of banking scandals has shone a light on traditional corporate values and found it wanting – organisations of all sizes are believed to be prospering at the expense of society. This perception has been challenged with the rise of interest in CSR and the adoption of its principles by the majority of large investor owned firms and banks.

Shared value has been defined as 'policies and operating practices that enhance the competitiveness of a company whiles simultaneously advancing the economic and social conditions in the communities in which it operates' (Porter 2011). This view asserts that the standard operating model of businesses consists of an outdated perception of how they create value and indeed of what constitutes value. The short term focus of maximization of both profit and shareholder return has been criticised as unsustainable (Carrol 1979, Handy 2005) and the question of how organisations can create shared value (Porter 2006) is key to the redefinition of what both capitalism and CSR mean in the 21st century and how it might evolve into a system that meets the needs of its stakeholders in the widest sense.

Murimoto et al (2004) consider if CSR represents the social strand to sustainable development as defined by Bruntland (1987) in the World Commission on Environment and Development (WCED) report. The report by WCED suggested that sustainable development involves a process whereby the exploitation of resources, the direction of investment, the orientation of technical innovation and institutional change are all aligned and enhance both the current and future ability to meet human needs and aspirations. The report identifies environmental protection, economic growth and social equity as being the cornerstones of this development. Again we can link this back to the notion of the creation of shared value where a much broader set of priorities than simple profit maximisation drives the organisational strategy.

As a concept, Corporate Social Responsibility (CSR) is a construct that is based on the assumption that businesses have obligations over and above merely making a profit. It has been variously defined as 'the contribution a company makes to society through its core business activities, its social investment and philanthropy programmes, and its engagement in public policy' (WEF 2010) and 'the obligations of the firm to society or, more specifically, the firm's stakeholders' (Smith 1999). According to the EU Commission CSR is '…a concept whereby companies integrate

social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis' (EU Commission 2002). Additional definitions are available from other sources; however, there is no singular and clear accepted definition of exactly what CSR is. This being the case, how then can the phenomenon of CSR be investigated and what options are available for its study; and how might credible conclusions be drawn as to its link with competitive advantage? For example, Hemmingway and Maclaggan (2004) question fundamentally if the notion is indeed corporate and note the difficulties surrounding ownership of a value and ask if a value can be attributed to an individual or the organisation? This is a view shared by Agle and Caldwell (1999) where they highlight the different levels of values – individual, organisation, institutional, professional, societal, global etc. They note that there are difficulties in establishing whether values are personal or organisational, and ask if the alignment of personal and organisational values is a result of personal, rational choice or some form of dissonance reduction where individuals change their beliefs to and values as a necessary part of resolving organisational value conflicts. They further note that where there is an overlap between organisational and employee values, that there is a tendency to demonstrate a preference to the employer. The relevance of the question of the link between personal values, organisational values and CSR should be of interest to any organisation that promotes CSR as an important part of its culture.

There have been questions asked recently regarding the impact that the global recession might have on the CSR debate and whether CSR was a luxury during the 'good times' that will disappear along with bonuses, expense accounts and discretional spend during the recession. That some organisations consider CSR to be an 'after profit' consideration and others a 'before profit' activity has already been well documented (Smith 2003). Those organisations who see CSR are a before profit activity tend to have a strong values base and see it as part of their corporate DNA, whereas those for whom it is an after profit consideration are more likely to see it as a dispensable add on that will be cut when profits fall. This short term view has been shown to be questionable, as exemplified in an AT Kearney report of February 2009, where it is suggested that the performance of 'sustainability focused' organisations are achieving above average financial performance, and discovered that organisations included in the Dow Jones Sustainability Index were performing up to 10% more effectively across a range of measures than the general Dow Jones (Mahler et al 2009).

Sense Making and Symbolic Interactionism

In their paper Making Sense of CSR, Cramer, Jonker and van der Heijden (2004b) examine the process of sense making and developing meaning of CSR. They use the language of Karl Weick (Weick 1995) where he asserts that sense making is about such things as placement of items into a framework, comprehending, dealing with surprise, constructing meaning and trying to gain mutual understanding. The theory of sensemaking asserts that it is an inherently social process involving gaining an understanding of what others want and trying to ascribe meaning to it (Goia & Chittipendi 1991). Sensemaking is thus related to complex issues and not to simple everyday problems that occur in organisations which can be resolved through routine processes and procedures. This is especially important where facts interact with

beliefs, values and norms – an important part of CSR (Nijhof & Jeurissen 2006). At the core of sensemaking is the notion that people retrospectively make sense of their environment, behaviours and consequences (Weick 1995). This process is likely to be complicated by the fact that in any organisation people might adopt a range of stakeholder perspectives e.g. as employee, customer, community member whilst within a business different employees are likely to use differing mental models to make sense of their environment (Morsing & Schultz 2006), thus making the process both complex and subjective.

