

# CSR: Attitudes and Perceptions

An exploration of the concept and a general description of the approach taken by companies listed on the Oslo Stock Exchange All Shares Index.

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*This Master's Thesis is carried out as a part of the education at the University of Agder and is therefore approved as a part of this education. However, this does not imply that the University answers for the methods that are used or the conclusions that are drawn.*

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## Executive Summary

Corporate social responsibility is a much bespoken concept, found in a vast amount of business literature and on the webpages of nearly every company. This thesis explores the concept of CSR, investigates the companies listed on the Oslo Stock Exchange in how their attitude, practice and perceived result from CSR efforts are, and how challenges related to CSR impacts the business of these companies on a strategic level. This is done through a literature review, an exploratory survey of secondary data, a quantitative- and a qualitative survey.

The findings are a positive attitude towards CSR, acknowledging stakeholders and labeling CSR efforts as both ethical and profitable. CSR practices though, appear to be few, not well connected with external expectations, the business operations of the company or systematically to other CSR practices. The majority of those who measure and evaluate their CSR efforts still report finding positive results.

In general, CSR challenges do not seem to have a large impact on these companies. Challenges related to the environment are reported as the most relevant, and CSR challenges might be turned into competitive advantages if handled in a way that increases employee satisfaction and improves the reputation of the company.

It is therefore the view of the author that competitive advantages can be found in reviewing CSR approaches of the companies.

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## Introduction

This thesis explores and describes the concept of CSR and investigates the attitude, practice and perceived result from CSR efforts of international companies, and how challenges related to CSR impacts the business of these companies on a strategic level. To establish the research context, a review of previous studies in this field is given and a set of relevant theories from strategy and ethics are introduced. Based on theory, previous research and a study of secondary data, a survey is constructed to study the impact of these challenges and the practices of the companies.

The theories and variables are then tested empirically on companies in question, with the use of quantitative and qualitative methods. Based on analysis of the data collected from the companies, the thesis identifies some key insights for CSR activities and concludes on how these challenges influence the companies. A critical review of methods used, data collected and the analysis is presented in the end.

The thesis is structured in four major parts: which make up four boxes. As shown in the figure, these boxes are interrelated and build on each other.

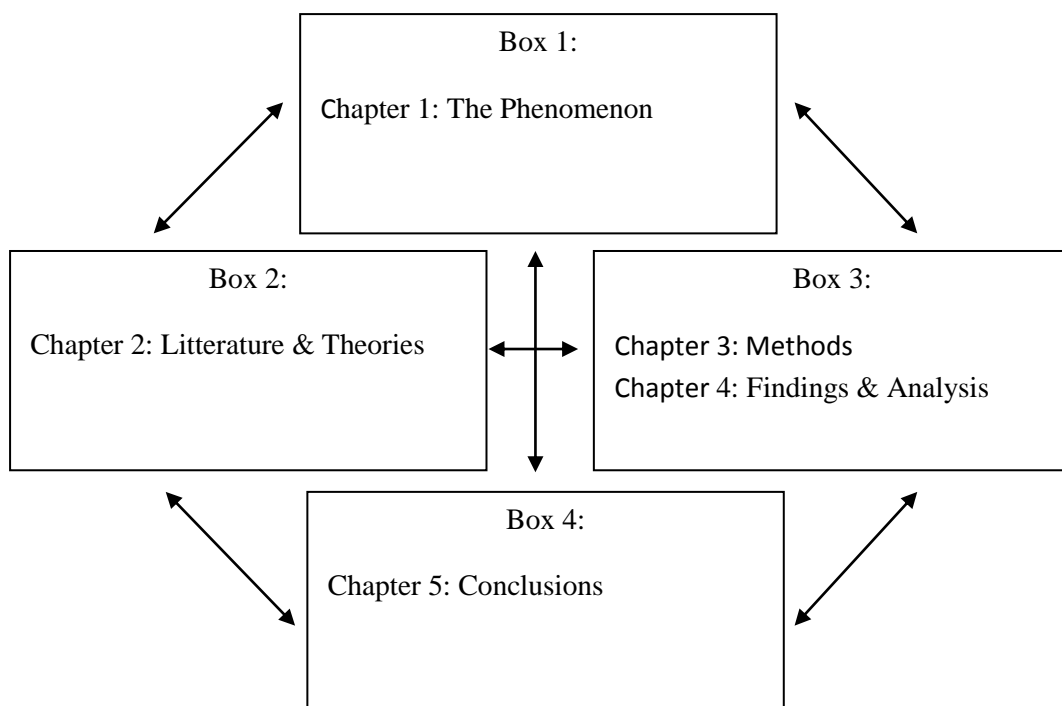


Figure 1: Scholarly Thesis Writing. Source: Andreas W. Falkenberg

## Chapter 1: The Phenomenon

Sustainability, social responsibility (SR) and corporate social responsibility (CSR) are concepts that are frequently used on company web pages, in business courses and in the media. Nevertheless, the understanding of these words and concepts seems to have many facets. Businesses and various stakeholder groups tend to have different perceptions of what sustainability is, and where the limit of a company's responsibility ends.

Box 1:  
**Chapter 1: The Phenomenon**

In a business setting the information used as a basis for decision making often covers a large number of variables with little depth (Falkenberg, Email correspondence, 2010). This has an impact on how companies can and do act in many respects, also when dealing with challenges linked to social responsibility and sustainability. The purpose of this thesis is to study how companies and their strategies are influenced by challenges related to CSR and sustainability and whether or not that can be turned into advantages for the company. To do this the following research questions are used:

- How do challenges regarding social responsibility and sustainability impact strategies and business models of international companies?

In order to determine this, one first has to find out about the nature of the CSR - and the sustainability challenges that international companies have to deal with.

- What kind of CSR- and sustainability challenges do international companies face?

To find out how companies may react to the challenges in the best way possible, some current, general approaches are compared, to find important areas of focus for the companies' CSR activities.

- How can international companies react to challenges regarding social responsibility and sustainability?

The last question that will be investigated is that which makes a business case of social responsibility:

- How can international companies translate challenges regarding social responsibility and sustainability into competitive advantages?

Challenges regarding social responsibility and sustainability should be understood as the company's ability to integrate considerations of society and environment in their risk management and business opportunities. A sustainable approach should therefore contribute to the creation of shareholder value and lay the foundations for future profitability (PWC, 2010).

### **Why is This Issue Important?**

In a globalized economy where a large number of firms conduct international business in a variety of institutional settings, several parties are affected or can affect what is done - including owners, local community, politicians, customers, banks, suppliers, employees at home and in the firms with whom transactions are done, the natural environment at home and abroad, and the list of stakeholders goes on. Among the concerns of the many stakeholders, some topical issues can be found.

### **Environmental Reasons**

The need for sustainable approaches is becoming more and more evident as environmental changes arise from the way people live, the modern way. These are changes that have devastating effects on millions of people, by destroying their means of living or depriving them of the resources on which they depend for survival (e.g. United Nations Global Compact, 2009 a).

### **In the Wake of Market Liberalization**

The composition of societies has changed and is changing in many countries of the world. One side of market liberalization and privatization might be that the societal responsibilities aren't always clear. Another side is that it might be easier to hold firms accountable in independent courts, since stakeholders do not have to battle governments. Taken into account that in a globalized economy there are challenges regarding varying levels of regulations, transparency and corruption, the picture becomes blurred. When resources that belong to the people of a country are sold, is the payment then distributed correspondingly? Are the responsibilities that should follow the user rights of a resource, transferred along with the contract? Examples like these where the answers are dubious include, among others, pollution, pension schemes, and worker's rights across borders.

## **For the Generations to Come**

Many of the resources that the modern society is based on are limited. As innovation and development until today have increased speed because it has been possible to make use of accumulated knowledge from previous generations, the same courtesy should be passed on to our children. A society left dependent on an empty pool of resources, is not likely to facilitate flourishing lives for future generations. The debt burden placed on future generations by current governments in order to finance today's campaign promises, is one example of an unsustainable practice. A sustainable approach suggests that unless alternative sources of energy are found, the rate of present consumption should be reduced.

## **Inequality**

Several parts of the world have experienced economic growth and rising standards of living the last decades. Hundreds of millions of the world's poor have been lifted from extreme poverty to an outcome that is a little better (OECD, Arnal & Förster, 2010). This development is truly positive, but the gap between the rich and the poor has increased in the same time period, not only in the developing world, but also in the West. Rising prices due to scarcity of resources contribute to the rising levels of inequality. Regardless of the level of wealth in an economy, poverty will always exist as a relative measure, since not all people can earn the same amount of money. In that sense, measures of inequality in themselves, such as the Gini coefficient might distort the picture because it is a "standard economic measure of income inequality" and therefore does not take into account that "poor" people in "rich" countries will be better off than many "rich" people in "poor" countries (BusinessDictionary.com, 2011 a).

## **Why Should these Issues be Important to Companies?**

The reason why companies should care about the above mentioned issues, are threefold: First, these are important topics in themselves. To involve the company in finding solutions to these challenges is the right thing to do, since companies affect, and are affected by various groups of stakeholders, who need to deal with these challenges. Second, society demands it.

Increased attention to challenges like the ones mentioned leads to more regulations and demand for larger commitment from the business-side. Finally, and perhaps most importantly for a company, since it satisfies the requirements of both stakeholders and shareholders, it pays off. Corporate Social Responsibility and sustainable development can make up the basis for competitive advantages and therefore potentially increased shareholder value. The reasons



for this value increase can for instance be through reputation, through the ability to attract and retain investors, workers, suppliers, customers and other important stakeholders. Social responsibility also help to reduce exposure to risk related to these issues. Good stakeholder management is good corporate governance. Sustainability in businesses is thus an important subject regardless of whether it is profit maximization or the demands of other stakeholders that is the motivation. This is widely recognized internationally, through many initiatives such as the United Nations Global Compact (United Nations Global Compact, 2011 a) or the ISO 26000:2010 (Standard Norge, 2010).

## **Methods**

In order to investigate these matters, a set of relevant words and concepts regarding strategy, sustainability and social responsibility will be defined. An understanding of strategy will be established, to set the limits for which parts of the businesses that are included in this research. Following this, the case will be made to connect the concepts through a review of the literature in this field, which serve to set the stage and the scientific starting point of the thesis. From theories and CSR initiatives, important aspects will be highlighted, giving a checklist to measure current CSR practices in companies by.

To have a look at how CSR challenges are approached in reality, the self-evaluation of companies through their web pages and public reports will be explored, and compiled to a dataset on which some descriptive statistics can be made. Analysis of this data should give clues to the research question. Building on the information learned from the exploratory survey, a quantitative survey will be performed on a relevant sample, to create the basis for further analysis, description and evaluation. Finally a brief qualitative study is performed to go crosscheck key findings and possibly add depth to some of the answers. In the evaluation topics like mechanism-, extent and results of the impact of CSR challenges are included. This should yield conclusions on how these challenges do impact strategies of international firms. Compared to important focus areas established by evaluating various initiatives and theories, insights for how companies can approach CSR can be derived.

## Chapter 2: Theories & Studies

Box 2:

### Chapter 2: Theories & Studies

A thesis like this, where one is looking at international companies, or any company for that matter, will have many possible starting points. One could look at the influence on the company as a whole and investigate financial performance. Another approach would be to look at implications for one department or profession within the company, or to dwell on management practices. For this thesis, the focus is set on how strategies are influenced by certain challenges, and whether or not that could be turned into advantages for the company.

### What is Strategy?

Strategy is a word often mentioned within the business sphere, with many related concepts. The word itself originates from military jargon, but also holds meaning for companies. Mike W. Peng (Peng, 2009) lists three different views of business strategy, where strategy as a plan is the direct ways of conduct that helps the company. The view of strategy as action is more flexible by definitions like: “the creation of a unique and valuable position, involving a different set of activities [...] making trade-offs in competing [...] creating fit among a company’s activities” (Porter, 1996). The last view is strategy as integration, which draws on elements from two other views. The company needs to formulate (plan) and implement (action) strategies to achieve success. Peng summarizes these approaches in the definition of strategy as “a firm’s theory about how to compete successfully” (Barney, 2002 as cited in Peng, 2009).

In a company, decision making takes place at different levels. The strategic level concerns a long time horizon, typically over several years. The level of abstraction is often high and the concerns are about the direction of the business in the long run. These are often questions of “what”, such as what industry, goal, or advantage, and are handled by the top management team and or the management board. On a tactical level the managers deal with challenges that lie in the near future, typically up to one year. These are often questions of “how”. The operational level deals with day to day issues and production, which are questions about how resources should be spent to accomplish the “what” through the “how”. These three levels in the organization are therefore interdependent and answers that the organization finds to these questions should be connected.



Figure 2: Different Levels of the Business

A kind of hierarchy; separating strategy formulation and implementation is found in most theories of strategic management. Without the right balance between the different levels, this separation tends to undermine competitiveness by adopting a favorable view of top management where employees fail to identify with corporate goals and commit themselves to achieve them effectively. The purpose of the strategy hierarchy is consistency between the levels of the organization, which is best achieved not as a top-down plan, but as a clearly articulated strategic intent (Hamel & Prahalad, 1989).

In his article “What is Strategy?” Michael E. Porter (Porter, 1996) highlights that strategic positioning involves creating a “unique and valuable” position, making trade-offs and creating a fit among the activities and resources of the firm, where operational efficiency is “a necessity, but not sufficient.” Earlier approaches have identified three types of generic strategies based on basic competitive advantages and scope of competition: segmentation, differentiation and cost leadership (Porter, 1992). In the market place of today, which often is called hypercompetitive, companies are investigating combination of the three to be successful.

The value of uniqueness is also appraised in “Blue Ocean Strategy” (Kim & Mauborgne, 2004). High profitability is difficult to maintain in overcrowded markets. For this reason the authors are making the case for generic strategies based on creating or finding un-served markets or what they call “blue oceans” without competition, and then defending these. By doing so companies combine low cost with differentiation and the outcome is increased customer value. In this approach as well, operational efficiency is a given. In their research they find that in most cases, “blue oceans” have been created based on “value pioneering”, utilizing technology and other resources in new ways to create customer value, not invention of new technology.

A new notion of value creation is discussed and proposed by Porter and Kramer. They bring forth the idea of “shared value”, as a way to achieve economic growth through aligning company efforts with society needs. “Sharing” in this regard is not about redistribution of value, but rather achieving “joint value-creation” and harvesting synergies (Porter & Kramer, 2006).

There is a distinction between intended and emerging strategies that should be mentioned. Both have merit, and deal, to some extent, with different aspects of the company. Top-down intended strategies are the “blueprint” strategies that are planned in boardrooms and communicated clearly throughout the organization. Bottom-up emerging strategies are often what arise when lower level decisions and corrections from the empirical experience of day to day operations influence long term plans of companies. Common for both strategy paths is that in order to succeed, they are dependent on good channels of communication. Most companies have a defined system for delivering plans and priorities top-down, not all are equally equipped to facilitate a flow of information the other way.

In a dynamic society, “reaching” that one profitable spot in the market is not a successful strategy. Porter argues that there is no “one”, profitable position within the industry that companies can and should search for (Porter, 1996, p8). Companies have to adapt to change in a pace that implies that change is the rule, not the exception. Henry Mintzberg claims that: “Sometimes strategies must be left as broad visions, not precisely articulated, to adapt to a changing environment” (Mintzberg, 1994). He argues that (strategic) planning is a way of operationalizing strategies, not generate them. Shimizu and Hitt join the call for strategic flexibility, and give an approach to the organizational middle road between overinvestment of resources and abandoning an opportunity to soon, and ensure correct implementation (Shimizu & Hitt, 2004). To see strategy-making as an event, with the design of strategies with multiple year horizons and a multiple year lifetime is too static in a fast changing economy. An approach of strategy-making as a flow, still with a long horizon, but a continuous adaptation to stakeholder’s preferences, allows the company to be on the value creation edge (for example Drucker, 1994).

The previous paragraphs may give the impression that everything should always change, which might paint a picture that is a bit too simple and one-sided. Varying degrees of flexibility depending on different areas of business will sometimes be needed, and some

approaches and elements should perhaps be kept static. The point made is that the increasing speed of change has implications for how businesses should and must be run.

While a number of theories and models of strategy starts with how to compete, they often do not give much attention to the basics of competition. Shelby Hunt has developed a theory of competition where some of the classic assumptions of competition are challenged.

### **Hunt: Theory of Competition**

The Theory of Competitive Advantages or the Resource-Advantage Theory, as the last version is named (Hunt, 2000), states that the combination of resources at a lower cost and a higher value for the customer might translate into superior financial performance.

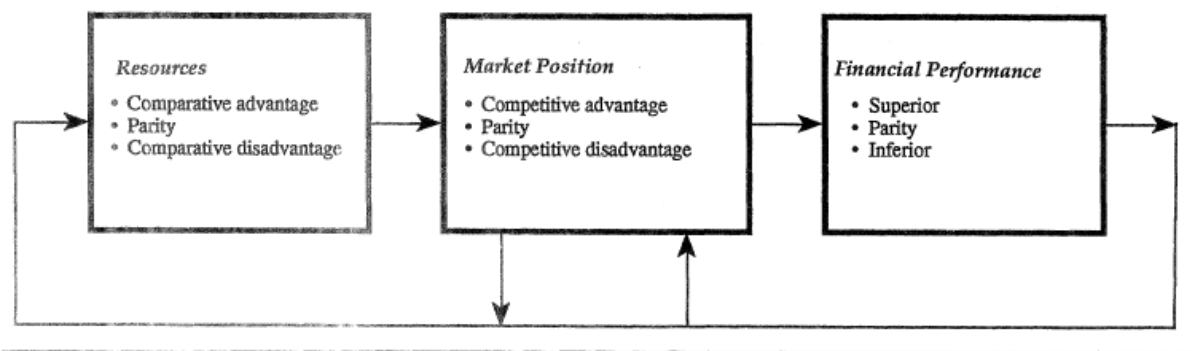


Figure 3: A Schematic of the Resource-Advantage Theory of Competition (Hunt, 1995, p318)

Competitive advantages are something that companies create, not to be mixed with comparative advantages which deal with relative access to resources. Some of the arguments of classical and neoclassical economy have been criticized because of the unlikeliness of their assumptions, such as perfect competition theory, demand theory or the general equilibrium theory (Hunt, 2000). A number of these are contrasted in the table on the next page. These weaknesses in the theoretical foundation of modern economics have led to an academic movement wanting to develop more precise and realistic theories. Lack of theories with explanatory power has delayed this shift and prolonged the use and impact of the neoclassic economic theories. These much used theories do help to illustrate a series of isolated mechanisms within both companies and economies, but fall short in portraying the complex reality of companies and indeed economies. When the assumptions about demand, for instance, resources and dynamics do not hold up, the results the theories yield will be hard to prove empirically. The use of neoclassical theories, and the strategies that build upon them, has caused a too narrow view of business, one which excludes the broader needs of society

(Porter & Kramer, 2011) and are therefore of questionable relevance as guiding mechanisms of businesses.

The Resource-Advantage theory offers a different approach to competition which contradicts the basis of neoclassic theories and proposes empirically based assumptions (Hunt and Morgan, 1995, Hunt, 1995, Hunt, 2000). A comparison between the two views is given in the table below.

	<b>Neoclassical Theory</b>	<b>Comparative Advantage Theory</b>
<i>Demand</i>	Homogenous within industries	Heterogeneous within industries
<i>Consumer information</i>	Perfect and costless	Imperfect and costly
<i>Human motivation</i>	Self-interest maximization	Constrained self-interest
<i>Firm's objective</i>	Profit Maximization	Superior financial performance
<i>Firm's information</i>	Perfect and costless	Imperfect and costly
<i>Resources</i>	Capital, Labor and land	Financial, physical, legal, human, organizational, informational and relational
<i>Resource characteristics</i>	Homogenous, perfectly mobile	Heterogeneous, imperfectly mobile
<i>Role of management</i>	Determine quantity and implement production function	Recognize, understand, create, select, implement and modify strategies
<i>Role of environment</i>	Totally determines conduct and performance	Influences conduct and performance
<i>Competition</i>	Quantity adjustment	Comparative advantage

**Table 1: Foundations of the Neoclassical and Comparative Advantage Theories of Competition (Hunt & Morgan, 1995, p3)**

The R-A view of competition depicts a complex picture of both the demand and supply side, and states that goals and intentions are not as clear cut as they appear in neoclassical economic theories. Furthermore, it claims that equilibrium is theoretical and disequilibrium is what can be observed empirically, which is in line with Porter's argument that there is no single, stable, preferable position within the market.

The way Hunt describes competition gives basis for a more empirical view of the world, and thus insights for more precise planning and actions, for a better process of formulating and implementing strategies. Aligning sustainability with this market-oriented view of competition gives a good understanding of how to turn social responsibility into a competitive advantage (Crittenden, Crittenden, Ferrell, Ferrell & Pinney, 2010). When classic theories evolve around profit maximization as the sole goal of the company and therefore the aim of strategies, they fail to take considerations of sustainability beyond that of the corporation into account. A market orientated view of competition not only gives a more empirical foundation which facilitates better strategies and easier implementation, it also allows a broader range of focus.

When it is argued that for an organization to succeed with its sustainability approach, it must fulfill the principles of: economic prosperity, environmental integrity and social equity (Bansal, 2005) under changing conditions, this is better facilitated with flexible strategies coordinated through a market oriented view of competition.

## **What is Sustainability?**

The word sustainability means the ability to sustain, to continue to survive and thrive. In general business literature and in this thesis, the word refers to the concept of sustainable development. A much used definition of sustainable development is that of the Brundtland Commission, which states that “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development, 1987). Jonker and de Witte (Jonker & de Witte, 2006) explain that normative definitions of sustainability can be understood as encompassing both tangible and intangible resources. Tangibles, such as oil, gas, water and other primary materials should be utilized carefully and alternatives found in the case that these resources need to be replaced. The way to sustain intangible resources, such as competencies and know-how is through identification and maintenance.

The Club of Rome, a think tank with many top-level members, is often credited for putting sustainability into a global focus, with their report “The Limits to Growth” (1972). The report itself has received a lot of criticism because of the methods and assumptions used, but it is still one of the most read books on sustainability. More recent assessments of the predictions from this report have indicated that the general ideas seem to hold up, even though the use of technology has changed since the first report. The issue of global pollution is one of key importance (Turner, 2008).

## **Responsibilities**

Whose concern sustainability is, becomes a question about responsibility. One definition of responsibility is: “Duty or obligation to satisfactorily perform or complete a task, assigned by someone, or created by one's own promise or circumstances, that one must fulfill, and which has a consequent penalty for failure”(BusinessDictionary.com, 2011 b). Some emphasize the ability, and say that “if you are able to respond, then you are responsible” (Falkenberg, Culture and Ethics Lecture, 2009), whereas others differentiates this by saying that for a

company, the negative circumstances that occur within the organizations range of influence, might be, but are not necessarily always the responsibility of the organization, given that their activities and decisions have not contributed to the cause (Standard Norge, 2010, p.16).

Traditionally, many have viewed the responsibility of companies as simply their “duty” to survive in the free market. On the other side, there has been a growing recognition of responsibilities that goes beyond the immediate boundaries of the organization. Companies have to, and do, take on more responsibilities or duties for a number of reasons. There are legal issues that regulate responsibilities of companies, and it is assumed that performance beyond mere organizational survival often have benefits when it comes to factors like working conditions, since employee satisfaction is generally assumed to lead to higher performance. High standards and community initiatives often translate into good public relations, a good reputation and increased profitability. These examples show that there can be multiple benefits of fulfilling or even excelling one’s responsibilities, even if the motivation is self-interest.

The activities of a company have adverse effects on its surroundings. One example is waste. The difference between an ecosystem and organizational cycles is that the latter produce waste, which accumulates, whereas the first is re-generative. If global business through innovation and cooperation could embrace the constraints set by nature, one could achieve sustainable development. Large scale innovation and cooperation do not rise from legislation, but rather from a series of isolated initiatives, which makes an argument for social responsibility rather than regulation (Senge & Carstedt, 2001). Since the operations of a company often are causing negative side effects, this is where the responsibility of minimizing negative social and environmental impact lies. From the definition given, this responsibility can also come from someone else, (e.g. the government), from own promise or circumstances, (e.g. pollution from production).

Archie B. Carroll approaches corporate social responsibility from a practical angle, to guide organizations about their responsibilities towards different stakeholders. He summarizes his approach in four layers of responsibilities, which make up the CSR pyramid, as shown in the figure below (Carroll, 1991).





Figure 4: A.B. Carroll's CSR Pyramid, (adapted from Carroll, 1991)

The rationale is that unless the economic responsibilities are fulfilled, there would be no company. Beyond that, companies must comply by legal and regulatory standards where they operate. Companies should conduct their business in an ethical manner, which translate into topics like fair competition, human and labor rights (apart from those laid down by law). The philanthropic responsibilities of a company should meet the expectations of the society. On the top three levels of the pyramid, behavior within societal expectations is the primary task of a company.

To further explore to whom the various responsibilities of the company are directed, Carroll proposes the use of a stakeholder - responsibility matrix as the one shown below (Carroll, 1991). On the horizontal axis the different types of responsibilities that Carroll defines are listed, and on the vertical axis various stakeholders. To map out responsibilities, the company representatives contemplate and discuss whether or not their company deems economic, legal, ethical and philanthropic responsibilities relevant towards each stakeholder. It is expected that most companies for instance hold an economic responsibility towards their owners, but it is quite unnatural that they should hold the same obligations towards social activists groups.

Stakeholders	Types of CSR			
	Economic	Legal	Ethical	Philanthropic
Owners	-	-	-	-
Customers	-	-	-	-
Employees	-	-	-	-
Community	-	-	-	-
Competitors	-	-	-	-
Suppliers	-	-	-	-
Social activists groups	-	-	-	-
Public at large	-	-	-	-
Others	-	-	-	-

Table 2: A. B. Carroll, Stakeholder Responsibility Matrix (Carroll, 1991, p11).

Some questions to the international relevancy of this framework and the implication of culture have been raised. A summary of some studies testing for orientation towards different

responsibilities is given by Visser (Visser, 2006, p.36). More findings of culturally and/or institutionally dependent CSR studies can be found in Jamali and Mirshak (Jamali & Mirshak, 2007, p.245). Differences between developing and developed countries, for instance in legal infrastructure and in scope and scale of challenges has been used as arguments for a different order of responsibilities in a developing context, emphasizing philanthropic responsibilities before legal – and assessing ethical considerations to be less relevant (Visser, 2006).

### **What is Social Responsibility?**

Social Responsibility can be defined as “The obligation of an organization's management towards the welfare and interests of the society which provides it the environment and resources to survive and flourish, and which is affected by the organization's actions and policies”(BusinessDictionary.com, 2011 c). The goal of social responsibility is to contribute to sustainable development. A lot of the literature and the debate in this field talk about corporate social responsibility or CSR. One argument against the concept of CSR is that the corporation as a legal entity cannot have social responsibilities beyond its legal responsibility to serve the wishes of the owners. Obligations other than that should be regulated by laws and regulations on a societal level (Friedman, 1970). Others state that not only corporations, but also individuals and organizations of every kind have a social responsibility. For reasons of simplicity, this thesis will not separate between concepts of corporate social responsibility (CSR) and social responsibility. The expressions will be used interchangeably depending on the wording used in the various sources.

Archie B. Carroll gives an overview where the mentioning of the social responsibility of companies can be traced back to publications in the 1930s. As a concept, it appears in literature from 1950s and onwards, where the extent of definitions decreases and the empirical research on the field and on the topic of business ethics increase towards the 1990s. Carroll concludes with the notion that further development within the field of CSR would hardly be too far off from the present concept, but that it was more likely that there would be a development in how companies acted on their responsibilities towards their stakeholders, especially with concerns to globalization and new technology (Carroll, 1999).

When the definition of social responsibility mentions flourishing, that should encompass all those affected by the organization, the various kinds of stakeholders. A holistic and timeless approach should include shareholders here, there and in the future, which the utilitarianist

John Stuart Mill framed “to the greatest extent possible, secured to all mankind; and not to them only, but, so far as the nature of things admits, to the whole sentient creation” (Mill, 1861). Stakeholders are: “those who impact and are impacted by an organization’s decisions and actions” (Visser, Matten, Pohl & Tolhurst, 2008, p. 433). It might be useful to discuss differences between groups of stakeholders, and their relative and absolute importance to the organization. One important axis of separation is whether the stakeholders are benign, with a positive relation to the organization, or malign, with the ability to affect the organization in a negative way, for example banks or government agencies. Whether the stakeholders are upstream or downstream, internal or external, are other dimensions. Stakeholders have a legitimate interest in the company, and can be identified by “*their*” interest in the corporation, whether the corporation has any functional corresponding interest in them” (Donaldson & Preston, 1995 [Italics added]). One key stakeholder group will be the owners or the shareholders, which are “a person, a group or an organization that holds one or more shares in the firm” (BusinessDictionary.com, 2011 d). When sustainability and social responsibility are discussed, shareholders versus other stakeholders are often portrayed as the two opposing parts even though the variations of interest amidst these groups often are complex.

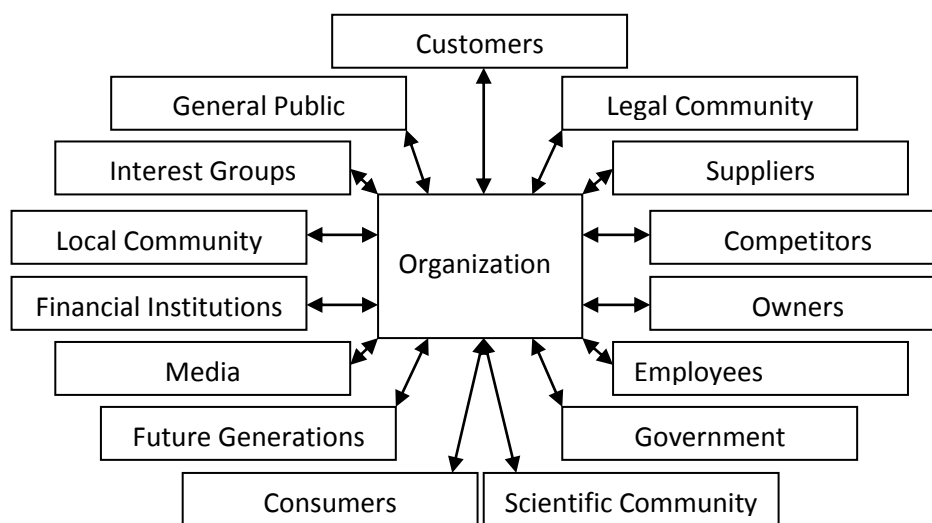


Figure 5: Example of Different Stakeholders with Different Interests.

Concerning the responsibilities of the company, the two sides of the debate is often linked to two well-known spokesmen of the different views. Milton Friedman is perhaps the most known proponent of what is called the shareholder view. He has expressed that “the responsibility of business is to increase its profits”, that corporations cannot have responsibilities and that CSR is “pure and unadulterated socialism”, “undermining the basis of a free society” by imposing taxes. His view is that businesses should make “as much money as possible” for its owners, but, which is often left out in the description of the shareholder



As a way of acknowledging that the financial bottom line is inadequate in showing the total value equation, companies often include an evaluation of their “triple bottom line”(TBL), the “Financial, social, and environmental effects of a firm's policies and actions that determine its viability as a sustainable organization” (BusinessDictionary.com, 2011 e). By doing this, companies signal a focus on their societal impact and put to use metrics for measuring their non-financial activities. TBL has grown out of seven “revolutions” within sustainability; markets, values, transparency, life-cycle technology, partnerships, time and corporate governance (Elkington, 2004).

**Sustainability as a Strategic Focus**

In the introduction; the environment, societal changes, future generations, inequality and competitive advantages were given as general reasons why sustainability and social responsibility are important topics. Hitchcock and Willard (Hitchcock & Willard, 2006) emphasizes how these translate into important strategic issues; Following earlier organizational changes, focus on sustainability arise from the evolution of what society comes to expect from businesses.

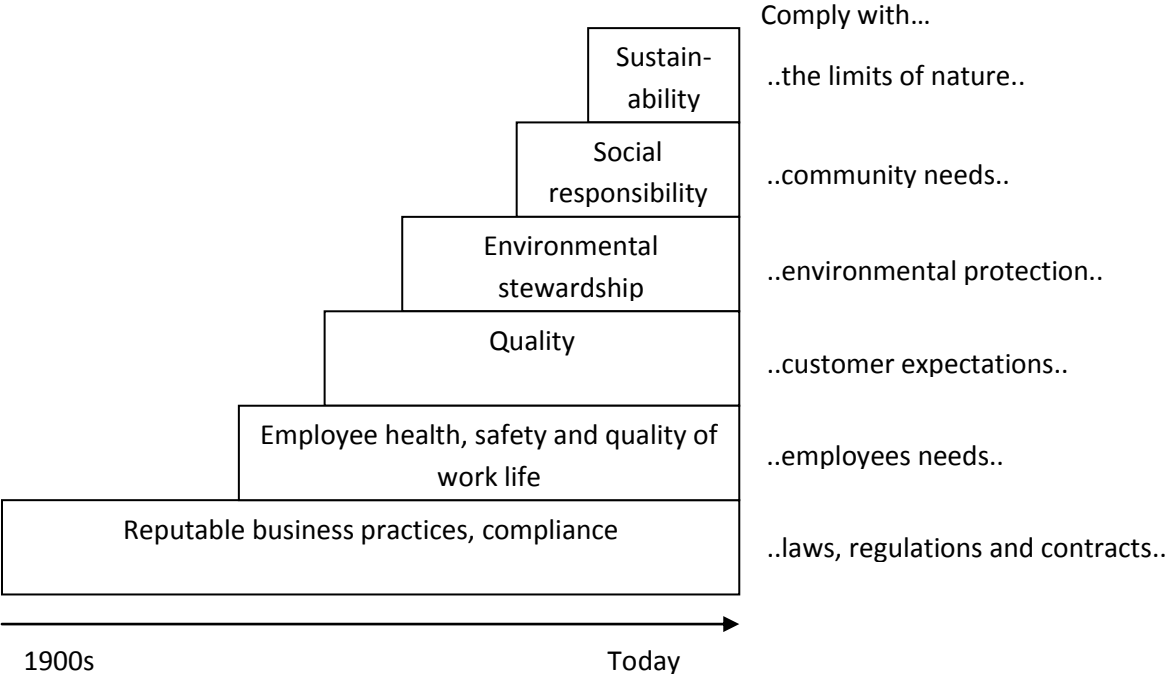


Figure 7: Stepping up to increased societal expectations (Hitchcock & Willard, 2006, p12.)

The figure above shows the evolution of societal expectations and their implications for companies. If the regulations, laws or norms are inadequate to deal with the challenges in a

way that society finds acceptable, businesses might have to analyze what level of engagement that is deemed appropriate. Society might expect and even demand that in certain areas the company should perform above and beyond the set standard, while it in other situations is enough just to follow the law.

The civil movements behind changes in the societal institutions that govern our lives today can be traced far back in time, as the table below shows.

<b>The Ancestor Movements of CSR?</b>	
Consumer Movement	1200 (UK) Bread, 1820 (US) Drugs
Human Rights	1689 English Bill of Rights (Act)
Political Parties	1700s (Late) Mercantilism vs Laissez-Faire
Race and Minorities	1776 John Newton
Corruption	1787 Constitution of Checks and Balances, 1883 The Pendelton Act on Excessive Patronage
Labor Unions	1831 (UK) Friendly Society of Agricultural Labourers (F.S.A.L.)
Women’s Rights	1832 (UK), 1848 (US)
Environmental Movement	1847 George Perkins Marsh on human destruction of nature
Fair Trade	1860 Max Havelaar, WW2 Refugee Handicrafts

Table 3: Ancestor Movements of CSR? (Falkenberg, International Marketing Lecture 2010)

Survival and long term value of a company, especially in highly regulated jurisdictions, depends on self-monitoring and if possible, co-creation of the business environment. A way to achieve this is through integration of compliance as a part of a company’s strategies. A compliance strategy encompasses both the legal aspects and the ethical culture of a company. If ethical considerations in a company, are made regardless of the ethical values it’s employees, they will have little effect on operations. Increasing speed and number of changes might lead to a time lag between the social issue perceived by stakeholders, and the legislation eventually addressing the issue. If companies through a proactive compliance strategy can anticipate and lead these changes, they might be able to turn it into a competitive advantage (Rossi, 2010). One example of such action is BMW and their reverse logistics value chain which enabled them to operate profitably under the German take-back law, while their competitors had to follow at much higher costs (Hart, 1995).

## **The Business Case for Social Responsibility**

“Natural resources are now a limiting factor [...] environmental issues are becoming global [...] health concerns are rising [...] societal, environmental and economic factors are entangling, creating instability [...] energy supplies are a significant threat. These problems are uncovering new opportunities [...] sustainability tends to produce multiple, unintended benefits” (Hitchcock & Willard, 2006, p.13-15).

It seems to be a widely spread assumption that CSR is important for companies (e.g. The Economist Intelligence Unit, 2005), and it is also argued that correctly executed CSR can translate into competitive advantages for the company (e.g. Porter & Kramer, 2002, 2006, 2011).

### **CSR and Profitability**

Given the prevailing idea that SR increases the competitiveness of companies, it has been remarkably difficult to establish any causal connection between CSR and financial performance. Some find a positive relation, some a negative, while others again find no significant relationship between the two at all (Husted & Allen, 2007). Several studies have investigated what is often referred to as the corporate social performance (CSP) – corporate financial performance (CFP) link, or CSR-FP link. An overview of CSP-CFP studies made by Margolis and Walsh finds that the majority points to a positive link, although not all of the results are statistically significant (Margolis & Walsh, 2003). Studies on CSR-FP are often criticized for their methodological approach, since there is no generally accepted method of evaluating the impact of social responsibilities on financial performance of the company. An isolated quest to determine the financial performance attributed to CSR activities might be counterproductive, because it neglects the effects these activities have on society, and in particular for those stakeholders the benefits were intended for, effects that are difficult to quantify (Margolis & Walsh, 2003).

As it has been hard to determine a positive link between SR and financial performance, the motivation of SR activities could be questioned. Academia has given this topic little attention (Campbell, 2007) and whether or not there is a need to know why these acts of social responsibility take place is also not clear. Studying the motivation of an act, rather than the act itself and its consequences might lead to suboptimal conclusions. Nevertheless, knowing the motivation behind an act, SR activities in this case, might give clues as to how one can

encourage or incentivize more of socially responsible behavior, assuming that these are beneficial for both companies and society.

## **Environment**

The environmental changes that are upon us and will continue to come in the future, as climate change is a slow-moving process, have its own implications for businesses. Products and processes will be subject to new risks and opportunities, which should be examined carefully. Some industries are more exposed to these changes than others, but as intertwined as today's economy is, reflecting on how this will affect oneself will hardly be wasted time. In order to maintain competitiveness, after exploring what the climate has in store for them, businesses should anticipate regulations to go with the changes. Proactive measures will allow for co-creation of the business environment, and thus determine who shapes the future and who will have to follow (Packard & Reinhardt, 2000, Rossi, 2010), not to mention the potentially positive effect on the environment.

## **CSR and Future Generations**

The youth of today and tomorrow are often mentioned in relation to CSR, in most cases to exemplify ethical responsibilities for future generations. In addition to that and being the customers of tomorrow, there are other reasons why these cohorts are important for businesses today. When the quotation in the beginning of this paragraph stated that, "societal, environmental and economic factors are entangling, creating instability" it refers to the fact that concerns regarding resource depletion, inequality and failing institutions leave many young people without much hope of flourishing lives, neither for themselves or their children (Hitchcock & Willard, 2006). Combined with large age cohorts, the result can be unrest, as have been the case for large parts of the Middle East and North Africa during the spring of 2011. Socially responsible companies might bring hope under such circumstances; irresponsible companies might be the spark that ignites a situation. The way companies have acted before such incidents is likely to influence how they are perceived and allow to operate when the dust settles, not to mention the reputational factor which might also influence operations in other markets.



## **CSR and Inequality**

In the introduction of this thesis it was referred to reports stating that extreme poverty had been reduced during the last decades, that differences will persist in a market economy, but that inequality still is a major issue globally. Besides the argument that inequality might create instability in the same way as lack of hope for the future, large differences in wealth can also be a marketing segment. One example of this is the idea of serving “the bottom of the pyramid” (a socio-economic distribution, referring to the world’s poorest, about 4 billion people) with products and services can be profitable and at the same time help the poor (Prahalad & Hart, 2002).

## **CSR in a Changing Society**

The positive effects of influencing regulations and anticipating change has been mentioned, which can be of great value to companies. Paradigm shifts tend to result in winners and losers, and few in between. These shifts might arise from all of the areas concerning CSR, but perhaps most notably in regulations. Possibilities do rise with e.g. free trade zones or the practice of labor-mobility within the EU or comparable practices in other regions, possibilities of a company exceeding expectations that were unfulfilled by nations involved.

## **Competitive Advantages**

As awareness of and expectations to CSR increases, utilizing the opportunities that follows becomes more and more important, since many of CSR-related activities have some cost for the company. Companies can achieve such benefits as reputational gains, cost savings, revenue increases and CSR risk reduction or management (Weber, 2008). Another of these opportunities is in recruiting and retaining highly skilled employees. Corporate citizenship can be a vehicle for securing the most talented workforce, if handled appropriately. A company’s unique set of “CSR inputs” (relevant issues and causes) are matched with “employee outputs” (value to employees and company) might contribute to recruitment when there is a clear link between these CSR initiatives and employee proximity, fulfillment, identification and involvement (Bhattacharya, Sen & Korschun, 2008). Similar arguments as with employees could, to some extent, be true also for investors, customers, suppliers and other important stakeholders. The same “linking” becomes apparent when investors have a long term interest or are majority shareholders, they will to a larger extent be linked to the reputation of the company both through association and the dependency on growth rather than

cash flow. In addition the possibility to influence future regulations is mentioned (Rossi 2010). A current Norwegian example is the hearing about ethical criteria needed in order to do business with the government (Jensen, 2011). The list of potential benefits from CSR is expanded to also include differentiation, innovation and new markets, not to mention that it might improve the quality of life for those influenced (Hitchcock & Willard, 2006).

When companies engage in CSR activities that are over and above the legal minimum, it happens either as a result of believing that it will increase financial performance and organizational longevity, or because of the responsibilities they acknowledge. In either case, the goal is to ensure that these activities are as effective as possible. A lot of company initiatives today are “diffuse and unfocused” (Porter & Kramer, 2002, p.6), “disconnected from business and strategy” (Porter & Kramer, 2006, p.2) and “despite good awareness and intention [...] remains amateurish and sketchy” (Jamali & Mirshak, 2007, p.260).

A closer connection between the SR-challenge and the CSR initiative would result in more benefit to society and more effective use of resources by the company (Porter & Kramer, 2006). Applying “distinctive strengths” to target specific, reoccurring issues allows for good utilization of CSR initiatives (Yuan, Bao & Verbeke, 2011). CSR initiatives that are disconnected from everyday business are not likely to yield good results. Incorporating CSR in the strategic level achieving useful procedures improves the strategic fit of CSR initiatives and “maximize the contribution to business performance, in terms of profitability and growth” (Yuan, Bao & Verbeke, 2011, p.2). In working with CSR, a company should strive to achieve three kinds of fit, external - and internal consistency and coherence, as shown in the figure below.

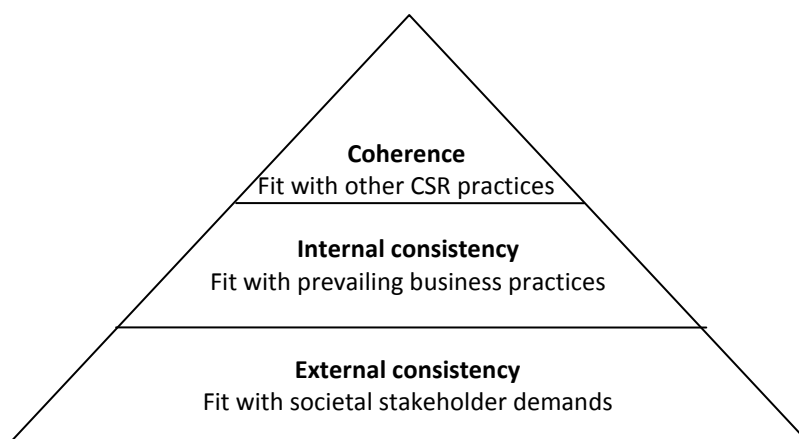


Figure 8: Integrating CSR Initiatives in Business (Yuan, Bao & Verbeke, 2011, p.3).

External consistency has been the main focus of CSR, namely to address those topics that are in line with the demands of the company's stakeholders. A strong external focus might actually weaken the competitiveness of the company, if it is unable to also achieve internal consistency. To engage in CSR initiatives that have a link to the business practices of company and therefore achieving internal fit, utilizes companies' resources where they are relevant and will be effective (Yuan, Bao & Verbeke, 2011, Porter & Kramer, 2006). Coherence between the various initiatives that are included in a company's CSR program further improves effectiveness or rather reduces the possibility of ineffectiveness. To achieve these types of fit, a strategic process of trade-offs and resource allocation is needed.

Another motivation for companies to engage in CSR is corporate social irresponsibility (CSI). The more "bad" actions a company has on its corporate conscience, the more inclined they are to do "good" deeds to compensate. This result is heterogeneous among industries, where public scrutiny increases the use of CSR. It is also suggested that in some categories of CSR and CSI, substitution takes place, so that a company counter malign behavior in one area with benign in another (Kotchen & Moon, 2007).

### **Strategic Decision Making and Ethics**

Ethics are "the basic concepts and fundamental principles of right human conduct" (BusinessDictionary.com, 2011 f), the purpose of which is to ensure that people are allowed flourishing lives. Every action that is grounded in the purpose of fulfilling what is "right" has been subject of ethical reasoning. Many of the actions within the business sphere are based on institutions or procedures, so that the individual do not have to decide whether or not the specific action is right or wrong. Behind these institutions and procedures lies a process of reasoning similar to the ones employees have to make if they do not have a procedure to guide them. Strategies are closely to ethics in the way that they seek to compete successfully, which means to fulfill expectations of stakeholders, which again contributes to flourishing lives. How ethical reasoning works is influenced by a number of factors. In a company, this process is aggregated, as the company in many cases serves as a layer between the parties affected. The characteristics of the company in which a person is employed, influence how the employee reasons also when acting on behalf of the company.

## Hunt - Vitell: Theory of Ethics

The Hunt-Vitell Theory of Ethics was developed as a model of marketing ethics, but has through empirical testing been accepted as a valid model both in business and in general, that explains how different personal ethical perception leads to differences in personal moral codes. The central premise of the H-V model is that “most people in most ethical decision situations rely on both deontological and teleological moral reasoning” (Hunt, 2003). A deeper knowledge of the mechanisms of ethical reasoning, is believed to improve the way individuals make ethical decisions (Hunt & Hansen, 2007)

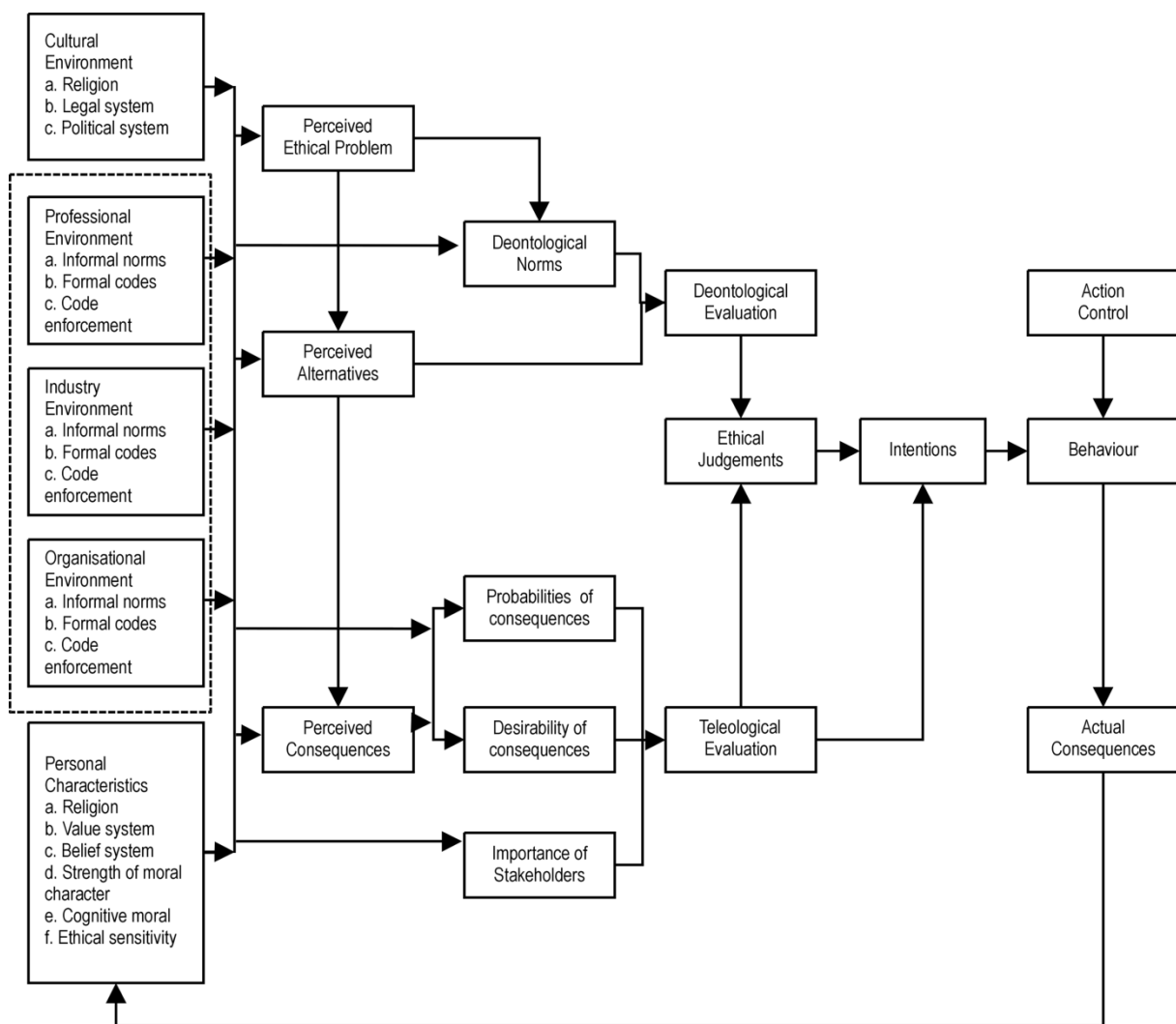


Figure 9: Hunt-Vitell Theory of Ethics. (Hunt & Vitell, 2006, p2)

Deontological moral reasoning refers to considerations whether acts are considered ethical or unethical by their nature, not by their consequences. Teleological moral reasoning addresses

on the other side, whether acts are ethical or unethical by their consequences, not by their nature (Hunt, 2003). When an individual encounters a situation with perceived ethical content, the process depicted by the model is initiated. Without this ethical perception, the evaluation process will turn out differently (Hunt & Hansen, 2007).