CSR offers a framework and reflexive process in which people can construct meaning (Cramer 2004b) and some studies have found that it is more easily adopted by top managers than by line managers and their personnel, and that line managers usually focus on their day-to-day performance and the financial bottom line; where they usually just wanted to know what they were expected to do and what the specific merits of CSR were for their business. In a subsequent paper for ICCSR, they quote the example of an airline that launched a CSR project within a business unit which ended fairly quickly because the unit manager did not recognise the relevance when looking at the targets that the company gave to him.

One of the issues around CSR and sensemaking is the notion that the process of sensemaking is a retrospective activity based around two key questions – what is going on here (the assumption that the phenomenon has happened) and what do we do next (Weick 1995). This may be problematic in terms of CSR which might be seen as prospective sensemaking (Gioa & Mehra 1991), where an organisation is engaged in the imagining of an idealised future, then working towards it. An example of this might be the environmental initiatives engaged in by, say, Marks and Spencer or the human rights initiatives that Body Shop were associated with in the past. In this case sensemaking is not simply confined to the notion of discovering a shared reality, but in crafting a future that is seen to be shared by members of a community. This is done by a process of constructive dialogue, where the organisation and its stakeholders can produce a shared vision of the future and act upon it. This suggests that in addition to producing a shared view of the current reality it is possible to create a shared dream of the future by selecting the issues that are integrated with the organisation's competencies; and are affiliated to its core vision of a sustainable future. Additionally the process of Symbolic Interactionism becomes relevant to this process.

Methodology

The aim of this research is to investigate what different people at different levels in a range of organisations perceived as socially responsible behaviour and what importance and value they attached to the different initiatives. This study consisted of semi structured interviews carried out in three organisations. The sizes of the organisations ranged from £multi-billion turnover businesses to a local co-operative. These organisations have been chosen as they reflect the differing structures that represent the full spectrum of incorporated businesses (with the exception of the niche area of incorporated partnerships). The businesses can be seen as typical cases of their type and the private sector business has moved from a Plc to a private limited company after a takeover by a Private Equity (PE) business, thus giving insight into both the Plc and PE sectors – which account for a significant element of the UK commercial landscape. All three believe that values are an important element of their

business model and organisational culture. The use of multiple cases give a richness of detail in allowing input from the widest cross section of staff by interviewing over 150 staff of varying positions, and from the widest possible ranges of business units and regions until saturation of categories was reached. To ensure that a full range of job roles and seniority were covered a purposive sampling strategy was employed. This ensured that in each of the organisations the range of people interviewed encompassed all levels from front line operational employees to senior board level directors. This was important as part of the rationale behind the research was to identify whether position in the organisation had any impact on the perception of CSR. The number of staff interviewed from each organisation varied from over 40 members of staff from one of the UK's leading health and beauty retailers to five people from a small local business. The approach follows the case method outlined in Hingley (2010) and Stake (1995) and can be seen as typical cases of this type (Yin 2003). The cases are built using Grounded Theory, and highlight the importance of intersubjectivity and symbolic interactionism; both of which require a depth of analysis and rigour in their investigation

To apply a positivistic ontology to CSR would be difficult as assumes a single tangible reality that can be broken down and studied independently (the whole being simply the sum of the parts) and central to the positivist ontology is the epistemological assumption of separation of the observer form the observed. As we noted previously, CSR does not easily lend itself to such a process. Further and more fundamentally problematic for a construct such as CSR is the assumption of value freedom – that the results of an enquiry are free of bias (Lincoln & Guba 1985). As there is no clear definition of what constitutes CSR, how it might be measured or indeed how different people, organisations and stakeholder groups interpret CSR then it suggests that each inquiry must be heavily influenced by any number of value systems. Much of the discussion surrounding CSR appears to suffer, to a lesser or greater extent, from the phenomenon of reification and to consider the construct from a positivistic stance would suggest exactly this.