In a business setting ethical perception is guided to some extent by the education that business people have. The importance of having business ethics as a part of the curriculum when educating economists and managers, the extent and content of such courses is increasing. Without courses on ethics, or if these course fail to teach students how to reason ethically in a business setting, society has to rely on personal characteristics and cultural environment to avoid unethical behavior. As development goes, there are fewer sources of ethical input, and more advocacy of relativism. A relativistic view is negatively correlated with ethical perception, and value-free educations serve to strengthen relativistic views (Hunt & Hansen, 2007). Thus, the role of international, multi-stakeholder initiatives as lighthouses of guidance grows.

The whole model as depicted in the figure above makes out the general theory. The dashed line shows the general model for professional and managerial contexts. This thesis includes the parts of the model that deal with the professional sphere, and thus disregard to a large extent how personal characteristics and cultural environment play a role in ethical decision-making. This is done to limit the focus of the thesis. When the company is chosen as the unit of analysis, the C-part of CSR debate, namely Milton Friedman's argument that "only people can have responsibilities" (Friedman, 1970) is sidestepped, and the company consisting of people is held responsible.

Given the purpose of this thesis, and the chosen emphasis on international companies, differences concerning cultures, institutions and regulations should be mentioned. Society is globalized and fast changing, but the contexts where companies operate vary to a large extent. The majority of the literature on CSR and strategy are western-centric, and not necessarily directly transferrable to other countries. Expectations to how companies should behave, limits to how the company can behave (response-ability), what kind of behavior that is considered ethical and what the focus of CSR should be, varies. (See for instance BITC International & CSR360 GPN, 2010 for examples). One example of international or regional changes can be found in the way Carroll's different types of responsibilities are viewed. In the context of a

developing economy, it is proposed to have philanthropic responsibilities as the second layer, where the local community is more on need of, and might flourish more from community initiatives (Visser, 2006). Other examples of culturally and institutionally dependent CSR are given by Jamali & Mirshak (Jamali & Mirshak, 2007, p.245).

This thesis will focus on these differences, but on mainly Norwegian public companies, with different levels of international operations.

### **CSR Approaches:**

In a business setting, according to the Hunt-Vitell Theory of Ethics, the influence has three major sources: Professional, Industry and Organizational environment. This thesis investigates the corporate codes (organizational environment) and international initiatives (assumed to relate to the industry environment, though not industry-specific).

### **Codes of Conduct**

“A code of conduct is a set of rules that guides and orients behavior within an organization or sector in order to promote social, environmental and /or ethical behavior” (Visser, Matten, Pohl & Tohlhurst, 2008, p. 81) and is often a part of the ethics program of a company, along with ethical training and support for whistleblowers. Corporate codes of conduct are voluntary and come in a variety of formats and with different focuses. Enforcement of these codes relies on the company in question. The authors of such codes are often CEOs, top management teams or the board of directors, but it might also include consultants and employees representatives. The effectiveness of such a corporate code of ethics are determined to a large extent (43,8%) by the purpose, implementation, communication/enforcement of the code, the currency of external code communication and whether or not the code has been utilized recently (Singh, 2011).

### **Different Initiatives:**

There are many formalized approaches as to how companies can conduct their business in a socially responsible way. Some of these are organizations with memberships and fees, some are tools and frameworks and others are principles. There are industry specific ones and general ones, some which focus on one topic where other encompasses more or less every imaginable area. This thesis presents briefly a few of the most common, general approaches. In addition to this, a list where other approaches are compared to establish an understanding

of which topics are common, and in what ways these approaches are meant to interfere with business.

**United Nations Global Compact**

The United Nations Global Compact (UN GC) is a “strategic policy initiative” for businesses who want to work with their social responsibilities (United Nations, 2011 a). The UN GC consists of ten “universally accepted” principles covering human rights, labor standards, environment and anti- corruption. With over 8700 participants in 130 countries it is the largest voluntary CSR initiative in the world. As the driving force of globalization, companies are encouraged through this initiative to lay the foundations of progress in societies and economies throughout the world. The principles read:

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<b>Principle 1:</b>	Businesses should support and respect the protection of internationally proclaimed human rights; and
<b>Principle 2:</b>	make sure that they are not complicit in human rights abuses.
<b>Principle 3:</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
<b>Principle 4:</b>	the elimination of all forms of forced and compulsory labor;
<b>Principle 5:</b>	the effective abolition of child labor; and
<b>Principle 6:</b>	the elimination of discrimination in respect of employment and occupation.
<b>Principle 7:</b>	Businesses should support a precautionary approach to environmental challenges;
<b>Principle 8:</b>	undertake initiatives to promote greater environmental responsibility; and
<b>Principle 9:</b>	encourage the development and diffusion of environmentally friendly technologies.
<b>Principle 10:</b>	Businesses should work against corruption in all its forms, including extortion and bribery.

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**Table 4: The UN Global Compact’s Ten Principles (United Nations Global Compact, 2011 b)**

The principles are monitored by the top management in the companies that participate. Many frameworks and tools are available to help develop, implement and communicate policies and practices. For a company to become a participant in the UN GC, they have to submit a commitment letter from the CEO with support of the board and incorporate the ten principles in their business. The participants are also required to report on how the company incorporates the principles through the annual report. In addition there is an annual fee for participation.

## **Global Reporting Initiative**

The Global Reporting Initiative (GRI) is the “world’s most widely used sustainability reporting framework” (Global Reporting Initiative, 2011 a), and thus offers a standardized way to report on sustainability information. In 2009 about 1400 organizations reported according to the GRI (Global Reporting Initiative, 2011 b). The framework is developed through a multi-stakeholder process, involving businesses, societies and academia. Covered in this reporting framework are principles and performance indicators regarding economic, environmental and social performance. The main feature of GRI is the sustainability reporting guidelines, called the G3 guidelines, which are free of charge. Companies are encouraged to report on how the guidelines are utilized in their company. Depending on the number of performance indicators used in the report, companies declare an application level (A, B or C) which tells report-users about the extent of the reporting. Level C has to report on a limited number of criteria, whereas applications on level B and A have to report on all. Levels A and B have to include a report on management approaches for each category. Level A also has to report on all performance indicators including sector or national supplements, for level B there is a required minimum of 20. If the application level is followed by a plus sign (+) it means that the company has used a third-party to assess their performance according to the guidelines.

## **ISO 26000: 2010**

The ISO 26000: 2010 “Guidance for Social Responsibility” is a voluntary standard that serves as a guide for organizations that want to reap the benefits of acting socially responsible (International Organization for Standardization, 2010). It is not a way to classify or certify companies, like many of the other ISO standards are. ISO 26000: 2010 (Standard Norge, 2010) highlights two main tasks; to map a company’s social responsibilities and to find and cooperate with the stakeholders of the company. The guide relies on principles of honesty, transparency, ethical conduct, respect for the interests of the stakeholders, legal society, international norms of behavior and human rights. Through these principles it recognizes 7 core subjects: Corporate governance, human rights, labor practices, the environment, fair operating practices, consumer issues and community involvement and development. The ISO 26000 is a holistic approach. It integrates social responsibility throughout the whole organization with the goal of maximizing the organizational contribution to sustainable development.



## Other approaches and initiatives

There are many initiatives that focus on social responsibilities, a few of which are shown in the table below. The table builds on appendix A1 of the NS-ISO 26000:2010 (Standard Norge, 2010), and thus relates the initiatives to the 7 core subjects of the ISO 26000 and how the initiative works to integrate social responsibilities in the business. The ones chosen for this table are international (western), broad spectrum, industry-neutral initiatives.

Membership organizations (M), guidelines (G) and tools (T)	Core subjects							Approach to							
	Corporate governance	Human rights	Labor practices	Environment	Fair operating practices	Consumer issues	Community involvement	Map SR	Stakeholder cooperation	SR connection with	Specifying SR of the firm	Holistic approach	Communication of SR	Improve credibility of SR	Improvement/evaluation
UN Global Compact (M)		X	X	X	X							X			
AccountAbility (M)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
CSR 360 (M)	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
OECD (G)	X	X	X		X		X	X	X	X	X				X
Project Sigma (G)		X	X	X			X	X	X			X	X	X	X
Caux Round Table (G)		X	X	X	X	X	X	X							
The Global Sullivan Principles (G)		X	X		X		X	X			X		X	X	
GRI (T)	X	X	X	X	X	X	X	X	X		X		X	X	X
ETI		X	X					X		X	X	X	X	X	X
EBEN	X	X	X	X	X	X	X	X			X			X	
ISEAL	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
The Natural Step International	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
CSR Europe Toolbox	X	X	X	X	X	X		X	X	X	X	X	X	X	X
EFQM	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
International Chamber of Commerce	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
WBCSD	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Table 5: Different SR Approaches (adapted from Standard Norge, 2010, p.85-92).

Among the SR initiative there are some differences to be pointed out. Some of the listings are guidelines or checklists (indicated by a G), not meant for certification purposes. Another entry is the tools (indicated by a T), whether free or not, that can be used to assist the SR-work of companies. The last group is membership organizations (indicated by an M), where the companies have agreed to abide by a set of principles, follow procedures and pay a membership fee. These organizations typically offer different tools and checklists as a part of the membership benefits.

As the table shows, there are many approaches that cover all of the same areas as the ISO 26000, and give a solid, widespread platform for SR work in companies. Some of the approaches listed cover fewer topics or focus on some in particular. Even though social, environmental and economic challenges affect all, different industries and countries are exposed to these challenges differently. Companies operating in a strong regulatory environment might experience that many of the topics addressed in various SR approaches are covered in the laws and regulations they are expected to follow. Some industries have their own approaches that suit the difficulties and needs that are central to their line of operations.

For a company to commit itself to and adapt a set of externally given criteria of conduct will have implications. To build on international initiatives and best practices, gives access to knowledge and resources that the average company don't possess. It gives an outside perspective on business and how this perspective corresponds to the actual performance of the company, it gives, in other words guidance and advice.

In the introduction of this thesis it was claimed that decision making in companies often are based on information covering a large number of variable with little depth. Procedures are made to avoid doubt, and to ensure that an operation is performed in the same manner, with the intended outcome each time. Precisely defined procedures clarify the question of how an operation should be done, and therefore allows for focusing resources on performing it as good as possible. The same applies for corporate codes of conduct. They serve as a procedure of how to act in certain situations.

Example from one of the companies in the sample:

“In principle no one may accept benefits such as gifts, from the Group's business contacts if the benefit is based on his or her employment. On special occasions however, employees are permitted to receive token gifts of limited value. Gifts with an estimated value of more than

500 NOK in Norway... must be reported to line managers. The line manager will assess whether the gift can be retained” (Storebrand ASA, 2010).

In addition to an own code of conduct, or in the making of one, a company will gain advantages from participating in a joint initiative or approach, like the approaches mentioned above.

### **Important Features**

There are a large number of international CSR approaches covering a range of issues that companies can chose from in seeking new ideas, support and a more systematic approach to dealing with issues relevant to the company. Rather than constructing a new approach or establishing a best practice among companies, this thesis draws on both its theoretical foundation and current CSR approaches to identify key aspects that are valuable to a company wanting to explore corporate social responsibility and the competitive advantages that follow. In studying companies and their CSR program, these aspects might serve as checkpoints, or ideas for further engagement.

### **A CSR Program should be:**

#### **Holistic**

First, a CSR program should be holistic, meaning it should encompass “all” areas. Different definitions blur comparisons, but there should not be blind spots in the program. This is because the organization do impact “all” areas, neglecting one or more might undermine the progress made and because stakeholders and their interests often are undefined. It does not mean that each area is equally important for every company.

#### **Multi-Stakeholder Approach**

The CSR program of a company should have a multi-stakeholder approach, meaning that it should build on the knowledge of, and serve different kinds of stakeholders. Surveying who the stakeholders of the company are, and which interests they have is a central part of CSR.

### **Based on an Empirical Foundation**

The origin of CSR activities and focus should arise from analysis of the company and its surroundings. In order to work the best way possible, CSR must be sincere and in order to be sincere, it cannot be copied from someone else.

### **Close Linkage**

The efforts that companies make should be in an area related to their operations. Improvement in every area is welcomed, but using one's expertise to decrease one's impact is at the core of responsibility.

### **Fit**

The CSR approach should fit externally with the expectations of the stakeholders. Internal fit is achieved when the efforts are in an area related to the operations of the company. Improvement in every area is welcomed, but using one's expertise to decrease one's impact is at the core of responsibility. Finally actions should fit with each other, be coherent and systematic.

### **Dynamic**

The need for dynamic CSR approaches is linked to the need for an empirical foundation. The rate of change in today's society implies that development and possibilities should be monitored closely, to see if the current approach serves its purpose.

### **Continuous Process**

Continuity facilitates learning, and several activities need "tuning" to fit the challenges of the company. To formulate good strategies that incorporate social responsibility in a company takes time, to implement them even more. To make it an integral part of a company's culture can hardly be done in a case-by-case manner.

### **Stakeholder Involvement**

In finding stakeholders, discovering their interests, prioritizing expectations, putting initiatives to work, measuring the results, getting the feedback, spotting possibilities and obstacles at an early stage and addressing changing needs – there is a need to involve stakeholders. No company is an island and no stakeholder either. It is important to remember

that stakeholders are found both inside and outside the company, employees being one of the crucial groups. To be able to involve stakeholders in a good way, good channels of communication are of utmost importance. To keep stakeholders satisfied, the aspects of involvement should be also be clear: Are they asked for advice, given power over decisions or simply informed? What is expected of them, what can they expect and when or how they can voice their concerns? Important messages can seldom be over-communicated.

### **Government Cooperation**

Companies operate in a various kinds of environments: political, regulatory, local and natural, to name a few. Many of the expectations companies face are aligned with those faced by the government. The areas of focus chosen by the government are likely to receive attention, both publicity and that of experts and others who might give contributions that are of value for the company.

### **Co-creation of Business Environment**

With firsthand knowledge and an honest interest in overcoming challenges, companies can be a resource for regulators that design the business environment, and at the same time safeguarding their own operations. Sustainable development and a low level of intervention is the best way to serve society, and initiatives should therefore address key issues as precisely as possible. This can only be achieved if companies are proactive.

### **Transparency**

Openness. Honesty. Companies should allow their shareholders to be updated on what is happening within the company and why. Transparency lets good deeds shine through, and allows the company to be the first to comment if something happens in an unfavorable way. Communicating intention and motivation might invite important feedback or innovative solutions, aligned interests do not need a disguise.

## Summary of Chapter 2

Because several theories and ideas have been presented, a summary is given to outline a comprehensive view of this chapter.

Strategies, the theories of how companies can compete successfully, guide what companies choose to do or not, on an aggregated level. These strategies will, if based on an empirical view of competition (R-A Theory, p.13) be better fit for a complex reality than those solely on a theoretical approach. With an increasing rate of change in society, the need for flexibility in companies increase, which ought to be reflected in their strategies and strategy-making processes.

Some of these changes affect the social responsibility of corporations and others. Different social responsibilities exist (CSR-Pyramid, p.17), and companies have a large number of stakeholders that they hold responsibilities towards in a globalized society (Stakeholders in the Business Network, p.20). Social responsibility arise from expectations of the stakeholders, expectations arise from pressing issues and moral reasoning and general development.

Social responsibilities of corporations can serve to fulfill some expectations of stakeholders, increasing their perceived value. A competitive advantage is a combination of more value at a lower cost relative to competitors (R-A Theory, p.13). Value for the stakeholders is rooted in expectations. In order to exceed expectations at low cost, focus should be on choosing the appropriate expectations to fulfill through stakeholder management (external fit, p.26), where resources can be put to use in an effective and efficient way (internal fit, p.26) and utilize every possible synergy effect by having a systematic approach (coherence, p.26).

The majority of people evaluate both the consequences of an action and the nature of the action itself, when making most moral decisions (Hunt-Vitell, p.28). Companies do not. People working on behalf of a company benefit from guidance (codes and initiatives, p.30-37) because of reduced uncertainty, a clean conscience and belonging, given that the guidance is rooted in the company culture and represents their values. Companies benefit in their quest to fulfill expectations when stakeholders experience consistent behavior and proactive attitude towards important issues.

## Chapter 3: Methods

The theoretical part of box 3 is based on Zikmund, Babin, Carr and Griffin's *Business Research Methods* (Zikmund, Babin, Carr & Griffin, 2010) unless otherwise stated. It is a presentation of the areas of business research methods chosen as relevant for this thesis, and does not, therefore, cover all related topics.

Box 3:

**Chapter 3: Methods**

Chapter 4: Findings & Analysis

In a research setting there is a number of decisions to be made starting with the subject of the study, the purpose and how the study can or should be conducted. The first two elements have some implications for the third, but still many options are left open. The phenomenon determines to some extent, what kind of methods that are suitable. Different purposes of the research, exploratory (clarify or discover), descriptive ("paint a picture") or causal (identify cause and effect), might also guide the appropriate choice of research methods as they have varying degrees of uncertainty, structure and possibility to conclude and generalize the findings.

A business research process, with its choices and options are visualized in the figure below. Choices of techniques are indicated by a \* before and after the text, and the dotted line indicates the alternative of skipping the first round of exploratory research. The process chosen for this thesis is outlined with bold letters and will be described in this chapter. When such a process is depicted schematically it fails to show that some of the later steps do in fact influence the earlier ones. In reality, a research process might have several loops where steps are repeated and adapted to fit with the possibilities available.

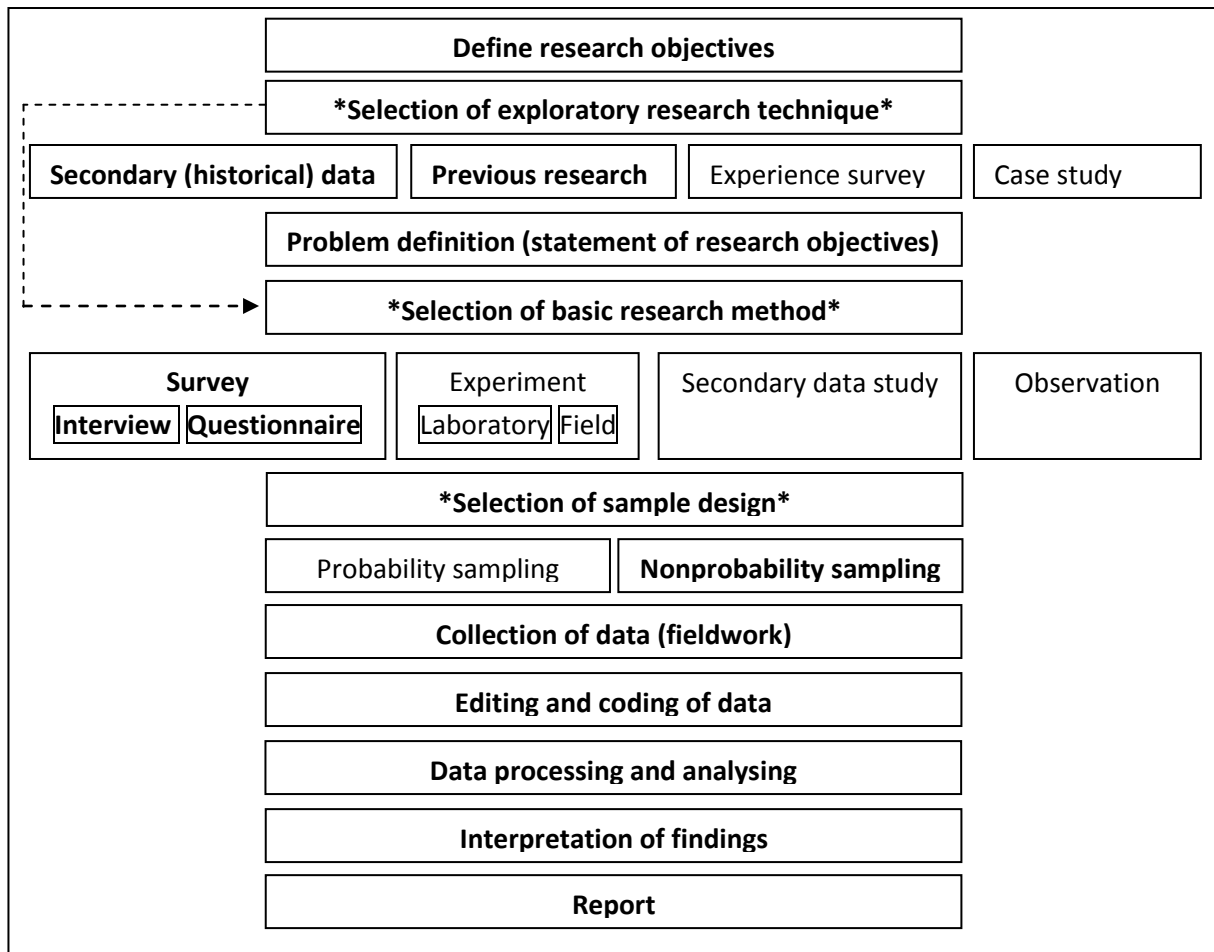


Figure 10: Flowchart of the Business Research Process (Zikmund, Babin, Carr and Griffin, 2010, p.63).

### Definition of Research Objectives:

Most often, a research process starts with a phase of problem discovery and definition. The goal of the research is determined. The research objectives for this thesis, which are to explore how challenges related to CSR impacts international companies on a strategic level, by looking at what kind of CSR challenges these companies face, how they can react to them and whether the companies can turn the handling of such challenges into competitive advantages, were described in chapter 1, where also the reasons for choosing this topic were given.

### Selection of Exploratory Research Technique:

When the objectives of the study are defined, a choice of exploratory research technique follows, which is how this particular field of study or topic is assessed at an early stage, in order to narrow the research. To explore by previous research often means to do a literature



review. Other possibilities are pilot studies, focus groups, pre-tests, case studies or use of secondary data.

### **Previous Research:**

The exploratory research in this thesis started by going through previous research in a literature review. What has been done and found earlier serves, along with relevant theories, as the foundation of what this thesis wants to investigate. This was done throughout chapter 2. The preliminary rounds of the literature search was done by searching for relevant keywords like “sustainability”, “CSR + strategy”, “CSR impact” in journal databases like Ebsco, “academic web search” like Google Scholar and regular search engines on the web. Also sources from various textbooks, and journals perceived to fit the topic, such as *Journal of Business Ethics* or *Business & Society* served as starting points. The reference list of sources in various articles helped to focus and narrow the search for more relevant articles.

### **Secondary Data:**

In addition to the literature review, this thesis uses secondary data to establish the status quo in the relevant sampling universe. In order to find relevant data, the choice was made to use secondary data about the same companies that would be studied in the basic research. For this reason, the sampling frame for the rest of the thesis was chosen already when gathering secondary data. A sampling frame is a list containing elements that could be picked to make up a sample that will represent the target population.

The research objective in this thesis is to find out how international companies are influenced by aspects of CSR and sustainability. Since a lot of the theories and many arguments on both sides speak of the various stakeholder groups, publicly traded companies are the most relevant to investigate. This is not because private companies do not have the same stakeholders, but because of arguments like “bad reputation drives down shareholder value” gives more meaning when the shares are publicly traded. Other reasons to choose public companies are because of the assumption that size matters; big corporations have more resources, they have more power to influence other stakeholders, and some would argue that responsibility increases with power. Other assumptions are that size and level of professionalism increase the use and extent of strategies, that these strategies are more precisely articulated, and that the people who design them are easier to locate in a large public company than in a smaller private one. The big companies also attract more attention from interest groups, and are

therefore assumed to have a larger incentive to perform in a responsible manner. In addition there are some practical consequences of choosing public companies, because the information about these is more readily available. In an attempt to increase the response rate, the choice has been made to look at companies in Norway, since these might be more familiar with the university where this thesis is written. This might also give the chance to make clarifications in Norwegian, if use of the English language proves to be a problem in data gathering.

Because of the above mentioned reasons, the Oslo Stock Exchange All Shares Index (182 shares, 179 companies by 02.02.11, (Oslo Stock Exchange, 2011 a)) has been chosen as the sampling frame, meaning that the companies listed there would be the only ones that might be subject of analysis in this thesis. The unit of analysis will be the company (the organization), to whom the strategies apply.

Data (recorded measures about a phenomenon, which can be structured and analyzed to provide information) regarding all the companies in the sampling frame was retrieved from the web pages of the companies, United Nations Global Compact and Global Reporting Initiative in the period from 02.02.11 to 14.02.11, and compiled into a dataset, included as appendix 1: Dataset 1. Since the data has been collected by others, for purposes other than this thesis, it is secondary data. In contrast, the data gathered in the later stages, for the purposes of this thesis, is primary data. The use of secondary data has some advantages, the main one being availability. On the negative side fit, reliability, structure and detail can be mentioned as potential problems.

The sampling frame and the data collected have some features that should be kept in mind while interpreting the results:

- The data is based on self-evaluation of companies, and on the lists of UN Global Compact and Global Reporting Initiative. These appear to be the most used general CSR initiatives. Several companies adhere to or participate in other, more industry-specific approaches.
- Some of the shares listed relate to the same company, examples of this are the shares ODF and ODFB which are two different share classes of the same company. This is corrected in the dataset, (in the cases of HNA – HNB, ODF – ODFB and WWI – WWIB) so that the dataset uses the company, not the share, as unit of analysis.
- The owner structure of some of these companies results in the fact that privately held subsidiaries participate in these CSR initiatives, but the public holding company or

owner do not. One example of this is Byggma ASA, who neither report to participate in any initiative or to have a public code of conduct, but who owns Fibo Trespo AS which participates in the UN Global Compact. Initiatives by privately held subsidiaries are not taken into account in the dataset.

- Time lag due to different starting points of the fiscal year might result in companies reporting at different times. This is because reports on CSR and sustainability tend to be published in the annual reports. In one case, DNB NOR, the company reported a GRI score on their web page, whereas the company was not in the GRI overview for the last two years. When checking with the GRI via email, the score of DNB NOR was confirmed. Also some of the companies listed are foreign and others are listed at several stock exchanges. This can mean that they are listed under a different country in the databases of UN GC and GRI. This is not accounted for in the dataset.

The methods of analysis used on this dataset are presented under the headline “Data processing and analysis”, and the findings and interpretation thereof is given in chapter 4: Findings & Analysis.

### **Selection of Basic Research Method: Surveys**

In planning the research design, it is determined what kind of data that should be gathered and how. For this thesis surveys have been used. To do a survey means to study a sample, by either some sort of interview, observation or description of the respondents’ behavior (Zikmund, Babin, Carr and Griffin, 2010). First, a quantitative survey was done followed by an interview which was performed to see whether or not the answers pointed in the same direction. To use both types of methods is a way of cross examining the results.

### **Questionnaire:**

Quantitative research means that numerical measurements and analysis are used. In this type of research, less interpretation is needed, as the data to a large extent indicates the finding. A questionnaire is a way of gathering data by asking questions that build on a standardized way of communication between the interviewer and the respondent. All the respondents are asked the same questions, unless some of the questions are irrelevant for the respondent.

Questionnaire-surveys can be done in different ways, such as postal-, phone-, personal interview- or web surveys. The choice of communication influences for instance the response

rate, the ability to ask clarifying questions and to explain, and to assure who the respondent actually is (Gripsrud, Olsson & Silkoset, 2004).

### **Interview:**

Qualitative research is not based on the use of numbers, but rather on texts, visual objects or oral statements. There are several techniques that can be used to do qualitative research, such as focus groups, depth interviews, conversations, semi-structured interview, word association, which all have advantages and disadvantages. For this thesis it has been most relevant to use an informal approach or semi-structured interviews. These make use of open ended questions to get the respondent to talk about a specific theme.

With research based on qualitative data, it is important to be aware that the results might not be “inter-subjective certifiable”, which means that another researcher might interpret the same observation differently.

Interviews can be performed by phone, email, or face to face. The researcher can chose to do the interviews personally, or have them done by assistants or an external agency. There are many advantages associated with the use of personal interviews, one of which is the possibility to achieve detailed feedback. If the interviewer is a person with a good understanding of the topic at hand, it will be possible ask follow-up questions, to go in detail on complex matters or ask for justified clarifications. Other advantages are the opportunity to combine the interview with an observation of the physical reactions of the respondent or give explanations when needed. Among the disadvantages of personal interviews are time and cost restraints, the reduced anonymity of the respondent and the possibility that the answers might be influenced by the interviewer (Zikmund, Babin, Carr & Griffin, 2010).

In an interview, an interview guide is a valuable tool. A guide might describe the basic structure of the interview, to ensure that the interviewer covers all the necessary topics in order to get good data for the study. The level of details varies with the type of interview, but it should be general enough to allow for a flexible handling of the interview, yet specific enough not to leave important areas out. When making an interview guide the researcher should assess what amount of information that is needed for the study, and the theme’s included. To take notes or make recordings during the interview, given that it is approved by the respondent, makes the process of analyzing the data afterwards much easier. If the

interviews in addition are transcribed afterwards, it will help both analysis and documentation of the results (Grønmo, 2004).

### **Selection of Sample Design:**

As international companies are the unit of analysis in this thesis, the sampling universe consists of all international companies (by whatever definition). The process of sampling is to choose a number of respondents assumed to be representative for the whole population, meaning all international companies. As mentioned earlier, the sampling frame, the list containing the possible respondents was chosen to be the Oslo Stock Exchange All Shares Index.

### **Non-Probability Sampling:**

There are different ways to perform the actual sampling and to choose which respondents to study. If the sampling is done by statistical methods, it is called probability sampling. These sampling methods can be used to ensure that the sample chosen gives a valid representation of the population, by fulfilling estimated sample size and variance according to specific criteria. In this thesis non-probability methods are used, which do not have the same level of certainty when it comes to representativeness. When looking at the results of the study, it is therefore necessary to estimate or comment on the validity and reliability.

Also for the questionnaire, all the companies in the sampling frame were invited, but not all chose to participate. For this reason the number of respondents is reported on each question, and the validity of the answers interpreted according to that.

For the qualitative survey, one interview was done, and the respondent was chosen by the method of convenience sampling, by interviewing a company which was offering to contribute both in the quantitative and the qualitative part of the survey. One respondent is not considered to be representative for the whole population, and the findings from this interview are therefore treated more as a check of the quantitative findings than an actual survey in itself. Time constraint also served as a motivation for choosing this way of sampling.

### **Collection of Data: the Questionnaire**

The research design planned for this thesis includes two surveys, one questionnaire that yields data for quantitative analysis and the use of an interview that build on the questions and

findings from the questionnaire in order to check the results from the questionnaire and possibly go in depth on some of the answers.

The two separate surveys, the data gathering and analysis were conducted sequentially. The first survey is a questionnaire, designed to “map the terrain” more thoroughly on how companies integrate the challenges in question in their strategies and meant to be the main source of data for this research.

The survey was designed and conducted by the author, via SurveyXact, a survey service owned by Rambøll, to which the University of Agder subscribes. It makes use of internet and email to invite participants, distributes the survey via a link on the web, and gathers the results. SurveyXact also allows for some statistical analysis, and it is possible to export the dataset to more advanced programs like SPSS or Excel for further analysis.

Before the survey-invitations were sent, the companies were approached by phone or email. This was done both to find the appropriate email addresses, and to increase the chance of participation from the companies' side. In the busy everyday communication companies and public companies in particular, a request for contribution to a thesis might get lost among all the other inquiries. An expected invitation addressed to the correct person might therefore stand a better chance. As with the exploratory study, the Oslo Stock Exchange All Shares Index was used as a sampling frame, and all of the 179 companies were contacted regarding the questionnaire. An invitation to the survey was sent to those 68 companies which were willing to participate. After a few weeks, a reminder was sent by email to those which still had not responded. In all 58 companies started the survey and 37 completed it. This gives a response rate of 32,4% (58/179) of the sample population, 63,8% completed- and 36,2 % partial surveys.

In this questionnaire, up to 36 questions were asked the respondents. The questions are focused on CSR as a theme, building on both the theories and articles mentioned in the literature review and some from previous studies in the field (PW Partners AS, 2007). As SurveyXact allows for skipping irrelevant questions, not all companies were asked all of the questions. For example if the respondents indicated that their company did not have a CSR program, they were not asked who was in charge of their CSR program and so on. These “jumps” in the questionnaire are indicated in a parenthesis behind the relevant questions in appendix 4. This survey also allowed the respondent to skip any question they did not want to answer. This was done since not all of the questions are equally relevant for all of the

companies. For reasons of transparency, the number of answering respondents is shown for each question (Appendix 5).

In some of questions a Likert scale was used to indicate the answers. A Likert scale is a measure where respondents indicate how strongly they feel about a statement, ranging from negative to positive. In this survey the extremes were indicated at each end of the scale and the values in between were indicated by numbers on a seven-point scale.

The order that variables under the separate questions appeared in was randomized to avoid giving some variables more attention than others. This was done for all variables except yes/no and the variable “other” where the respondents could specify other alternatives than the ones given, which were always the last one.

### **Editing and Coding of Data: the Questionnaire**

Some editing of the data was necessary. This was for the two first questions, regarding sales volume and number of employees, to ensure the same number formats and currency in the answers and to remove text.

In questions number 4 and 6, the respondents were asked to rank a given list of alternatives. The idea was that each alternative should be given a value of relative importance, and therefore that each value could only be used once. Feedback from respondents said that this was not easily understood intuitively. There was deliberately no technical restriction that forced the respondents to use each value only once in the survey, to avoid the use of annoying error messages and the danger of participant dropping out at an early stage of the survey. This could have been changed when the feedback came in, but to make sure that the exact same questions were asked all respondents, no change was made. This is corrected in the analysis, in the way that only the answers that use each value once will be included on these questions, and the number of valid responses is shown.

In some of the questions the alternatives were stated negatively, and therefore it was necessary to recode these answers by reversing the scale. This was the case for some alternatives in questions 8, 16, 32

Some of the questions ask the respondent to answer yes or no. These answers, in order to be analyzed quantitatively beyond frequencies, have to be re-coded into dummy variables.

(Dummy coding is using numeric values such as “1” and “0” to represent no-metric alternatives.)

## **Data Processing and Analysis: the Questionnaire**

In working with a dataset, different types of analysis can be done depending on the preferred outcome.

### **Descriptive Statistics:**

To portray basic characteristics of a dataset, descriptive statistics are used. Depending on the measurement level, different statistical measures can be used for description. Nominal scales serve to identify or classify observations. An ordinal scale is used for ranking based on quality or quantity of some sort. Interval scales rank, but in addition give information about differences. Finally ratio scales give an absolute ranking which implies a meaningful, absolute zero.

The central tendency is described by use of frequencies (the number of times a value occurs) mode (the most frequent value), mean -  $\bar{X}$  (arithmetic average), median (the value that divide the sample in half). Dispersion in the dataset is measured by the use of range (the distance between the extremes), variance (variability) and standard deviation -  $S$  (square root of variance). The number of observations is denoted -  $n$ .

### **Statistical Relationships:**

While quantitative data are good for describing certain characteristics of a dataset, it is also often used to study how variables are connected statistically. A statistical relationship between variables implies that there is a probability that units with some characteristics on one variable also have specific characteristics on another variable. By using quantitative analysis it is possible to identify statistical relationships between variables, estimate the strength of the relationships and also the direction and type (Grønmo, 2004).

This thesis focuses mostly on descriptive statistics, but also makes use of some cross-tabulation (cross-tabs) to explore relations between the variables from the questionnaire. This technique provides a simple way of analyzing few variables (two or three) on nominal or ordinal levels, with few values on each variable. In cross-tabs it is assumed that there is a relationship of dependency between the variables. This means that one variable, the independent, is assumed to influence another, the dependent (Grønmo, 2004)



In the analysis of Dataset 1, this was used to see if it could confirm some of the initial assumptions, such as a relationship between size and CSR activity. The findings are discussed chapter 4.

### **Validity**

To assess the validity of a study is to make a judgment of whether or not the study actually measures what it intends to. Face validity is a sort of subjective test of how the study appears, if it seems reasonable that it measures the intended phenomenon. The findings of the thesis seems reasonable, based on the approach used and is therefore assumed to be valid.

### **Reliability**

The results of a study should be reliable, which means that they should be consistent with each other. One way of determining the reliability is to compare it with similar studies to see if they find similar results. In this thesis characteristics of the main surveys can be compared to the exploratory survey. Even though the results have good reliability, they might not be valid.

### **Sample Size n and the Predictive Power of the Answers.**

The Central-Limit Theorem states that as the population size  $n$  increases, the distribution of the mean  $\bar{X}$  (sample mean) of a randomly selected sample approaches a normal distribution. (with a mean  $\mu$  (population mean) and a standard deviation (of the population)  $\mu/\sqrt{n}$ )

When a survey yields results for a sample, it is interesting to find out whether these results can be assumed to apply also to the whole population. This type of statistical generalization can be estimated at a chosen confidence level, often 95% in social sciences, and give a confidence interval for this level.

With a confidence level of 95%, the mean of a population will lie within the range of the confidence interval in 95% of the cases. The confidence interval is denoted  $\pm E$  and estimated by the mean of the sample plus or minus a small sampling error:

Confidence interval:  $\pm E = \bar{X} \pm E$

For samples larger than  $n = 30$ , the sampling error is calculated:

$Z_{c.l.} * S\bar{X}$

Where  $Z$  is a standardized normal variable, at a specified confidence level (c.l.),

and  $S\bar{X}$  is the standard error of the mean.

The confidence interval is always stated as one-half (therefore +/-) of the total confidence level.

For practical reasons this is being done in Excel. All the confidence intervals that are reported in this thesis are calculated for a confidence level of 0,95.

The questionnaire is included as appendix 4, the dataset resulting from it as appendix 5.

### **Collection of Data: the Interview**

The interview was conducted informally, meaning that it was done by the author, face to face with the respondent. This has the advantages of allowing for observations as well as listening, where body language and mimic might also be used to interpret the answers. It is also a plus that the interviewer, being the author, are well familiar with the subject and therefore able to ask questions to avoid misunderstanding, explain more in detail and guide the conversation. The downside is that the researcher might influence the respondent. As preparation an interview guide containing some questions and themes that the conversation should touch upon was made. This guide is included as appendix 6. The interview had a flexible structure, allowing the respondent to talk about the subjects and with the option of asking questions to what was said. The interview was done in Norwegian and lasted for 45 minutes.

### **Editing and Coding of Data: the Interview**

During the interview, the data recorded digitally, in order to have the opportunity studying the answers afterwards. When the interview was done, the data was translated from Norwegian to English and transcribed. This was done to be able to use it in the thesis, and to make the analysis of the answers more precise, linked to what the respondent actually said and not to the memory of the interviewer.

The interview guide is included as appendix 6, the transcribed answers as appendix 7 and some parts of the answers are used as citations in the text. To protect the anonymity of the respondent, no names are given.

### **Data Processing and Analysis: the Interview**

In analyzing the qualitative data from the interview, the answers of the respondent were interpreted to find the attitude and approach towards CSR, in some of the same areas as in the

questionnaire. Then these interpretations were viewed in light of the findings from the questionnaire, to find out whether or not a qualitative approach would give answers in the direction as the quantitative did. Finally the answers were interpreted to see if they could give more depth to the findings, or explain why some of the findings came out as they did.

### **Interpretation of Findings:**

Findings are presented, analyzed and interpreted in chapter 4: Findings and Analysis, based on the methods described in this chapter. A number of graphs and figures portray relevant results in chapter 4, whereas others are included in the appendixes. How and why the results are interpreted is stated with the use of the methodology described in this chapter.

### **Report:**

The actual thesis makes up the report of this research. It provides a description of the phenomenon that is studied, why and how and then finally it concludes. References to the sources used and appendixes containing the data material are included, allowing others to examine the basis for the conclusions.

Key findings are outlined and discussed, and figures are used where they are considered to give the reader a clearer understanding of the way of reasoning.

## Criticism of Methods Used

There are many potential errors that might occur when surveys are used. Random sampling errors are errors related to the elements in a sample, and are found in studies without very large samples. This error can be estimated, by statistical methods.

Systematic errors refer to faults in the research design that might result in either administrative error or respondent error. Administrative errors are related to data processing, sample selection, interviewer errors or cheating. Respondent error arise from either non-response or response biases, which might be deliberate or because of misunderstanding.

Response biases include:

- Central tendency bias or avoidance of extreme values
- Acquiescence response bias or agreeing with the presented statements
- Social desirability bias or adjusting the answers to give a favorable impression.
- Interview bias or the interviewer influencing the answers of the respondent.
- Auspices bias or responding to subjects one feels strongly about.

When surveys are conducted via email, it might be difficult to actually know who answers the questions. It might also be many incidents of non-response since many emails are considered spam. For the questionnaire this was countered by using personal email addresses. It was also sent out a reminder email to those who had agreed to participate, but failed to answer the questionnaire. This reminder resulted in some extra replies. The reminder email is included as appendix 3.

The actual sample size in many of the questions is quite low, which reduces representativeness for the larger population. The sample is still large enough to be interesting for the purpose of this thesis – to explore attitudes and perceptions, how certain challenges influence businesses and their strategies, and whether or not that could be turned into advantages for the company.

## Chapter 4: Findings & Analysis

In this chapter relevant data from the exploratory research, the quantitative- and qualitative survey are presented and analyzed. Since not all of the data material is presented in the thesis, a detailed overview including numerous graphs is included in the appendixes.

Box 3:
Chapter 3: Methods
<b>Chapter 4: Findings &amp; Analysis</b>

Because of the amount of information, the findings are listed as an introduction to each part of the chapter, then presented thoroughly. Finally a discussion connecting some aspects of theories and empiric follows the presentation. Key findings are summarized in bullet points throughout the chapter. To add structure, the questions and discussion are grouped based on the topics such as a specific theory, model or issue. Cross references that appear for instance to incorporate findings from two or more questions at the same time, refer to the numbered question, page or name of author or theory.

### Findings from Dataset 1: the Exploratory Survey

The exploratory survey was performed to get an impression of how CSR was being handled in the sample population. The data recorded was some characteristics about the sample population, such as size and industry and then the company webpages was searched to find relevant info of their corporate social responsibility. In addition, data from UN GC and GRI was gathered and put together in order to one dataset for analysis. The last purpose of this procedure was to gather contact information for approaching the companies with an inquiry about the questionnaire.

#### Summated Findings

- The Oslo Stock Exchange consists of companies that are on average quite small, and it is skewed towards energy and shipping (industry).
- Less than half of the companies show publicly that they have taken the first step towards CSR: having a code of conduct.
- Companies tend to either participate to a large extent in CSR activities, or not at all.
- Companies tend to avoid being evaluated by others and to choose which criteria that should be reported.

- Both the sector that the company operates in and the size of the company influence their CSR approach.

### The Sampling Frame:

In measuring firm size, market capitalization is used. Other measurements could give a more comprehensive picture of the firm, but for the purpose of this survey, the ready available market capitalization values will suffice. The values were collected from the Oslo Stock Exchange All Shares Index on 02.02.2011 (Oslo Stock Exchange, 2011 a). The size categories are commonly used ones (Stock-Market-Investors.com, 2011) and calculated roughly from US dollars to NOK by an exchange rate of 6. Again, the three companies with dual shares are accounted for, leaving 179 companies.

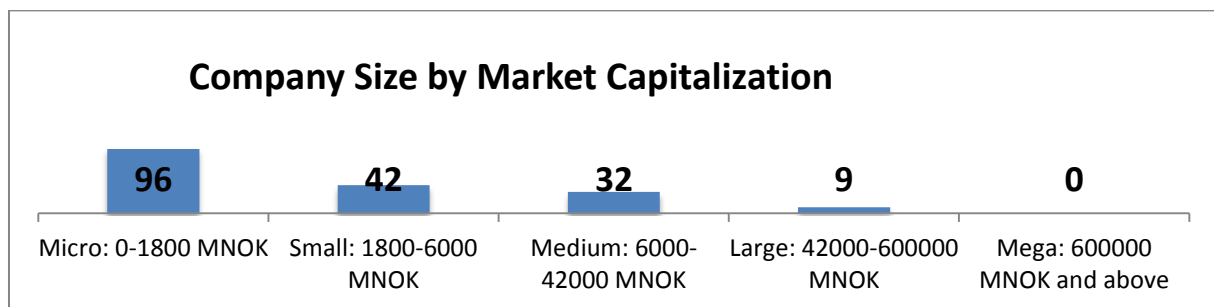


Figure 11: Sample Company Size by Market Capitalization

- The Oslo Stock Exchange consists of companies that are on average quite small.

The Oslo Stock Exchange also has some characteristics that influence the analysis with regards to industries or sectors. In the figure below the distribution of companies in the various sectors is shown. The name of sectors and the information about which sector the companies are listed in are gathered from the webpage of the Oslo Stock Exchange (Oslo Stock Exchange, 2011 a).

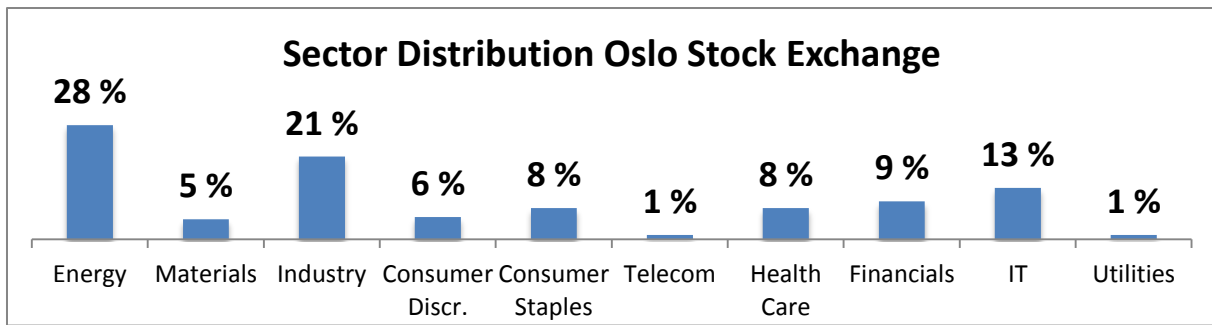


Figure 12: Sector Distribution Oslo Stock Exchange All Shares Index

The Oslo Stock Exchange has a large focus on energy. With Norway being a major exporter of both gas and oil globally, the energy focus follows as a natural consequence. With regards to shipping, the Oslo Stock Exchange is the third largest in the world, and when it comes to financial marketplaces in the seafood sector it is the world's largest and most important (Oslo Stock Exchange, 2011 b).

- The Oslo Stock Exchange is skewed towards energy and shipping (industry).

### Codes of Conduct:

The initial survey on the 179 listed companies on the Oslo Stock Exchange found that 83 companies or 46% have a public code of conduct or an ethical codex.

An organizational code of conduct of some sort is one of the first steps to putting CSR on the agenda. Not all companies choose to have such codes publicly available. Nevertheless these codes and their public display are valuable both for the employees, investors and for purposes of evaluation for the company and various interest groups and NGOs. Failure to have such a code available or not having one at all is interpreted as a lack of focus on these issues.

According to the UN GC:

“Corporate codes of conduct are extremely important and many companies have demonstrated leadership and positive change through their development and implementation”(United Nations Global Compact, 2009 b).

The interview respondent gave a good example such a code:

“I remember from early in my career, when I had a lot to do with IBM, and they had a very good ethical rulebook. It was very good! I was a bit surprised, because it was a real guide for their employees! It wasn’t exactly Mao’s little red book, but it had kind of the same effect” (Appendix 7).

The value of such codes depends on their credibility. If the companies, to whom the code applies, are known for behavior that is inconsistent with the code, stakeholders will not view the code as serious, and the credibility and value decreases. The credibility depends on how the codes are monitored, how they are enforced and the level of transparency in the company. The existence and enforcement of organizational codes of conduct is one of the determinants of how serious ethical problems are perceived (e.g. Hunt & Vitell, 2006, p6).

- Less than half of the companies show publicly that they have taken the first step towards CSR: having a code of conduct.