Grounded Theory has been used in the past to investigate CSR (Morimoto 2004) where it was chosen for its ability to generate theoretical explanations from largely qualitative information captured during a programme of interviews. Glaser and Strauss (1999) stressed that Grounded Theory is a particularly useful tool for providing explanations when researchers are confronted with substantive issues where they have no real theories.

Integrating Categories and their Properties

During the initial coding process the relative position of people in the organisation was noted, and was initially included in the open coding process, as there seemed to be a link between understanding of values and culture and the position in the hierarchy. It was at this point that the process of memos began to add significant value. The memo-ing process when revisited highlighted a new and strong relationship between the position in the company and the process of open coding and the emergence of concepts and categories began to reveal a link between the perceptions of staff about the different initiatives. It became clear that there was a tendency to categorise activities relative to the mission or purpose of the organisation.

When there was a link to either the culture of the organisation or to the community of practice that employees perceived themselves to be attached to, then the activity itself was deemed as more important or relevant. This is not to say that all people identifies the same initiatives, indeed there were a range of other factors that impact on the importance of different activities – in one organisation front line staff saw a staff benevolent fund (an emergency payment fund for people suffering financial hardship) as being the single most important initiative, because they all knew someone who had benefitted from it. No members of head office mentioned this as important, only front line operational staff that have part time colleagues working with them in seasonal retail jobs. This is seen in Table 1. where the different organisational perspectives are given in more detail.

The process of constant comparison between and among the concepts and categories led to the realisation that whilst there may be different initiatives, some appeared to be more important than others and strong links were noted between the more strategic initiatives and those that had more of a 'social' feel to them. It began to emerge that an important element of any initiative was the degree to which staff viewed the initiative as being aligned to the organisational purpose and then how engaged that they felt regarding the initiative and its impact on the market.

The Theory and the Story

There were a wide range of activities identified from all three organisations, however, for the purposes of this paper only those related to the markets that they serve have been analysed, although it is worth noting that the activities were not only market and community focused. Equally there were a range of activities that closely matched the personal values and experiences of employees which were not always aligned to the organisations values. This manifested itself when interviewees noted their preference for engaging in socially responsible activities that might be classified as not employer driver e.g. supporting their local charities or community activities not involving the company. As the research developed it became clear that both employees and businesses felt that activities that were closely aligned to the objectives of the business and supported the personal values of the employees were deemed to be much more impactful and important than the one off initiatives that, whilst being of some value were not generally seen as being of significant importance. Figure 1. takes a range of activities that were identified across the organisations and using the methodology described above categorises them by using the categories identified by the coding process.

One of the key findings from the research is the importance of context in identifying the perception of initiatives. The study showed that activities tend to be classified depending on the individual's preference for the particular cause, but interestingly there was, in almost all cases an interest in the level of alignment to the organisation's values or purpose. Where employees could see a link between the causes and the business they were significantly more positive about them. Even in cases where there might not be an obvious link, e.g. the Benefit Fund as mentioned above, staff were quick to link it to the businesses values, repeatedly stating that it showed that the company did not just talk about looking after its staff but had put in place practical

measures that allowed for direct interventions when staff were in need. Equally from the senior managers' perspective, these were very keen on initiatives that modelled the behaviours that the organisation felt would strengthen its culture.

The categories in Figure 1. reflect the degree to which the activity might be seen to be aligned to the organisational mission and values (integration) and those where the employees feel a strong sense of identity with the cause (affiliation), even though it might not be strongly aligned to the organisational mission e.g. community building project, or one off television appeals. There can and will be migration between categories e.g. environmental initiatives may been deemed to have moved from box 3 to box 1 over the last couple of years.

The example given in Figure 1. comes from the full range of businesses, from those who would describe themselves as values driven: where all of the staff interviewed saw the business as being values driven and socially minded; to the one business where the only values that could be ascertained were those of meeting customer needs. Whist the IOF business appeared much more aligned to the Friedman view of CSR (the business of business is business), the staff still engaged in cause related CSR. The comments on all of the activities were generally favourable, however there was a significant and notable difference between comments on activities that have been classified in box 1, to the other boxes, the typical comments are given in Table 1., where this can be clearly identified.