**United Nations Global Compact:**

18 companies, or 10%, report that they participate in the UN GC. The distribution of UN GC areas covered is as shown below. The category “0 of 4 areas” is for those companies that have signed a compliance letter, but not yet reported. These are typically companies on their way to becoming a participant.

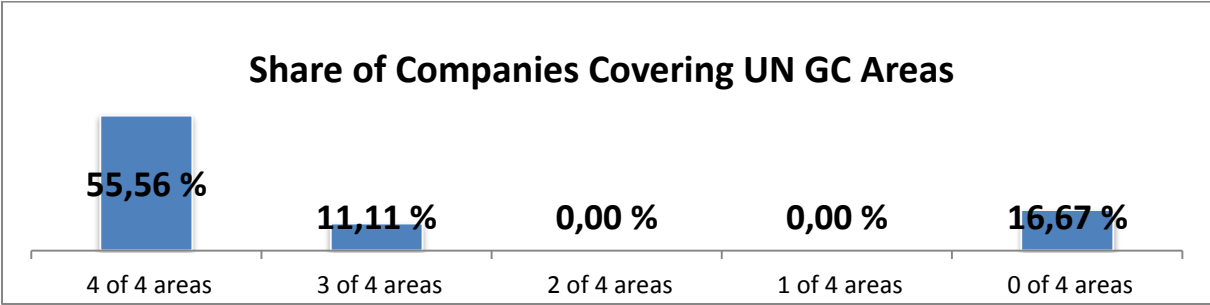


Figure 13: United Nations Global Compact Coverage amongst Participants in the Sample

The remaining companies that report participation have either failed to communicate to the UN GC or are of other reasons not to be found in the database.

- The interpretation of this is that companies tend to either participate to a large extent, or not at all.



**Global Reporting Initiative:**

11 companies, or 6%, report according to the GRI. The companies’ application levels are as shown below:

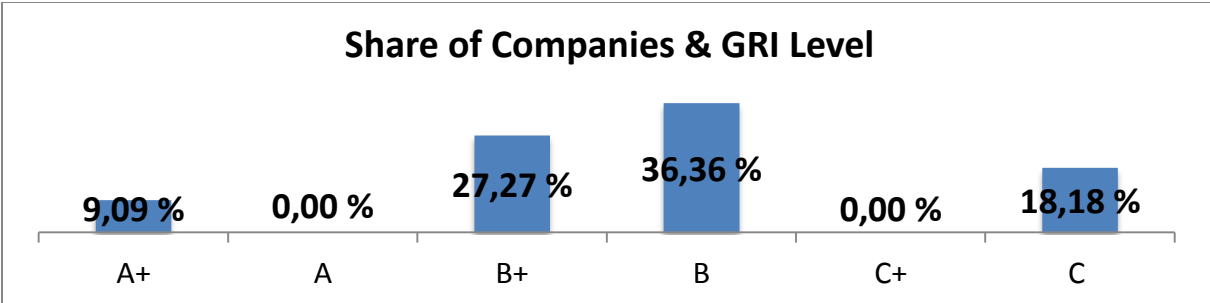


Figure 14: GRI Application Levels among the Participants in the Sample

As with the UN GC the extreme values are represented, but with the GRI the majority lies in the middle with both mode and median value of score B. The + scores indicate that the companies have been externally evaluated.

Interpretation: 55% of the companies choose to perform the evaluation in-house, which might have cost savings, but also might reduce the credibility somewhat. To score an A companies have to report on all performance indicators in each category including a sector supplement, whereas B have to report on a minimum of 20 indicators in six categories. This allows for more choice in what the companies prefer to report on, at level B.

- Companies tend to avoid being evaluated by others and to choose which criteria that should be reported.

In order to compare against one of the questions in the questionnaire, Dataset 1 was checked for how many companies that participates in either the UN GC or report by GRI or both, and the number was 19.

When looking at the distribution below, there are some differences between sectors. These might have to do with the kind – and extent of challenges faced in the various sectors, as there are for instance a large difference between the energy - and the IT sector when it comes to codes of conduct. Another explanation might be the relationship to various stakeholders, as another difference exemplifies, consumer discretionary and health care.

Sectors	Number of Companies	Percentage of Companies	Code of Conduct		UN GC		GRI		UN & GRI
Energy	51	28 %	31	61 %	2	4 %	1	2 %	1
Materials	9	5 %	7	78 %	4	44 %	3	33 %	3
Industry	37	21 %	12	32 %	5	14 %	2	5 %	2
Consumer Discr.	10	6 %	8	80 %	2	20 %	0	0 %	0
Consumer Staples	14	8 %	6	43 %	2	14 %	2	14 %	1
Telecom	2	1 %	1	50 %	1	50 %	1	50 %	1
Health Care	14	8 %	4	29 %	0	0 %	0	0 %	0
Financials	17	9 %	8	47 %	2	12 %	2	12 %	2
IT	23	13 %	5	22 %	0	0 %	0	0 %	0
Utilities	2	1 %	1	50 %	0	0 %	0	0 %	0
Total	179	100 %	83		18		11		10

Table 6: Sector and International Initiative Participation

- The company's CSR approach is influenced by the sector they operate in.

In analyzing dataset 1, it was also checked to see if the size of the company had implications for the extent of CSR initiatives. The results are depicted in the table below.

Company Size by Market Capitalization	#	%	Code of conduct		UN GC		GRI	
Micro: 0-1800 MNOK	96	54 %	27	33 %	2	11 %	0	0 %
Small: 1800-6000 MNOK	42	23 %	25	30 %	5	28 %	1	9 %
Medium: 6000-42000 MNOK	32	18 %	22	27 %	5	28 %	4	36 %
Large: 42000-600000 MNOK	9	5 %	9	11 %	6	33 %	6	55 %
Mega: 600000 MNOK and above	0	0 %	0	0 %	0	0 %	0	0 %
	179	100 %	83	100 %	18	100 %	11	100 %

Table 7: Company Size and International Initiative Participation

The results show a negative relationship between the size of the company measured by market capitalization and having a code of conduct. Smaller companies are more likely to have a code of conduct publicly available than larger ones. When it comes to participating in international initiatives such as the UN GC or the GRI, the relationship is positive. One of the assumptions mentioned as a reason for choosing public companies was that size was believed to influence CSR efforts due to access of resources and attention. This assumption is sustained by these numbers. The relationship is strongest between market capitalization and reporting according to GRI. This is interpreted to further confirm the assumption about size, as the GRI is an extensive reporting regime.

- Company size influences their CSR approach.

From the analysis of Dataset 1 the findings are that generally, challenges regarding CSR do not have that much of an impact on the companies in the sample frame. On the other side, those who do work with these issues actively tend to do it thoroughly, but prefer self-evaluation and are to some extent selective of what they want to report on.

### **Findings from the Quantitative and the Qualitative Surveys**

The questionnaire makes up the main source of data for this thesis, and will therefore be described quite extensively. Comments based on qualitative data, being the interview or email communication with respondents, are placed wherever deemed appropriate and referenced according to source.

### **Characteristics of the Respondents and the Companies**

Some questions were asked to find out some basic features about the companies and their representatives. The reason for this was to categorize the companies, to be able to comment on reliability and to compare against the initial survey of the whole sampling frame.

#### **Summated Findings:**

- The sample has characteristics similar to the sample frame regarding sector distribution and company size measured by market capitalization.
- The sample is regarded to be sufficiently international for its purpose.
- A large number of top level managers are interpreted to fit the purpose of this thesis and therefore increase the reliability of the results.

As the sampling frame is sector-biased towards energy and industry, as shown in the material of Dataset 1, the comparison to the sample population in the figure below shows that the sample is, at least, theoretically representative based on the similarity of the distributions.

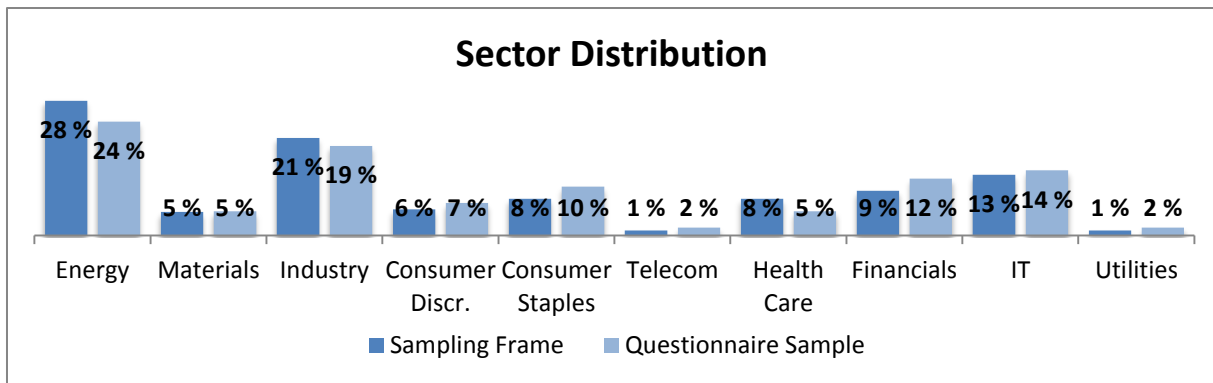


Figure 15: Sector Distribution Sampling Frame and Sample

- The sample population has characteristics similar to the sample frame regarding sector distribution

**Q1.** For purposes of categorization, the first question asked was about the sales volume in million NOK from 2010. As mentioned in the methods part earlier, the answers were in need editing due to different currency and a variety of formats among the answers. When looking at the many different numbers given by the respondents, some reported sales, some result and many were unspecified, it proved impossible to derive comparable, trustworthy results. For this reason this question will be kept out of the analysis. As a substitute, in calculations involving size, the values of market capitalization from dataset 1 will be used.

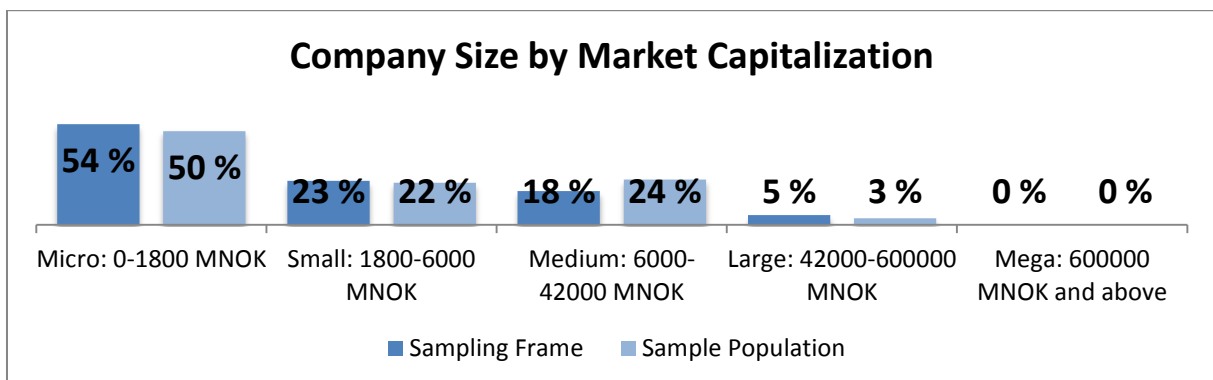


Figure 16: Company Size by Market Capitalization Sample Frame and Sample

- The sample population has characteristics similar to the sampling frame (universe?) regarding company size measured by market capitalization.

**Q2.** With regards to categorization, the respondents were also asked to indicate the size of their firm in number of employees. The answers ranged from 11 to 22000, with an average number of employees of 2388. Based on a classification where less than 100 employees equal a small enterprise, 101-2000 a medium and more than 2000 a large one (BusinessDictionary.com, 2011 g), the sample is divided as shown in the figure below.

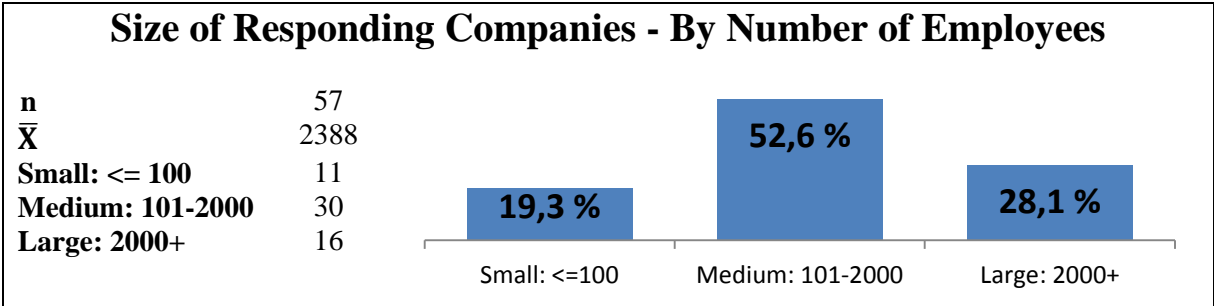


Figure 17: Size of Responding Companies by Number of Employees

When checked if company size estimated by the number of employees influenced CSR efforts for the sample, a positive relationship was found both regarding UN GC or GRI participation (Q20) and CSR activities (Q21) as shown in the table below.

	#	%	UN or GRI		CSR Activity	
Small: <=100	7	19 %	1	14 %	2	29 %
Medium: 101-2000	16	44 %	6	38 %	6	38 %
Large: 2000+	13	36 %	9	69 %	11	85 %
Total	36	100 %	16	44 %	19	53 %

Table 8: Company Size, International Initiative and CSR Activity

- Larger companies are more likely to participate in international initiatives and implement CSR activities.

**Q3.** The companies were asked about the importance of the different markets they operated in. This was done to discover whether or not the sample frame was a relevant one to answer about international companies. Most of the companies on the Oslo Stock Exchange are “Norwegian”, by head office, main market and ownership, but there are some exceptions. On the next page is an example of how the results for the alternative markets look.

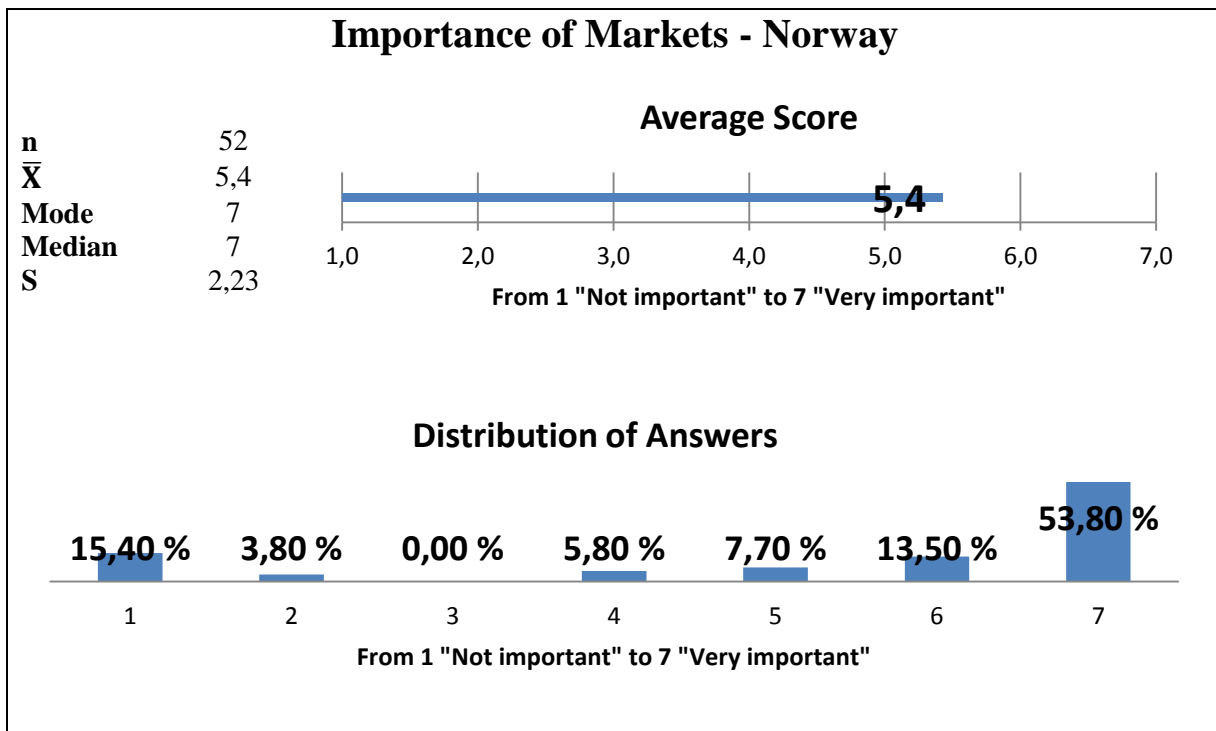


Figure 18: Importance of Markets - Norway

Similar overviews of each individual market can be found in appendix 5.

The mean of 5,4 indicates that Norway is an important market for the companies in the sample. Since both mode and median are 7, Norway constitutes an even more important market for the majority of companies than the mean suggests. The explanation can be found in the relative large standard deviation of 2,23 or by looking at the frequency distribution of the answers, where it becomes clear that this market is either very important or not important, resulting in a two-top distribution.

When looking at means for all the markets, it is clear that Norway is the most important market for these companies, as the figure below shows, but they do have an international focus.

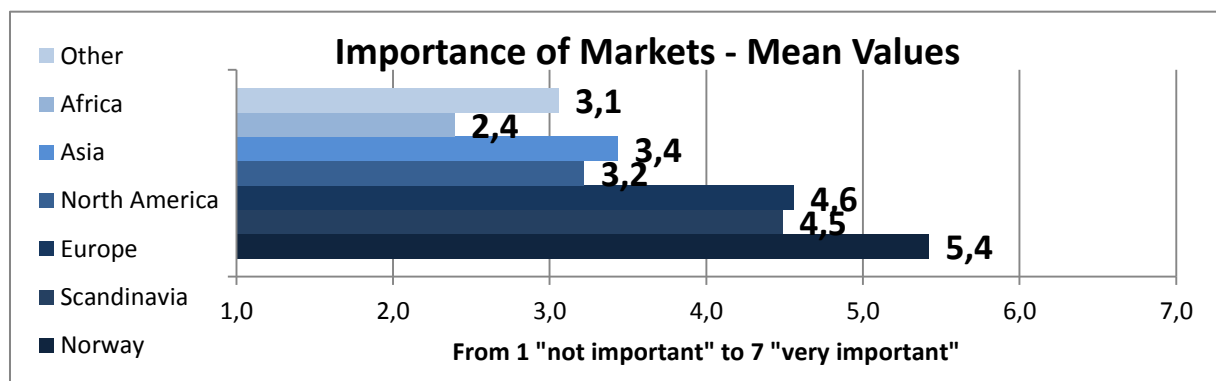


Figure 19: Importance of Markets - Mean Values

Similar to the answers regarding Norway, some of the other markets in question also have quite large standard deviations, and the group of companies is divided when it comes to market presence.

The respondents could choose which of the markets they would score on importance. The numbers of respondents for the different markets therefore range from 35 to 52. Given the large standard deviations, several of the companies have a large share of their markets outside Norway, even though the average values indicate a neutral attitude for many of the markets. In addition, the importance of markets is not the only measure of the international presence of a company. Matters like offices, production and sourcing also plays a role. Based on this, the companies in the sample are regarded as international.

The same was stated in the interview, that the respondents company had offices only in Norway and Sweden, but that they “do work with global customers in many ways, so we have a larger international presence than just having offices” (Appendix 7).

- The sample is regarded to be sufficiently international for its purpose.

**Q36.** The purpose of the last question was to find out at what level of the organization the respondents represented. Since the thesis investigates impact of CSR challenges on a strategic level, respondents involved with these issues are valuable. A high proportion of top level management and executives among the respondents is therefore interpreted as positive. That the top level in the organization is stated as in charge of CSR activities (Q23) and behind the initiative of said activities (Q28), supports this view.

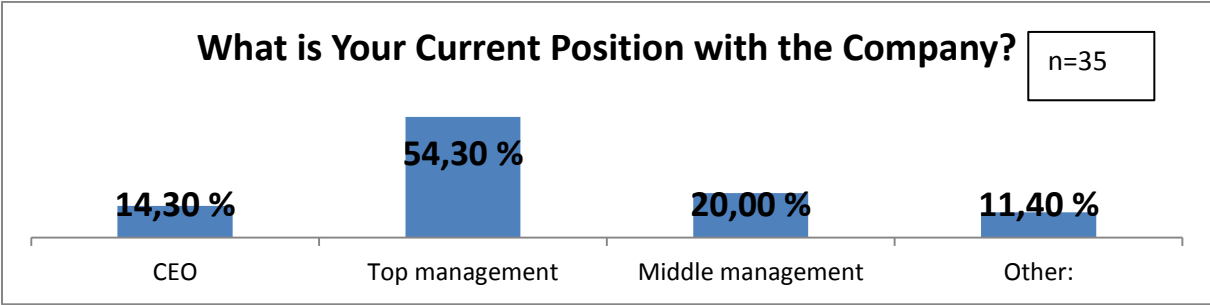


Figure 20: Respondent Characteristics

The other positions that were specified in this question are “Corporate Secretary”, “CSR Responsible”, “Enterprise Risk Manager” and “Compliance Officer”.

The respondent from the interview held the position of regional director in the company which also is at the top of the organizational hierarchy (Appendix 7).

- A large number of top level managers are interpreted to fit the purpose of this thesis and therefore increase the reliability of the results.

**Carroll’s CSR Pyramid and International Companies**

The hierarchy of Carroll’s CSR pyramid (p.17) was used as a comparison to the order of goals that the companies report, and to get an overview of which stakeholder the company took on responsibilities towards and what kind of responsibility they acknowledged toward the different stakeholder.

**Summated Findings:**

- When forced to rank a set of goals, the respondents answered according to Carroll’s CSR pyramid that economic responsibilities are most important, followed by legal, ethical and philanthropic.
- Employees are regarded as one of the most important stakeholders.

**Q4.** The respondents were asked to rank some alternative goals of the company. As mentioned earlier some of the replies were invalid because each score had been used several times. The number of valid responses is 29, and the answers are as shown below.

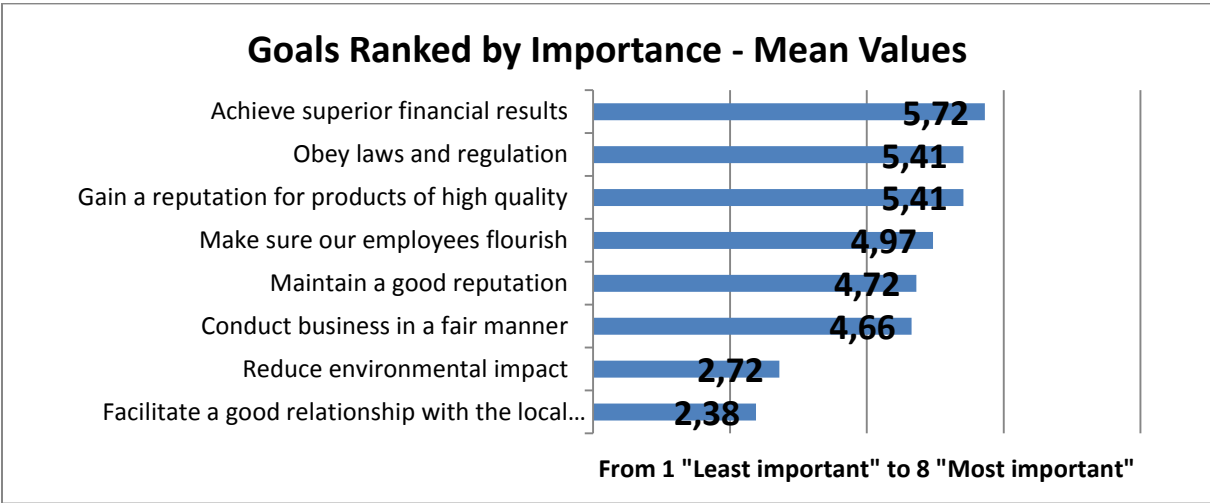


Figure 21: Goals of the Companies Ranked by Importance



The companies assign top priorities to financial performance, closely followed by legal conduct and a reputation for quality. How similar the responses are varies a bit more, measured from the observed standard deviation on the various questions. Quite some disagreement about the extremes is revealed. The most similar answers can be found when companies put employees and reputation in the middle, reputation for quality up high and reduction of environmental impact almost at the bottom. That financial performance and to obey laws is followed so closely by the goal of gaining a reputation for good quality, is interpreted the way that it is very important for companies to be recognized for having good quality which translates into profits.

The lesser focus on employees, environment and local community might have been provoked by the fact that in this question the respondents had to choose what was more important and should be prioritized. A choice like that is often the case also in real business life, whether to work on for instance reducing environmental impact or to focus on high technical quality.

This interpretation is supported by email correspondence with one of the respondents, where it is stated: “when the environment got the lowest priority in one of the questions it doesn’t mean that it is *not* important. It is just that the other issues are *more* important [Italics added]”.

Similarly, during the interview the respondent said that “everything is important” and that “these things are very interrelated” (Appendix 7). The order of goals was still more or less confirmed, by the statement that “we have to be able to compete,” (economic responsibility) “but my social responsibility also lies in having employees, I will not say Norwegian employees because they can have different nationalities, but employees under the rules” (legal responsibility) “and principles” (ethical responsibility) “that we go by in Norway” (Appendix 7).

If this question had not been one where one had to choose which one was more important, the answers would probably be that more or less all of the goals are of importance. This is in fact what becomes apparent if all the responses, valid and invalid, are taken into account. The pattern of priorities is to a large extent the same, but the differences are smaller. There is some logic to this, since all of these goals might have a positive impact on performance.

The order that these goals are put in by the respondents, are identical with the hierarchy of responsibilities that Carroll describes (p.17). The basis of all business and therefore the most fundamental of responsibilities are the economic ones, which translates into the goal of

superior financial performance. After that follows legal responsibilities with the goal of obeying the law. In this survey, reputation for quality received the same mean value as to obey laws and regulations. These two goals are in many cases very close, given a strong regulatory business environment many places and also well-grounded practices of consumer protection. Ethical responsibilities can be found in goals like employees flourishing, reduced environmental impact and fair business. Finally philanthropic responsibilities are represented by the goal of facilitating a good relationship with the local community. The order of goals which is interpreted as the priority of responsibilities follows the “western” order. A similar survey performed in a developing-economy context, would have been expected to have a different order of priorities.

The table below shows a summary of the answers given as well as the categorization of goals according to Carroll’s model. A graphical layout of how the score on the individual goals is distributed is given in appendix 3.

Goals Ranked by Importance (1-8)- mean Values - Valid responses (29)	Type of responsibility	$\bar{X}$	Mode	Median	S
Achieve superior financial results	Economic	5,72	8	6	2,23
Obey laws and regulations	Legal	5,41	8	6	2,44
Gain a reputation for products of high quality	Ethical	5,41	5	5	1,75
Make sure our employees flourish	Ethical	4,97	4	5	1,65
Maintain a good reputation	Ethical	4,72	4	4	1,64
Conduct business in a fair manner	Ethical	4,66	5	5	1,88
Reduce environmental impact	Ethical	2,72	2	2	1,80
Facilitate a good relationship with the local community	Philanthropic	2,38	1	1	2,17

**Table 9: Summary - Importance of Goals**

- When forced to rank a set of goals, the respondents answer according to Carroll’s CSR pyramid, economic responsibilities are most important, followed by legal, ethical and philanthropic.

**Q5.** Carroll suggests for companies to evaluate what kind of responsibilities they think is relevant to various stakeholders (p.17). This task was presented for the respondents, without any more explanation than saying that one CSR approach divided between four different types of responsibilities and asking them which type of responsibility they deemed relevant towards the different stakeholders. The list of stakeholders is the one given in Carroll’s article.

In the table below, the highest scores for each “responsibility” is outlined with a bold numbers. The numbers indicate that for instance 95,7% of the respondents say that they have

an economical responsibility towards the owners. The same percentage of respondents states a legal responsibility towards the government and an ethical responsibility towards employees. When it comes to philanthropic responsibilities, the largest percentage of respondents that acknowledge this type of responsibility is 42,6%, towards the communities.

One of the interesting findings from this exercise is that from the average at the last line of the table below, ethical responsibilities are the most frequent type of responsibilities when evaluating this selection of stakeholders. This number should be understood as on average, 76% of the respondents indicate an ethical responsibility towards their stakeholders. Ethical responsibilities, if using the examples provided by the author in the previous question, would be for example conducting business in a fair manner and reducing environmental impact beyond the legal requirements.

Another finding is what in this table is called “sum of attention”, which indicates the average percentage of all “considerations” for these stakeholder groups. The numbers are showing that most stakeholders find most types of responsibilities relevant for this stakeholder. In the table the three highest numbers are indicated by bold numbers, which are employees, customers and owners.

<b>Relevant responsibilities towards different stakeholders</b>	<b>Economical</b>	<b>Legal</b>	<b>Ethical</b>	<b>Philanthropic</b>	<b>n</b>	<b>Sum of attention</b>
<b>Owners</b>	<b>95,70 %</b>	68,10 %	57,40 %	12,80 %	47	<b>58,50 %</b>
<b>Customers</b>	76,10 %	73,90 %	82,60 %	19,60 %	46	<b>63,05 %</b>
<b>Employees</b>	83,00 %	66,00 %	<b>95,70 %</b>	31,90 %	47	<b>69,15 %</b>
<b>Community</b>	25,50 %	51,10 %	85,10 %	<b>42,60 %</b>	47	51,08 %
<b>Competitors</b>	58,70 %	65,20 %	65,20 %	10,90 %	46	50,00 %
<b>Suppliers</b>	80,90 %	74,50 %	63,80 %	10,60 %	35	57,45 %
<b>Social activists</b>	4,70 %	34,90 %	81,40 %	41,90 %	43	40,73 %
<b>Media</b>	39,10 %	45,70 %	89,10 %	23,90 %	41	49,45 %
<b>Government</b>	32,60 %	<b>95,70 %</b>	67,40 %	13,00 %	46	52,18 %
<b>Public at large</b>	33,30 %	52,10 %	87,50 %	31,20 %	48	51,03 %
<b>Financial institutions</b>	84,80 %	67,40 %	60,90 %	4,30 %	46	54,35 %
<b>Average</b>	55,85 %	63,15 %	<b>76,01 %</b>	22,06 %	45	

Table 10: Percentage of Respondents and Which Responsibilities are Relevant toward Different Stakeholders

The employee focus is a common theme throughout the questionnaire (Q7, Q9, Q32 and Q33) and also in the interview, where it is stated that: “it is the employees that I’m concerned for from day to day, and how we can accommodate them in a way that makes them flourish, and make their every day as good as possible” (Appendix 7).

- Employees are regarded as one of the most important stakeholders.

## **Stakeholders and the Company**

A number of questions were asked about the relationship between the company and their stakeholders. The answers gave information about aspects such as who were influenced by the company and who influenced the company, which stakeholders are seen as important to be involved with, and whether the relationship is positive or not.

### **Summated Findings:**

- Customers, employees and owners are the most important stakeholders, as they both have the most influence over, and are most influenced by the company.
- The government and financial institutions are the most malign stakeholders, as they have more influence over the company than the company has over them.
- Companies report that work environment improvements and a cleaner environment are the most important CSR activities, donations is the least important.
- Companies are well aware of their stakeholders, and report that they have a good dialogue with them.
- Caring about employees, customers and owners is reported to have the largest influence on long term performance.

**Q6.** The relationship between stakeholder and the company was also investigated in terms of which stakeholders have most influence on the company, and which are most influenced by the company’s action. Based on this survey, customers, owners and employees are identified as the stakeholders that both influence the most, and are influenced the most.

The table shows that government has a rather large influence on the company through regulation, which is pointed out by Rossi (2010), advocating co-creation of regulatory environment. Several of these findings will be commented again in connection with other questions regarding the same topics. This table shows, through the standard deviations, that there are large differences among the answers. This is also partly due to the low number of

respondents. What companies seems to agree the most on, is that media has little influence (direct at least) and to what extent competitors are influenced by the company's action, which is quite a lot.

One last finding that will be commented from this table is the asymmetric relationship regarding power and consequence. For the first three mentioned, customers, owners and employees, they make up a top three in both categories. When looking at financial institutions, governments and public at large, this is where one finds the largest absolute differences in how much they influence and how much they are influenced. Earlier it was mentioned a separation between benign and malign stakeholders, and here it shows how stakeholders defined as malign because they can inflict costs on the company, can be identified by how they can influence and are influenced in dealing with the company. Marked with bold numbers under the column named "Difference" ("Diff.") are the three stakeholders who, by these numbers, are least influenced and at the same time has a lot of influence over the company's actions.

Targeting these differences with CSR activities, might contribute to build competitive advantages. Co-creation of, or less ambitious, influence on regulations might be one example. Given that one company initiate or take part in formulating or editing regulations for the industry they operate within, these actions will serve to reduce the actual influence that the government have over the company, increase the impact the company has on the government and the government becomes less potentially "malign" for this company. At the same time, increased or new regulations, co-authored by the company, will increase the "malign-ness" of the government towards other companies. The differences between the companies, is a competitive advantage for the initiating company. This example could of course be expanded to result in practices that resemble corruption and anti-competitive behavior, but then it would not be CSR activities. In order for it to be considered CSR, it should be of a scale and scope that aim for sustainable development, which also means conducting business in a fair manner.

The downside of extending the amount of influence that companies possibly could have on regulations is that it will often favor the big and powerful. It is important that co-authored regulations and the impact the companies are allowed, benefit both society and the industry, not only a powerful company.

Financial institutions can impose costs on the company by either refusing access to capital, or offering capital at high cost. A way to reduce the power distance in this case is through CSR

activities that yield certification as a responsible investment, thus increasing the access (at least theoretically) to capital through the stock market, reducing reliance on financial institutions.

Given the large power of customers and employees, it might be reasonable to expect that some initiatives should rise from those stakeholder groups, if in deed corporate social responsibility is expected from them and in their interest. Customers might be both the following tier - , or the consumer at the end of the supply chain. It is likely that the two different types of customers have differing relationship with the focal company. Consumers have traditionally been a heterogeneous group in many respects, with few mechanisms to discover and coordinate the part of stakeholder relation they have in common. Social media have changed this, at least to some extent, giving consumers a way to gather around a common theme, communicate their message and demand response from the company – at the speed of the internet connection and almost without effort. New ways of communication have facilitated shared reaction, but with the minimum effort and the growing number and pace, each consumer protest or -demand might lose significance.

From least (1) to most important (11)	How they influence (22 valid)				How they are influenced (21 valid)				
	$\bar{X}$	Mode	Median	S	$\bar{X}$	Mode	Median	S	Diff.
Suppliers	6,41	7	7	2,06	7,33	9	8	2,36	0,92
Social activists	3,14	1	1	3,57	3,86	1	2	3,52	0,72
Media	4,45	3	4	1,80	4,33	2	4	2,77	-0,12
Government	6,27	5	6	2,47	4,95	5	5	2,46	-1,32
Public at large	4,77	3	3	3,03	4,10	4	4	2,47	-0,68
Finacial institutions	6,23	8	7	2,17	5,29	5	5	2,53	-0,94
Employees	7,77	9	9	2,56	8,48	11	10	3,08	0,70
Owners	8,27	11	9	3,22	7,71	10	8	3,03	-0,56
Community	4,82	2	4	2,77	5,57	5	5	2,30	0,75
Competitors	5,36	7	5	2,37	6,10	6	6	2,09	0,73
Customers	8,50	10	10	3,29	8,05	11	8	2,94	-0,45

Table 11: Stakeholder Relations

- Customers, employees and owners are the most important stakeholders, as they both have the most influence over-, and are most influenced by the company.
- The government and financial institutions are the most malign stakeholders, as they have more influence over the company then the company has over them.

**Q7.** Knowing a bit about how companies are influenced by and affect various stakeholders, investigating which activities companies find important to be involved in is interesting. When asked about this, the respondents scored some alternatives on a 1-7 scale of importance, thus giving them the option to indicate that “everything is important”. From the results this can be seen in that the average is high, but there are still some differences in importance, and in which alternatives the companies agree upon, estimated by lower standard deviations. The table below shows that improvements of the work environment is stated as the most important, by a mean of 5,62 and most agreed upon by a standard deviation of 1,21. To see the distribution of scores for each separate alternative, see appendix 5.

From 1 “Not important” to 7 “Very important”	$\bar{X}$	Mode	Median	S	n	$\pm E$
Waste reduction	5,00	6	5	1,72	39	0,54
Cleaner environment	5,49	6	6	1,50	39	0,47
Different kinds of donations and support	3,56	2	3	1,65	39	0,52
Improving the work environment, training, work time flexibility	5,62	5	6	1,21	39	0,38
Being active in the local community	4,38	6	5	1,73	39	0,54

**Table 12: Importance of Involvement in Key CSR Areas**

The alternative “different kinds of donations and support” is the one that is judged to be of least importance of the alternatives given, receiving a score close to the neutral 4 value, but on the “not important” side. Unrelated or disconnected donations are generally viewed as a bad way to spend company resources with the goal of improving society (Porter & Kramer, 2002).

To be involved in various donations and support are related to philanthropic responsibilities, which according to Carroll (p.17) are the last level of responsibilities, perhaps giving the other, more basic levels priority. The alternative “being active in the local community” could also be interpreted as a philanthropic task.

- Companies report that work environment improvements and a cleaner environment are the most important CSR activities, donations is the least important.

**Q8.** In discovering how companies deal with their stakeholders, (who these are were not specified in the question), the respondents were asked to indicate to what extent they agreed to certain claims. In this question a couple of the alternatives were expressed negatively, which must be kept in mind when looking at the results.

From 1 "Disagree" to 7 "Agree"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Our company has a regular dialogue with key stakeholders	5,72	6	6	1,26	39	0,40
Some key stakeholders are not pleased with our activities	3,18	2	3	1,60	39	0,50
We have few conflicts with our key stakeholders	5,72	6	6	1,36	39	0,43
A company should contribute to society beyond making profits	5,41	7	6	1,35	39	0,42
I'm not aware of who the specific stakeholders of my company are	1,77	1	1	1,12	39	0,35

Table 13: Summary - Relationship Towards Stakeholders

Communication with stakeholders and "stakeholder management" are important for a company in the way that they receive information on how their activities and initiatives are seen with an outside view, and it allows for targeting specific areas where attention is needed in a CSR setting. Approaches like the ISO 26000 (Standard Norge, 2010) frames cooperation with stakeholders as one of the main tasks of a company dealing with CSR.

**Q8.1** Respondents of this survey indicate that among the sampled companies, stakeholder dialogue is covered in a good way, which is shown in the figure below.

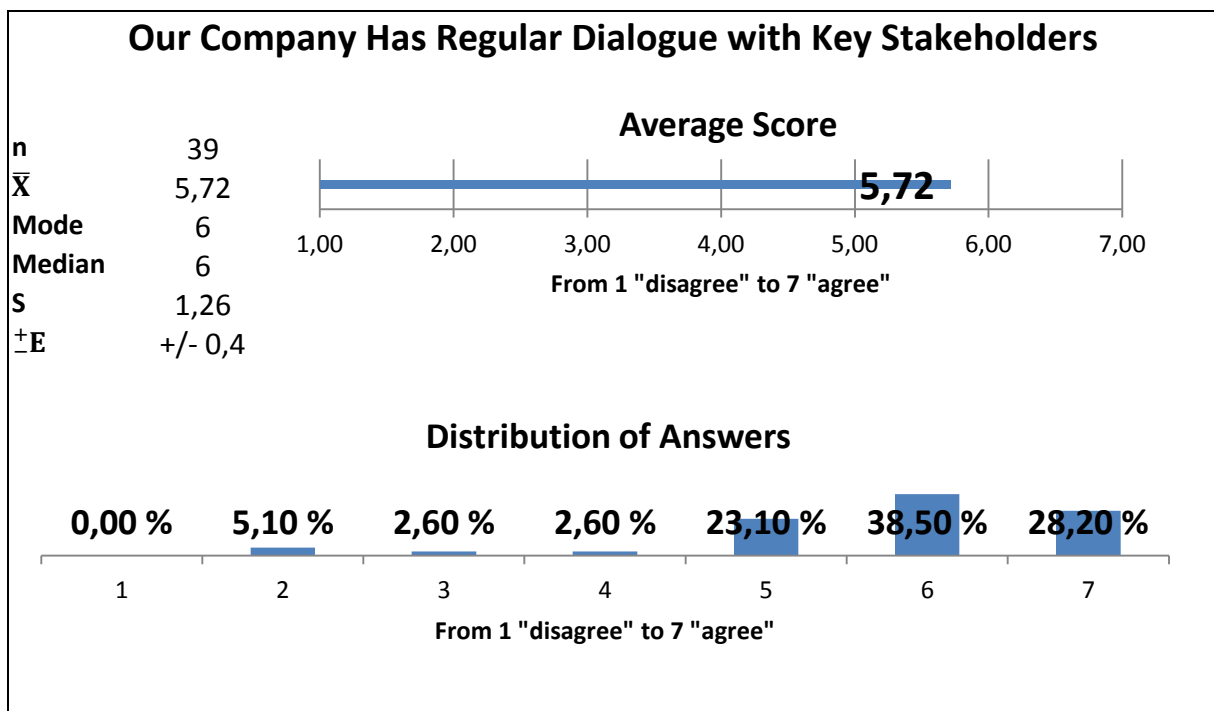


Figure 22: Stakeholder Dialogue

When conducting a survey like this, there is always the risk that those companies who actively work with CSR, and believe that it is worth doing, agree to participate, and that the results therefore might not be that representative. This is pointed out in an ILO review of corporate codes of conduct, where they refer to several studies from the 90s (International Labour Organization). These kind of dilemmas, the auspices or self-selection response bias, are certainly not specific to CSR survey, but should be mentioned.



**Q8.2** When asking companies about the level of satisfaction their activities yield among their stakeholders, the question was stated negatively, so a low score would suggest that companies perceive their stakeholders to be pleased with their activities. The results shown below give a low average score, but also a wide range (1-6) and a quite even distribution. A somewhat vaguely stated question could have some effect of the pattern of answers. The interpretation is nevertheless that the respondents have given a realistic picture of their operations and that there are key stakeholders that might not be too pleased with some of the activities. This assumed honest response and is therefore taken as a sign of high face validity of the survey results. It would be difficult to trust results indicating that everyone was satisfied with everything. The range might have to do with industry differences as well. Some industries receive, deserved or not, more negative attention due to their operations and the way they operate.

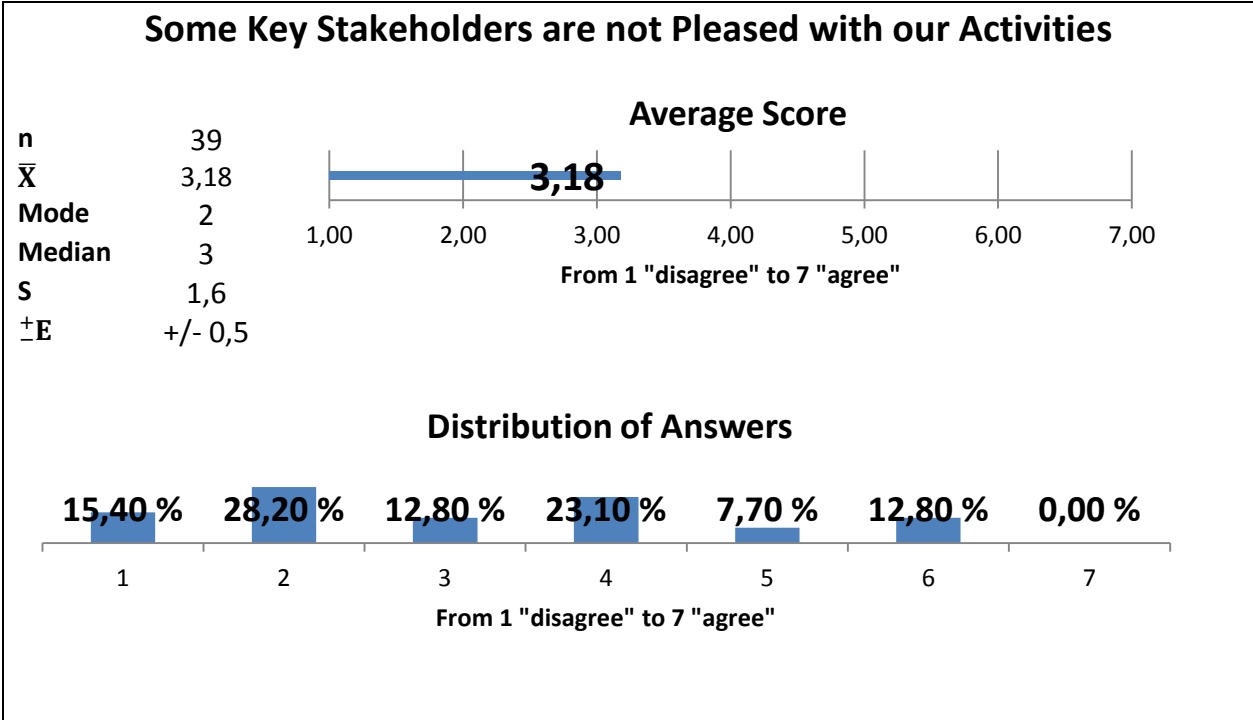


Figure 23: Stakeholder Satisfaction

**Q8.3** As the figure below shows, the respondents report having few conflicts with key stakeholders. Again neither the type of conflict nor stakeholder was defined, leaving it up to the respondents to estimate and include what they experience as conflicts with in their daily business.

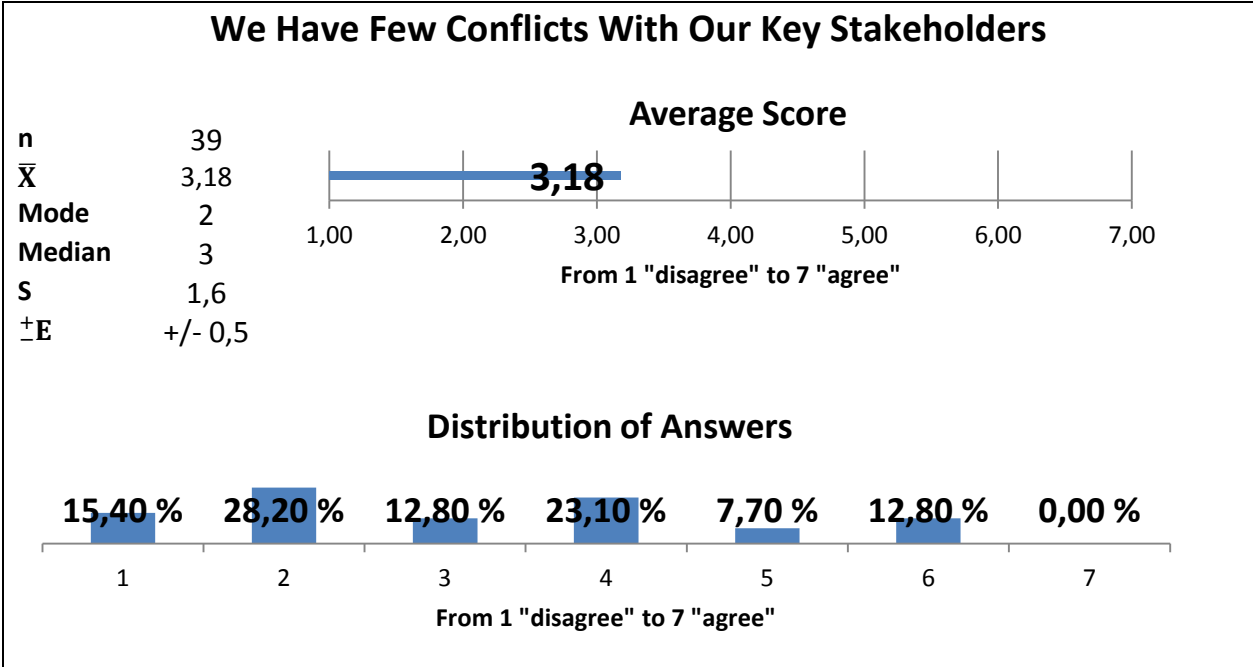


Figure 24: Level of Conflict

**Q8.4** The companies were also asked how they agreed with the statement that business should contribute more than just mere profits to the society in which they operate. This was a way of estimating how they view the role of business in society. This statement targets the classic understanding of the shareholder-argument from Friedman (p.18). As shown by the responses on the next page, the majority of respondents indicate that they acknowledge larger responsibilities towards society than just economic ones.