This does not in any way negate the value of the other boxes, and indeed the indications are that activities in all boxes are needed to ensure that all employees can relate in some way to the activities that the organisation engages in. What began to transpire as the interviews were analysed was that, at all levels in all of the organisations researched, staff had a range of perceptions on what they thought constituted 'good CSR' and how it impacted the ability to create shared value. Whilst there was no definitive view as to exactly what that would look like they had similar views on they types of activities that they thought were important. These individuals expressed a preference for some of the box 2 or box 3 activities where they felt that they could keep a relatively flexible level of engagement. The activities in box 3 were all popular, although those people who preferred activities in box 1 stated that they, generally, could take or leave what they perceived as one off campaigns. The impact that the box 1 activities had on those who engaged with them were extremely powerful and comments linking them with both organisational performance and a deep sense of personal satisfaction were noted. Interestingly some activities in box 2 that might easily be considered CSR activities were deemed to be 'day job', in other words they were seen not as CSR activities but as commercial activities with no additional significance. This was particularly noticeable with some of the supply chain activities where a policy of 'enlightened self interest' might be said to be being followed. This, however, was not the perception of the supply chain professionals interviewed. They were aware of the impact that, for instance, use of child labour in the supply chain might have, and the fact that the organisation had instigated educational programmes to try to ensure that the supply chain behaved as ethically as possible (including rigorous audit of the supply chain), but they felt that these activities did not constitute CSR as they were what the company should be doing. They should not be seen as socially responsible – instead it would be irresponsibility of the worst kind not to have these initiatives in place as the damage to the company's

reputation would be so significant that they had no choice. This contrasts with similar activities of for example, Nike, who see this type of activity as central to their CSR efforts.

Table 1: Typical quotes related to categories from the CSR Activity Matrix

Business Type	Business Managers	Front Line Staff	Support Staff	Senior Managers
Local Co-op	BM1 **Theme – adding value** The values that we stand for are well known. We are part of the community and we make sure that we give back. We trade to make money that we can give back. BM2 **Theme – giving back** What is different is that we are here to trade and make money but not to give back to investors - so one of the first things that we show is that we are trying to do things for everybody's community BM2 **Theme – supporting developments** We support so many initiatives. We've got them working with various voluntary bodies around the county a lot of our staff are governors of groups and it's not just a society thing it's not part of work. BM3 **Theme – Developing supply chain** we ensure our suppliers act in a SR way – part of the BG is that the buyers and the trading group ensure that any suppliers that we deal with not only sign supplier warranties but also audits are carried out to make sure no child labour and all the things you would expect from a responsible supply chain are being BM4 **Theme – Developing supply chain** We can request additional suppliers –I am confident we will get sign off and they say you can deal with this company as a local supplier and then it's up to me to keep that development going and ensure that relationship carries on	FL1 **Theme – Leadership** we've got a very strong SMT who meet and cascade it out and live and breathe and make sure that all of the information is out in all of the divisions. We've got a strong membership community dept. that is looking after all member groups across the trading area so there are groups everywhere FL2 **Theme – Adding Value** The values that the organisation stands for, with us being member based, we're here to work for our members and to provide the widest possible range of benefits to our members. We consider ourselves to be at the forefront of ethical retailing. FL3 **Theme – Core values** The key things that are important to the co-op, as a co-operative, there are a range of co-operative values and principles. We've have been around since 1861 which is coming up to 150 years, we were founded on the foundations of honesty, integrity and quality and I'd say that even today,.	SS1 **Theme – Adding value** What's important – giving good value. Whether that's in food or the deeds that we do or the involvement or the I think that the soc delivers what it preaches. It's not just a list of things on a wall. There's a genuine desire to deliver what we have in our mission. SS2 **Theme – values** In terms of being a coop – there is an importance about how it underpins our values– it isn't just about making a profit – well it is but is about how we make a profit. SS3 **Theme – adding value** We support a range of initiatives –. Other things like our stonemasons will help with local initiatives and helped a village to restore a building. it. I think we are looking at more far reaching things with our charity fundraising we are encouraged to get involved if we can.	SM1 – **Theme – Developing Supply chain** we've put our local suppliers together so that they can purchase some of their ingredients together so that they can both get a financial gain but also in a cooperative way of working together.. another example is one that hasn't become a supplier but I'm the local contact and get enquiries from local producers who are not ready to take the step at this stage but who want advice and so we do that – it's free and we use that time to look at their packaging or how they are going to get the stage of being big enough and get in to a chain. SM2 - **Theme – Developing the supply chain** I can look at a local supplier and try to find ways to ensure we are working with them not just purely business but what we can do to help so for example we have vehicles going out all over the county – can we help with your distribution? They are saving on food miles and their diesel costs. We have taken on a brewery and we have a storage centre in so we bring their product to our distribution centre when we are coming back. SM3 **Theme – Leadership** Being profitable – that is really where we see ourselves retaining our independence as a cooperative. About being good at what we do rather than just doing it because we think members want it. Probably the SMT divides into those who are more commercially focused and those who are cooperatively minded. The chief exec ultimately plays both roles.
Large Co-op	BM **Theme – Values** One issue is that ethics is such a loaded idea – you ask 10 people what's ethical and you'll get 10 different understandings or 10 different ideas, and whilst there's clearly defined criteria's for some issues e.g. you can measure the impact on the environment of your activities –	FL1 **Theme – adding value** It's now part of who we are, so for us call centre staff, it isn't a day to day issue, we're not sat immersed in it all day and having team meetings about planet change, we have a very clear function they are customer service advisor they are about account management and that's what they are there to do, but as part of induction, it is covered, it's what sets us apart.	SS1 **Theme – adding value**– my role is to help create an environment where everyone knows the direction of travel. We gather the information and then disseminate it to all of the various branches and centres. This gives the sense of direction. SS2 – **Theme – values** the there's an unwritten assumption that ethics costs and they're a luxury – if you're a successful	SM1 **Theme - Leadership** What we do is as a start we say we're not a charity, we are a bank first and foremost and we have to provide decent products and decent service, people aren't with us out of the goodness of their heart, they're with us because they want a good financial service provider. SM2 **Theme – adding value** What we do is to create employment in the communities that we are based in. As a financial institution is difficult to stimulate markets – it is not what we