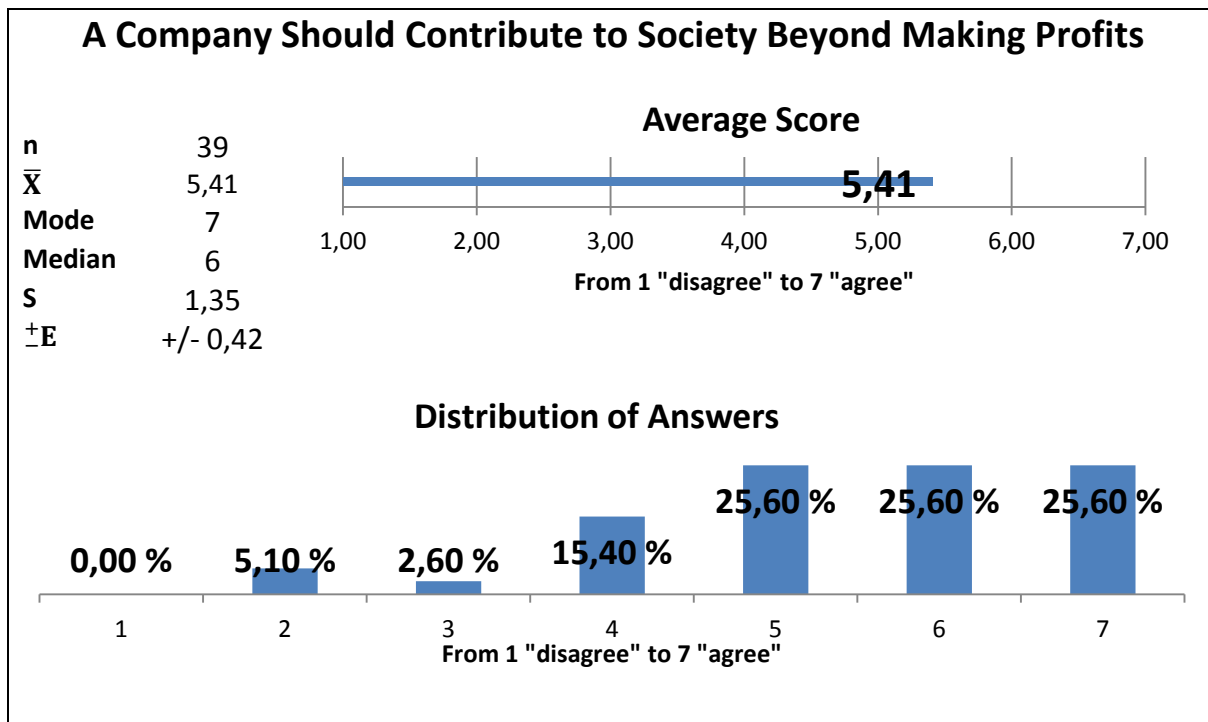


Figure 25: The Role of a Company in Society

**Q8.5** The last statement in this question was formulated to highlight the specificity of CSR. Some of the other questions could be answered on a general level, but this would indicate if in fact they had actually mapped out who their stakeholders are. From the answers below, it is clear that the companies are aware of specific groups and their relationship to their business.

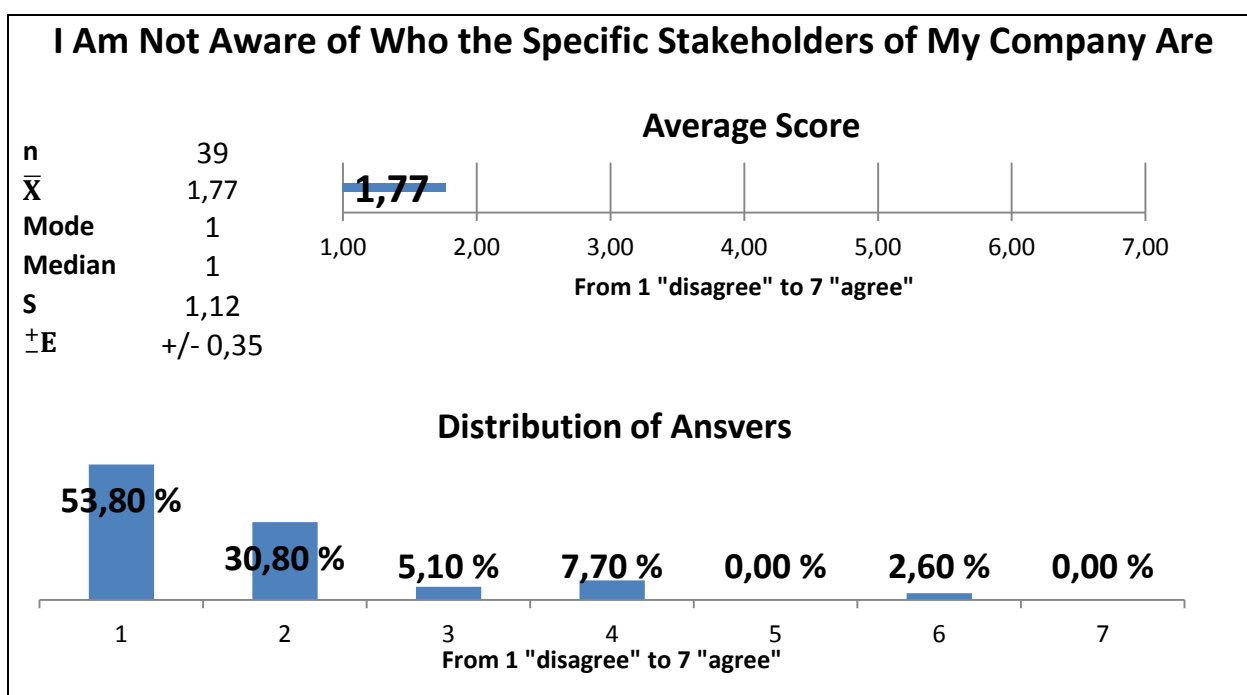


Figure 26: Stakeholder Awareness

The statements in Q8 have shown that companies know and are in dialogue with key stakeholders, which are two very important aspects of CSR (e.g. Standard Norge, 2010). Furthermore it is confirmed that responsibility beyond making profit is acknowledged, and that even though not all are pleased, the companies experience few conflicts with their stakeholders.

Another way to use the data from these Likert scales, since all the alternatives in Q8 deal with the companies attitude towards stakeholders is the summative approach. Above, each of the alternatives has been discussed separately. When several statements deal with the same topic, the scores of the Likert scales can be summated for each of the answers, to express a general attitude towards a phenomenon. To do this, because of the alternatives stated negatively, the answers must be re-coded by reversing the scale.

The attitude of each respondent can be found by adding the score from 1 to 7 on each alternative. The result of this set of 5 alternatives is then a total score between 5 and 35, where a higher score indicate more agreement that the company deals with stakeholders in a favorable way. The average attitude of how stakeholder management is perceived in the sample population could then be computed.

When this additive index is computed for the Likert scales regarding stakeholders, the attitude is 27,9, a number that tells that the companies agree to a large extent that they know- and handle their stakeholders well.

- Companies are well aware of their stakeholders, and report that they have a good dialogue with them.

**Q9.** In dealing with different stakeholders, there will be some that are of greater importance to the company than others. Earlier there was an assessment of how much stakeholders influenced and was influenced by the company, and in this question the respondents were asked about how tending to these stakeholders influenced long term performance of the company. The results are presented below.

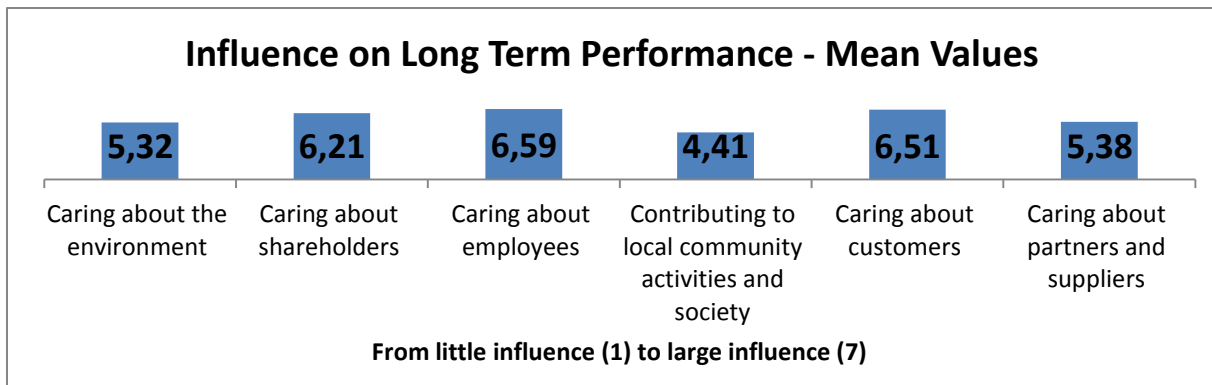


Figure 27: Perceived on Long-term Performance

As the table below shows this is a question where the respondents agree to a large extent indicated by the low standard deviations. When looking at long term performance of a company, caring about employees, customers and shareholders are considered the most important. The same stakeholders were found to be the ones who influence- and are influenced the most by the company, in Q6. It is both intuitive, and supported by Q6 that employees have a large influence on long term performance. For the distribution of answers on the individual factors, see appendix 5.

From 1 "little influence" to 7 "large influence"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Caring about the environment	5,32	6	6	1,51	38	0,48
Caring about shareholders	6,21	7	6	0,94	39	0,29
Caring about employees	6,59	7	7	0,54	39	0,17
Contributing to local community activities and society	4,41	5	5	1,46	39	0,46
Caring about customers	6,51	7	7	0,75	39	0,23
Caring about partners and suppliers	5,38	6	6	1,17	39	0,37

Table 14: Perceived Influence on Long-term Performance

Again, this corresponds with the findings from the interview, where employees are named as the largest priority.

- Caring about employees, customers and owners is reported to have the largest influence on long term performance

# CSR Challenges and their Impact on the Company

This section looks at whether or not CSR challenges have an impact on companies, how companies estimate the challenges that affect their operations and then what the reason might be for not engaging in CSR activities.

## Summated Findings:

- In general, CSR challenges do not have a large impact on the companies in the sample, but industry differences exist.

**Q10.** From the overview of the impact of CSR challenges shown below, the average on each statement indicates little impact. On the scale from 1 to 7, a 4 makes up a “neutral” neither/nor score.

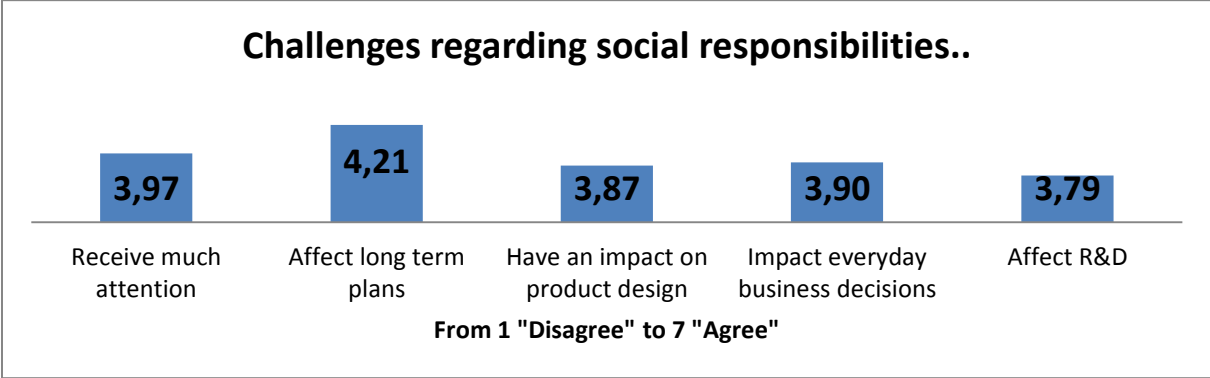


Figure 28: Influence of CSR Challenges

When looking a bit closer on the answers in the table below, all the indicators of central tendency, mean, mode and median more or less confirm the little impact that these challenges seem to have. The standard deviation shows that there are some differences in how the respondents answer, which is confirmed when looking at the graphical distribution of the individual answers in appendix 5. The respondents have answers that are evenly distributed over the alternatives.

From 1 "Disagree" to 7 "Agree"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Receive much attention	3,97	4	4	1,46	39	0,46
Affect long term plans	4,21	5	5	1,64	38	0,52
Have an impact on product design	3,87	4	4	1,80	39	0,56
Impact everyday business decisions	3,90	3	4	1,71	39	0,54
Affect R&D	3,79	5	4	1,73	38	0,55

Table 15: Influence of CSR Challenges

This seemingly little impact of CSR challenges in companies is to some extent attributed to sector differences and perhaps differences in respondent position within the company.

When looking at the answers divided by sectors, the numbers give support for the assumption as there are large differences: as an example the IT sector report that challenges regarding CSR do not affect long term plans (2,67) whereas the financial sector report that it does (5,4). When the 39 respondents are divided by 9 sectors (there was no respondent from the telecom sector in this question), the number of observations is too low to make generalizations.

n=	3	4	10	5	1	8	6	1	1	39
Sectors Mean Values	Cons. Disc.	Cons. Stap.	Energy	Financials	Health Care	Industry	IT	Materials	Utilities	Issue Avg.
<b>Receive much attention</b>	3,67	4,25	4,30	4,60	2,00	3,63	3,17	5,00	6,00	4,07
<b>Affect long term plans</b>	5,33	4,25	4,40	5,40	2,00	3,71	2,67	5,00	7,00	4,42
<b>Impact on product design</b>	4,67	2,50	3,90	5,00	4,00	3,50	3,33	4,00	7,00	4,21
<b>Impact business decisions</b>	4,00	3,50	4,20	5,20	3,00	3,25	3,00	5,00	6,00	4,13
<b>Affect R&amp;D</b>	4,67	4,50	3,56	4,60	2,00	3,63	2,83	3,00	6,00	3,86
Sector Avg.	4,47	3,80	4,07	4,96	2,60	3,54	3,00	4,40	6,40	

Table 16: Sectors and the Influence of CSR Challenges

The interview also supported the assumption of industry differences by stating that relative to other companies and industries, the respondents company was not exposed to these challenges.

“If we have a focus on something, then it is something that is often on the company agenda and that is discussed frequently – which CSR challenges are not. It is not because we do not view this subject as important, but there are not, on the operational level in our company there just aren’t enough incidents that evoke this discussion” (Appendix 7).

- In general, CSR challenges do not have a large impact on the companies in the sample, but industry differences exist.

**Q11.** When asked about the main reasons why their companies refrain from engaging in CSR activities, the answers indicate that the most important issue is lack of resources, although the value is not very high (4,89). A summary of the answers are shown in the table below.

From 1 "Not important" to 7 "Very important"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Lack of resources (money, people, time, etc)	4,89	6	5	1,62	35	0,54
Lack of awareness about this issue	3,38	4	4	1,58	37	0,51
We don't believe it's worth doing	3,00	2	2	1,66	35	0,55
We feel that laws and regulations are sufficient	4,19	5	4	1,75	36	0,57
We do not understand how these actions will help our cause	3,47	2	4	1,57	36	0,51
It is not an obligatory measure	3,50	1	4	1,77	36	0,58

Table 17: Obstacles for Implementing CSR Activities

The alternatives give a wide range of reasons, which could reveal different attitudes towards CSR in practice. When looking at how these answers are distributed, some clues to the motivation behind and the general view of CSR can be found.

**Q11.1** Lack of resources is the most important reason given when companies chose not to initiate certain CSR initiatives. Not prioritizing such activities is a natural consequence when it is hard to prove a positive connection between CSR and financial performance. Even though the majority quotes this as the main reason, there are also some respondents that answers that resources are not important in this matter.

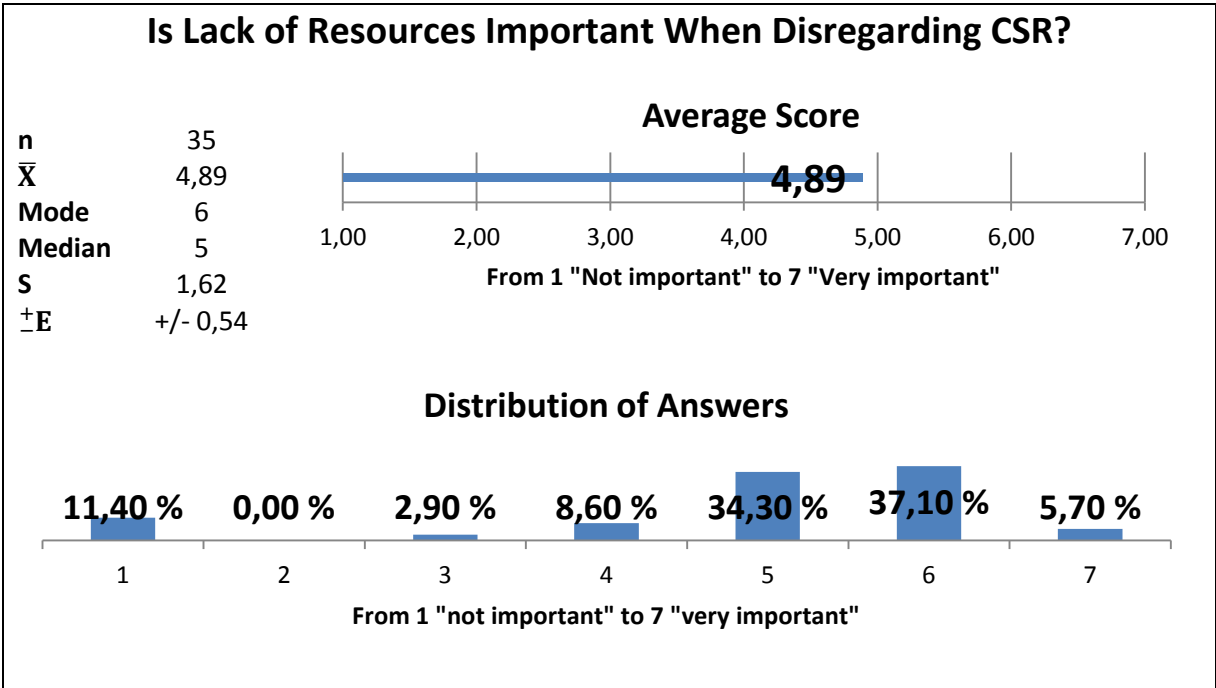


Figure 29: Lack of Resources as a Reason for Disregarding CSR



**Q11.2** When looking at whether awareness is a problem in this area, the range of answers includes all alternatives, but the majority has put this at the “not important” end of the scale. This is consistent with both the assumption about publicly held companies, that they are bigger and have more resources both to act and to be alert, and the answers from the respondents that imply that the companies know who their stakeholders are and acknowledge some responsibilities towards them (e.g. Q8)

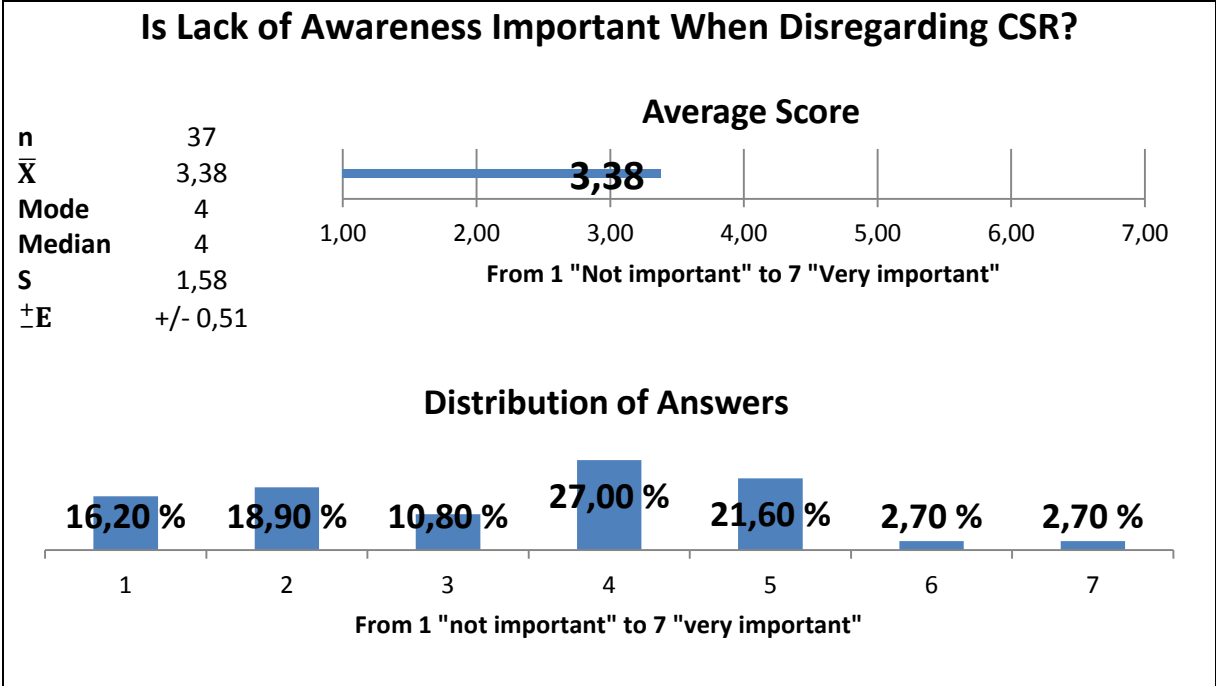


Figure 30: Lack of Awareness as a Reason for Disregarding CSR

**Q11.3** When looking at how the respondents trust the effect of CSR activities, the majority state that this is not an important reason for avoiding CSR actions. There are some that indicate that lack of belief in positive consequences of CSR is important, and this should be kept in mind when putting up “the business case for CSR”. In a later question (Q35) the respondents are asked about what they think is important for their company to involve themselves in more CSR activities, where “information on benefits” and “case examples” is stated as the most important among the given alternatives.

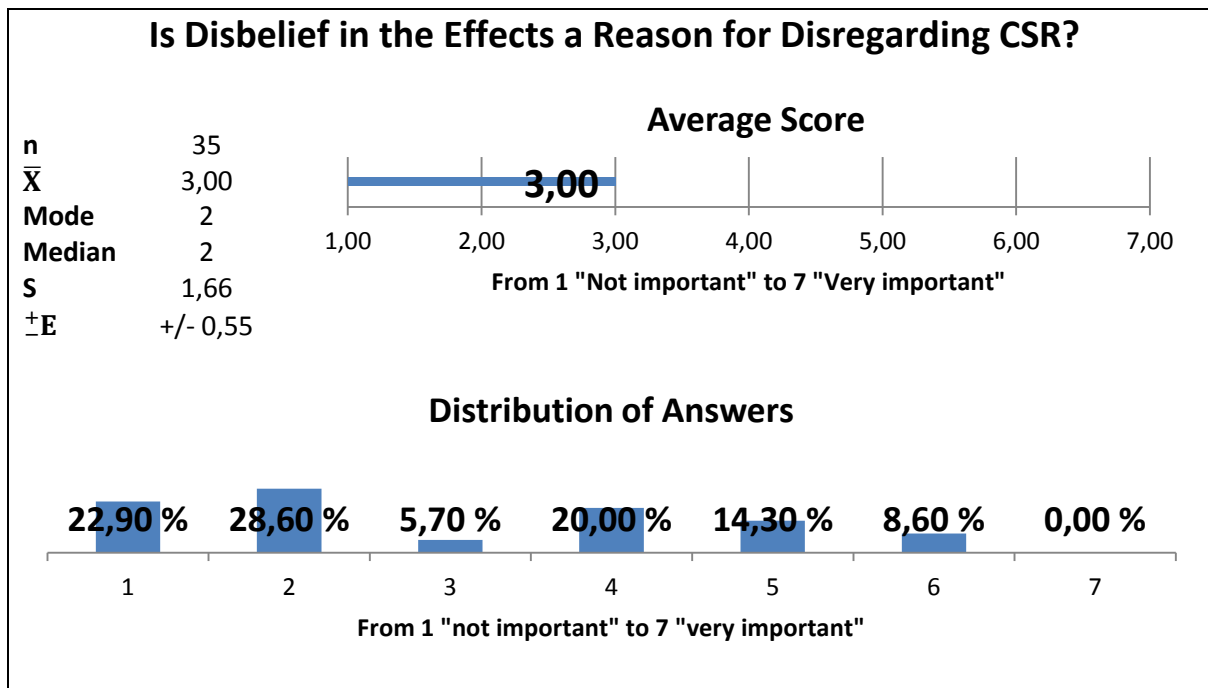


Figure 31: Disbelief in Effects as a Reason for Disregarding CSR

It might also be the case that the respondents who indicate this alternative as an important reason for disregarding CSR activities, have specific activities in mind. It is possible that the company refrain from specific CSR activities, where the results are questionable, and that these answers do not imply a general distrust in CSR. Since CSR is a much bespoke concept, many initiatives exist, and the quality and relevance of them will differ.

**Q11.4** The confidence that laws are enough to ensure “responsible business” is stated as the second most important factor as to why companies might chose not to engage in CSR, although barely relevant by a low score (4,19). A confidence interval of +/- 0,57 indicates that 95% of the companies will score this alternative between 3,62 and 4,76. The figure below nevertheless shows that the answers are distributed all over the scale, and based on that range, it might be worthwhile to discuss how laws influence CSR practices

Relying on laws and regulations might be troublesome as a globalized society is fast changing, and laws might therefore be better suited as “ground rules” and not as specific procedures. This is especially the case since in many jurisdictions, changing laws is a time consuming process. As specificity and range of laws and regulations increase, so do the rigidity of the system, a trend that is not likely to be beneficiary for business in general. Adhering to the minimum requirements of the law is not sufficient as long as responsibility of the company is concern, if the laws are hindered by a time lag in regulating pressing issues.