		FL2 **Theme – adding value** –. There are ethical guidelines but we are not really measured as individuals against these – that's more the company as a whole I think.	business then you can afford to pay a bit extra for renewable energy or for a bit of green-wash –,we do decline business, so we are turning it away.	do. We try to install a belief though that our staff have a responsibility more than simply to make money. SM3 – **Theme – adding value** We believe that healthy communities result in value being created and this is where we can assist in the process of value creation in a much wider context than simply profitability – important though this is
IOF	BM 1 **Theme – Economic Impact** Most of our stores are in town centres, less than 100 are out of town (2500 total), so when you look at crime and business crime, issues of access and how you market town centres, how we improve the environment of town centres and the retail mix and mix between retail and leisure – if we make it better, more people will come they'll stay longer and will spend more money BM2 **Theme – giving back**– let's face it anyone can donate £10K to a charity and it is no doubt welcome but it is the long term relationships that give the real value and that is where we make a difference. We do not simply throw some money we do try to help them to develop	FL1 Theme – **alignment** I think that the charity must match the business so it needs to be healthcare or something along those lines. In terms of donations and things that the public see – healthcare and education I think the change one thing was great and we should build on that. FL2 **Theme - values** We create jobs in our local community and then we spend our money in the local shops. There are also things like the Benefund which is a fund that people who have money problems can apply to. One of our staff her husband left her with big debts neat to Xmas and she applied to the Benefund. It gave her enough money for Xmas and for the kids so that was good. FL3 **Theme –** Economic Impact I think that we also buy things from British companies and that helps with unemployment and keeps jobs in the UK. We have not sent any of our business to India	SS1 **Theme – leadership** Every day is different to an extent.. Another thing that I enjoy are the team things, like this morning I ran a session for the team so that they would understand Mission Purpose and Values SS2 **Theme – Values**. Then it's the move form just quality to CSR, it's been interesting to see colleagues in the department increase their understanding of CSRS **Theme – Values** The most important thing is making a profit, but not at any cost and there are other things as can be evidenced by our team. So being socially responsible, ensuring suppliers are ethical, no child labour, all this sort of stuff and treating customers well, treating them how we'd want to be treated ourselves and looking after the staff as well	SM1**Theme – Leadership** We are clearly defining ourselves in terms of our mission purpose and values. So we are much we are much clearer now about our mission to be the world's best the health and beauty retailer. We will deliver a mission purpose and values of being much more customer led with a can do winning attitude and with a culture of never being satisfied. So, the relentless demand for more SM2 –**Theme – Leadership** I would say caring for the community in local and the global sense is something I would associate - there is a direct link between the times where the business was clear about the business stood for, what it was trying to achieve, and success. There is a correlation between that and the business performance SM3 **Theme – Alignment** Ultimately, I would say that any initiatives must be relevant – they must link to your stakeholders.

In considering Table 1., we can see that there is a strong link between the comments from the local co-operative and the ability to create what Porter (2011) might have defined as Shared Value. The Investor Owned business also seems to have a clear idea as to how it can create shared value, although the language and terminology are different in this case to that of the local co-operative. Only the large financial service Co-operative did not seem to have identified the ways that it added value to its market. The belief that the underpinning ethical stance was responsible for this may well have an element of validity but there was no sense of there being a coherent set of activities that were leading to the creation of shared value or that might directly impact the market that the organisation served.

If we then transpose the broad categories from Table 1. to Figure 1., the link between Strategic CSR activities and what was variously termed the 'organisational DNA', the heritage of the organisation or the 'way we do things' appears strong. Some of the organisations had a well developed vocabulary that allowed their employees to enunciate this, whereas others simply talked about 'what we are about'. A correlation

between seniority in the organisational hierarchy and a strong preference for the box 1 activities was noticed, however although more senior managers tended towards category 1 activities, employees who saw themselves as part of a community of practice also expressed a preference in this regard. Equally all members of staff appear to enjoy the activities that category 3 or 4 activities and felt that they added value to the communities and so the markets that they served. Although some saw them as at best peripheral and in some cases as a distraction.

The initial reading suggested that senior managers in the organisation would feel differently about CSR than would front line employees, and whilst there was certainly a difference in the language that they used, all groups from all levels of the organisations held similar views on the positive things that the organisations do for what might be termed their stakeholders. This does not mean that all people supported the same activities or indeed understood what was meant by CSR, but they all understood the benefits and harm the organisation could do.

From a sensemaking perspective it became clear that to some extent the Weickan view (Weick 1995) that people make sense by discussing and by written documents does hold, but what did transpire was that people make sense in their own sphere of interest initially then may look further afield to ascertain a wider boundary and this would seem to support the Symbolic Interactionism perspective. Thus we have front line staff viewing the benefit fund first and foremost as an indicator that the company does put its employees needs high up the agenda, and then some time later considering the implications of climate change. This is contrasted with environmental managers who all had a similar view of the challenges of climate change, or supply chain managers who viewed the impact that stimulating the market has not only on the organisation but in the wider community that they serve. These groups may not have been aware of initiatives such as those that the front line staff might engage in. This would not be seen as particularly surprising as it might be expected that initial discussions take place with immediate colleagues.

The notion of future oriented sensemaking appears in the Figure 1. Strategic CSR box. Many of the initiatives identified here were focused on creating a 'better' future, so that one business used it not only to promote good work done by their staff, but to ensure that behaviours and practices that they felt, in conjunction with their stakeholders, helped to create a better future both in the UK and overseas were given a platform.

Figure 1.

The CSR Activity Matrix

3 Cause Related	1. Strategic CSR Partnering activities Supply	High
Healthcare programmes		

Reading projects	chain activities Developing markets Stakeholder engagement Supplier support Staff development	**Affiliation** Low
4 After Profit Activities Sponsorship and charitable donations	2. Relevant Activities Returning money to customers community Apprenticeships and job creation	
Low	**Integration** High	

Conclusions

The research suggests that, whilst there is evidence that people construct CSR relative to their own personal value system, there is significantly influenced by their frame of reference, which they usually take from their peers and the organisation. All of the evidence points to the added value that people feel when they can relate the initiatives not only to their own personal values and experiences, but can also frame them in a way that is aligned to the organisations values and again this is helped when the organisation gives a clear sense of purpose as to how the initiatives create shared value in the community and markets. The investigation did not find evidence that CSR or the idea do shared value is more easily adopted by top managers than by line managers and their personnel, nor that line managers' focus only on their day-to-day performance and the financial bottom line (Cramer 2004a). That said there was a noticeable difference in the language used by different groups to communicate the process – senior managers and communities of practice tend to use the language of CSR, whilst others simple talk about 'doing the right thing'. People at all levels of the businesses researched were very positive about the range of CSR activities although in many cases they did not use the language of CSR simply referring to them as 'doing the right thing' or 'the activities that make me proud to work here'. Thus the ability of organisations of any kind to apply CSR in the creation of shared value and thus to impact the markets that they serve must be carefully managed.

In most cases the language of Weick has been useful but limiting – sensemaking relative to CSR is not simply a reactive and retrospective process and indeed the most beneficial forms of CSR would appear to fall into the category of strategic CSR which are often positioned as future oriented CSR. This suggests that whilst there is clearly a process of sensemaking going on, it is not always in the fashion prescribed by Weick. That said the process of communication was seen by most as a vital part of the CSR process – and by extension as a vital part of the sensemaking process – which would be aligned to Weick's perspective on the topic. That said, there is a clear sense making process that underpins that categorisations in Figure 1., underpinned by the comments in Table 1.

For many the holy grail of CSR is to make a business case. Hopkins (2003) notes the difficulty in making a quantitative business case for CSR as correlation between CSR actions and any of the measures previously noted does not necessarily mean causality. Indeed it would be expected that any of these measures, or any other measures that might be considered, are the result of a complex variety of interdependent and independent variables. Hopkins (2003) does however assert that there are significant qualitative arguments linking CSR the business case, a view supported by the World Economic Forum (WEF 2010) some of which can be partially, if not fully quantified. These include Brand Equity, Access to Finance, Employee Motivation, Innovation and Risk Management. The research would seem to support some of these findings in that it clearly impacted employee motivation and in many cases, particularly in the environmental initiatives identified there was clear evidence that innovation had improved directly due to some of the initiatives. The impact on brand equity was clearly identified in other initiatives where external stakeholders were engaged, although in all cases employees worried about the perception of exploiting the initiatives for commercial gain. This is not to suggest that there is no place for organisational alms giving or one off events, however the research suggests that significant value can be added to the key stakeholders of the organisation, the cause and the staff, by ensuring alignment to the organisation's values and strategy. That said, the one off events are seen as being necessary as refusal to support local one off causes can have a very negative impact on the local communities' view of the business.

In conclusion we can see that the creation of shared value through CSR is important to the markets that both the IOF and the Local Co-operative serve. The large financial co-operative did not seem to have the same sense of purpose in the creation of shared value rather it was focused on an external set of ethical principles that it felt were more important to its context and the market that the organisation served. What is clear is that shared value is created in a range of different ways and that CSR is both important to staff and is seen as being a key part of the organisations culture. This takes place in a range of different ways and is interpreted and made sense of by staff in a range of different ways – however the ability to understand the rationale behind any initiatives and the importance of alignment to organisational values was clear.

Appendix 1: Sample Open Codes

These codes stem from interviews A2 and were coded A2.1, 2.2 etc

1. Traditional Values
2. Sources of power in the business
3. Generating power on site
4. Importance of organisational culture
5. Embeddedness of the cultures
6. Job role in the business
7. Perception of others of the strategy
8. Competing priorities of people
9. Building social capital
10. Imperative of evidence base
11. Need to educate people about the environment
12. Aligning business agenda and initiatives
13. Challenge of climate change
14. Translating and communicating the issues
15. Developing values and trust
16. Customers expectations and trust
17. Do the right thing (DNA)
18. Go the extra mile, do more than needed
19. Make a profit but not at any price
20. Treat each other well
21. Balance competing priorities
22. A trusted brand
23. Linking innovation and environmental concerns
24. Empowerment and ethical decision making
25. Educating customers about use of products in responsible way
26. Forming alliances with external parties
27. Ensure activities are aligned with the business strategy
28. Beauticians working in hospices
29. Pharmacy skills used in 3rd world
30. Benefit of CSR on personal development
31. Building environmental sustainability into products
32. Risk assessment and decision making
33. Stories of heroes – cutting waste
34. Benefit stacking, enlightened self interest
35. Concerns about costs
36. Balancing economic and environmental issues
37. Knock on effects of empowerment and creativity
38. Benefits of increased social capital
39. Importance of trust and honesty
40. Climate change overrides all else

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