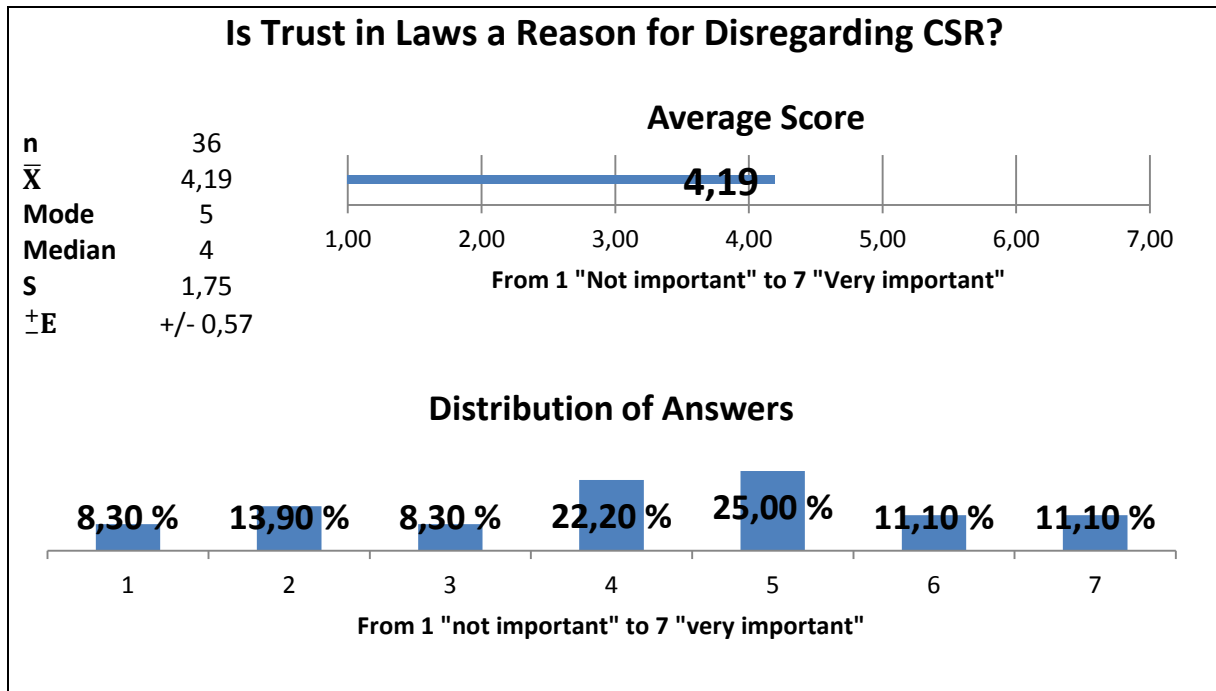


Figure 32: Laws and Regulations as a Reason for Disregarding CSR

Another side of relying solely on the changing system of laws is that these tend to be made up to suit the “strong” and “big” in a society. If laws in the long run are subject to the will of powerful corporations of a certain size, smaller companies and individuals end up as the losing part (mentioned in Q6)

Reliance on changing laws per say, hinders deontological moral reasoning, when what is seen as right and wrong changes with the powers that be. When using the minimum requirements of the law as the only yardstick on how to conduct business, one might end up with a suboptimal outcome, as the latest financial crisis might serve as a reminder of.

In a later question (Q35), a suggestion from one of the respondents as to how companies can be helped to involve themselves in CSR, properly enforced international law is mentioned. Enforcement of international law is troublesome, to say the least, as these are not always recognized as laws, but viewed more as guidelines. International CSR initiatives will therefore be similar to international laws in practice, as the company would have to voluntarily accept both the rules and the enforcement of them.

**Q11.5** As the figure below shows, the group of respondents is divided when it comes to how important a clear connection between CSR actions and outcome is important in this respect. The responding companies are heterogeneous in many ways such as size, industry, profitability and markets. This will have an effect on the answers in these questions.

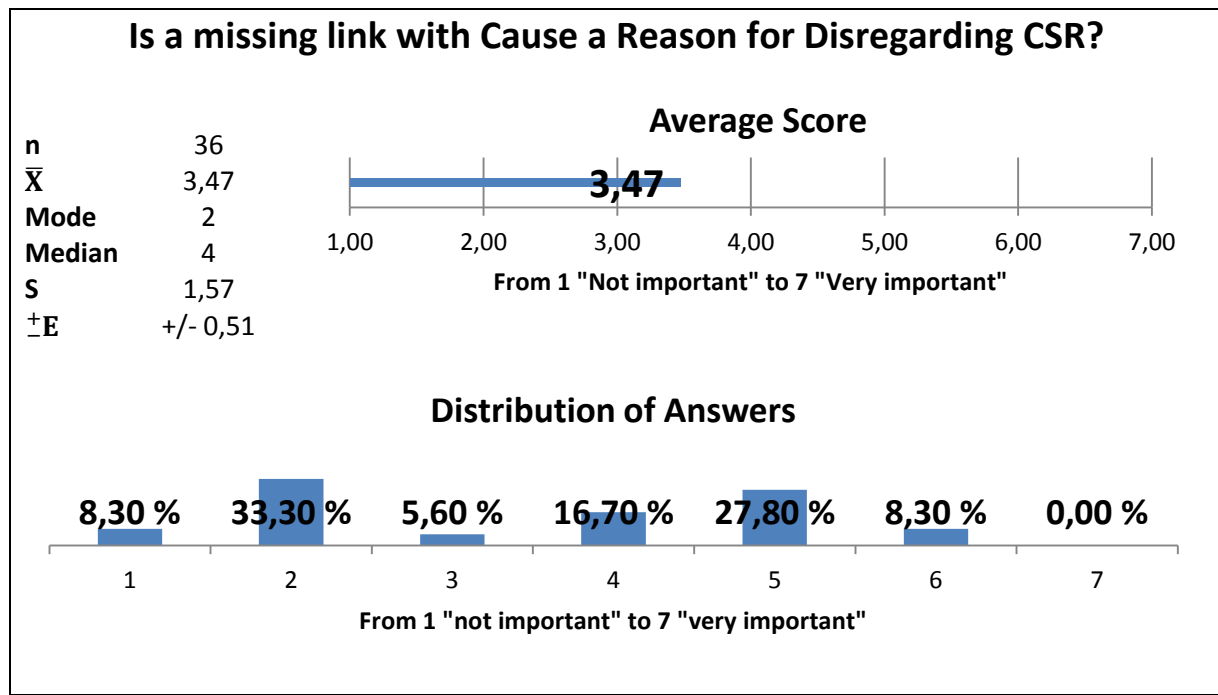


Figure 33: A missing Link Between CSR Activity and Cause as a Reason for Disregarding CSR

**Q11.6** The voluntary aspect of CSR receives the third highest value among the alternative reasons for disregarding CSR activities. The mean value 3,5 and a confidence level of 0,58 suggests that it is not particularly important, but again a two topped distribution shows that some thoughts on the subject might be of use.

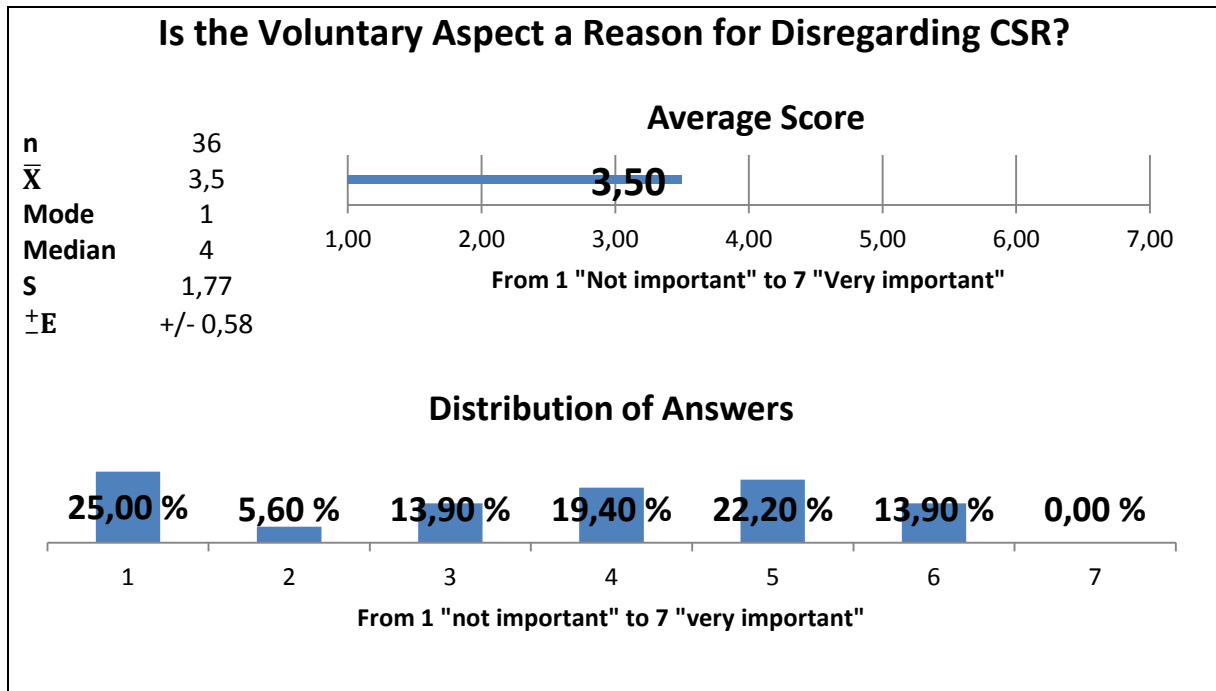


Figure 34: The Voluntary Aspect as a Reason for Disregarding CSR

It follows logically that if laws and regulations are considered sufficient to deal with CSR challenges, additional voluntary actions are not likely to be prioritized.

Voluntarism can “promote corporate self-regulation” which might constitute a more effective resource utilization than rigid regulation by “providing flexibility to develop well-tailored responsible practice” and “limit the risk and cost of corporate responsibility” when it works as a “complement to regulation” (Latham & Watkins LLP, 2009).

- Companies report that when they refrain from CSR activities, it is mainly due to lack of resources. Further they report that it is not due to lack of awareness or belief in CSR.

## CSR Challenges

The CSR challenges companies face can be of many kinds. These questions look at what kind of challenges the companies consider relevant for them and their surroundings, and the aspects around company awareness of these challenges.

**Summated Findings:**

- Pollution, effects of pollution and cultures of corruption are the only relevant CSR challenges according to the respondents, but the standard deviations are high.
- The most important issues for the companies to address are those connected to the environment, labor practices, which also are most important in their local communities, and corruption.
- Internal analysis and pressure from external interest groups are stated as the most important ways companies become aware of CSR challenges.
- Companies report to be aware of environmental challenges.
- The companies are quite confident that their level of CSR efforts matches their level of interest.
- The companies barely agree to have the appropriate procedures to explore CSR challenges.
- Companies do not utilize the knowledge of NGOs in their CSR work.
- CSR challenges are regarded ethical issues.
- The majority of the companies can document their CSR activities.

**Q12.** In question number 12 the respondents were asked to estimate the relevance of a set of potential CSR challenges, relating to the 4 areas of the UN GC. The answers as shown in the figure below, contains no surprises from a Norwegian perspective. As Norway constitutes the most important market and place of production for most of these companies, for instance “human rights at home” was expected not to be among the most relevant challenges.

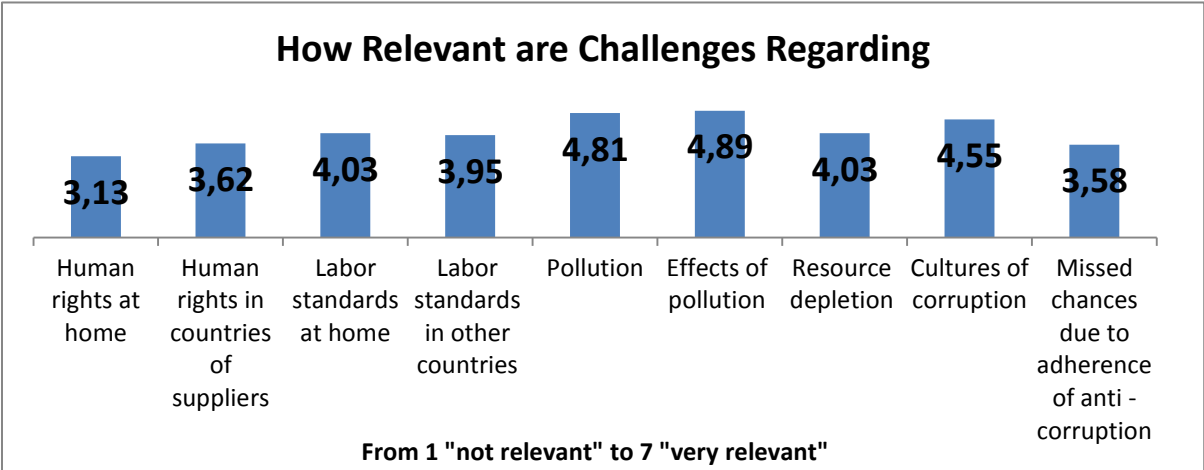


Figure 35: Relevancy of Different CSR Challenges

Pollution and the effects of pollution were, as expected, the problems that was indicated as the most relevant. Some explanatory power might be attributed to the industry bias of the Oslo Stock Exchange, since it is energy (oil and gas) focused exchange list. This might also be the case why resource depletion receives the third highest score. The three environmental challenges: pollution, effects of pollution and resource depletion might be especially high in a Norwegian context since environmental issues are high on the Norwegian political agenda. Another index might have resulted in a different order.

None of the challenges receive high scores. On this scale, a 4,0 is a neutral value. The interpretation of the averages, though based on weak indications, might therefore be that human rights and missed chance due to anti-corruption policies are not relevant, labor standards and resource depletion is neutral and the issues that constitute challenges, though not to a large degree are pollution and corruption.

A few more measures are included in the table below, showing for instance overall high standard deviations. This indicates that the answers vary to a large extent. The frequency distributions on each alternative in appendix 5, shows that all the values are represented for all the alternatives, on several of the alternatives the answers are distributed quite evenly throughout the scale and for some the neutral 4 value, is the one who receives a far less scores than any of the other values, signaling a sample that is clearly divided.

From 1 "Not relevant" to 7 "Very relevant"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Human rights at home	3,13	2	3	1,84	38	0,58
Human rights in countries of suppliers	3,62	2	4	1,87	37	0,60
Labor standards at home	4,03	3	4	1,99	37	0,64
Labor standards in other countries	3,95	5	5	1,94	37	0,63
Pollution	4,81	6	5	1,90	36	0,62
Effects of pollution	4,89	5	5	1,84	37	0,59
Resource depletion	4,03	4	4	1,66	35	0,55
Cultures of corruption	4,55	6	5	1,96	38	0,62
Missed chances due to adherence of anti - corruption	3,58	2	3	1,89	36	0,62

Table 18: Relevancy of Different CSR Challenges - Summary

- Pollution, effects of pollution and cultures of corruption are the only relevant CSR challenges according to the respondents, but the standard deviations are high.

**Q13.** As the figure below shows, challenges regarding the environment are the ones that by far receive the most attention from companies, and the ones they perceive as most important to solve. As mentioned in the comments to the previous question, this might have to do with the fact that for instance human rights have a strong standing in Norway, and the sample is Norway-centered. When challenges regarding the other topics are more or less under control, the companies can allow themselves to dwell on environmental issues, which might receive less attention in places where people and companies struggle with other problems.

Even though labor practices are not given as a relevant challenge for the companies in Q12, 52,8% states that it is a relevant issue to address in this question. It might seem as a contradiction that half of the companies find it relevant to address a challenge that they report are irrelevant, but is interpreted that even a small challenge regarding labor standards is something that the companies want to eliminate. The reason for this interpretation is the importance of the employer stated throughout the questionnaire.

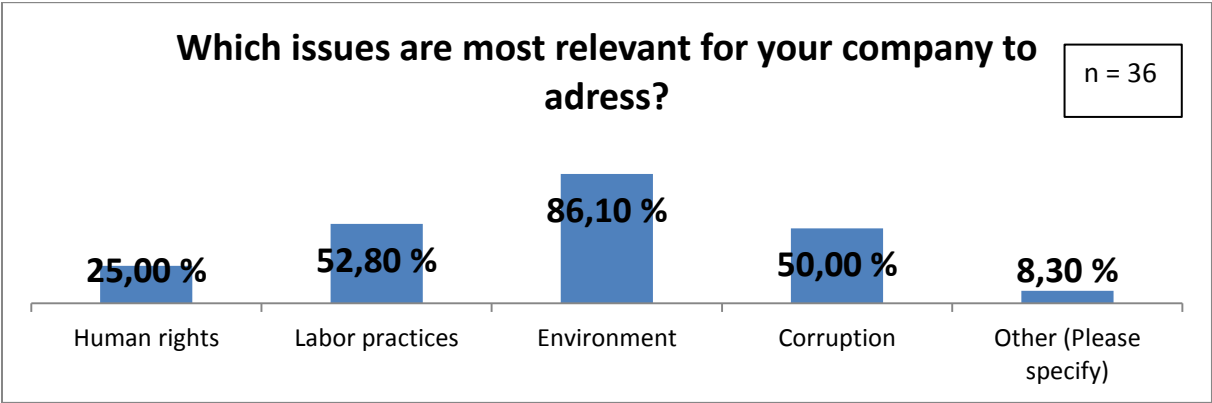


Figure 36: Issues Relevant to the Companies

Another thing that also has been mentioned earlier is the possibility of an industry-bias in the sample, and that some challenges are more relevant to specific industries. The assumption that an IT company faces other issues than a construction company is a reasonable one. For this reason there where an “other”- alternative available, and the issues that were brought up there was green IT, community and technology development.

From the interview as well, the environment was found as the most relevant challenge, even though the challenges were said to be “very limited.” In addition “changes in working conditions” or labor standards were mentioned, especially with regards to outsourcing: “it is clear that in a globalized market, then our labor standards are tested” and that they had lost



contracts because they refused to pay bribes, but that had only happened on a few occasions (Appendix 7).

- The most important issues for the companies to address are those connected to the environment, labor practices and corruption.

**Q14.** To challenge the respondents on whether “their” challenges were the same as the challenges faced by their surroundings, they were first asked about the challenges relevant for them to address (Q13) and then which challenges are important in their local community. This was meant as a way to indirectly indicate the external fit (p26) between the expectations of the local community and external stakeholders and the CSR activities of the company. The respondents are asked directly about this in a later question (Q34) and these two estimates of external fit are quite consistent with a mean of 4,5 in Q34 and seemingly good fit by comparing Q13 and Q14. As the figure below shows, environment is still the main issue, but all the other challenges have lost some “weight”, especially corruption.

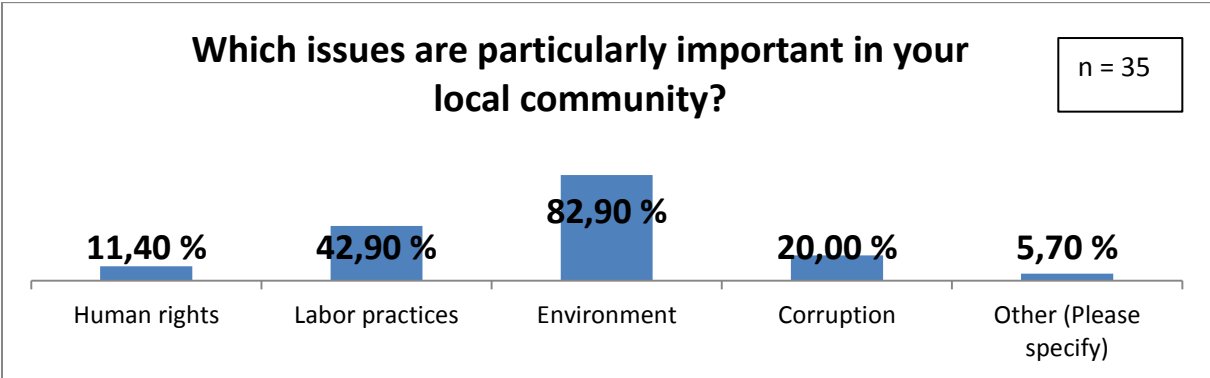


Figure 37: Issues Relevant to the Local Communities

Again, the questionnaire allowed indicating other issues, and the ones stated as particularly important in addition to the alternatives given were quality of urban space or “placemaking” which can be understood as a community concern since it focuses on human flourishing by allowing space and facilities that are not needed by technical reasons, like for instance parks and playgrounds. HSE (Health, Security and Environment) was also mentioned, which, at least by some measures can be related to labor practices since it involves routines, procedures and regulations concerning these.

- The environment and labor practices are reported to be the most relevant CSR challenges in the local community of the companies.

**Q15.** How challenges gain the attention of companies is shown in the figure below. First these are challenges that the companies become aware of through analysis that they perform themselves. Since environment was stated as the most important issue, this might seem logic, given that environmental impact is something that is “easily” discovered through for instance emissions, fuel used or use of toxic materials.

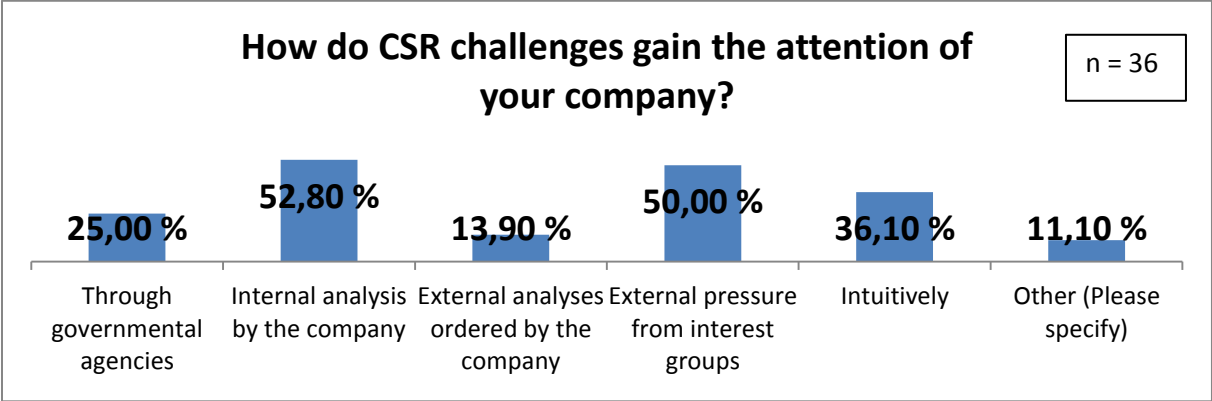


Figure 38: Discovery of CSR Challenges

As a second source of enlightening, external pressure from interest groups is indicated. Reviewing the answers from Q5 social activists were attributed least influence among all stakeholders, which might seem a bit inconsistent considering the answers in this question. The discrepancy might come from the difference between bringing an issue to the company’s attention and having influence over the company and how it deals with the issue.

The use of different labels and not defining interest groups might affect this answer, since in Q5 social activists, public at large and community were used, all of which could be labeled external interest groups. Q5 dealt with direct influence, not taking into account whether or not social interest groups could influence the company through media, customers or the government.

One third of the respondents indicate that CSR challenges are discovered intuitively, which appear more random than those who look for CSR challenges through analysis. Because CSR challenges are regarded to be ethical issues (Q16), and since this is such a major source of challenge - discovery, it might be worth noticing the decreasing recognition of ethical dilemmas (p29) Not repeating the arguments from the “theory box”, there might be good reasons for looking into how to affect ethical perception, as this is a prerequisite for evoking a process of ethical reasoning, which then, in this case, might have an effect on discovery of CSR challenges.

Governmental agencies have a lot of influence over the company (see Q5), but do not use this influence very much. This is a type of stakeholder that earlier in this thesis has been identified as malign; both logically through their ability to impose restrictions and externalities on companies and by the asymmetric power relationship with the company (see Q5). It is a paradox that social activists with low influence apparently play a more important role as watchdogs, than powerful, governmental agencies who also possess the tools (to some extent) to force companies to deal with the issues. One thing is bringing up the issues, another is facilitating change. Again it might be worth mentioning that the sample might bias the results, as differing political climate and actual governmental will have an impact.

Rossi (p22) argued for co-creation of regulatory environment and pointed out the problem of time lag in regulations given the characteristics of bureaucracy. For reasons like these, it might be interesting to look into the different roles of stakeholders and how combined effort might lead to a better result, or the “creation of shared value” as Porter and Kramer (2011) stated it.

There has been a growing trend or a turn from social activists group confronting companies in demonstrations to the growing business of “environmental lobbying” (Becker, 2010) and also through the voting rights as shareholders.

External analysis ordered by the company is a method that is not much used to discover CSR issues. This might have a reason based on costs, but also that the companies prefer to choose what they want to evaluate and address. This is consistent with the findings from the exploratory survey where most companies choose not to have their GRI application level externally audited.

Again some other alternatives were mentioned by the companies, and these were pressure from employees, clients and investors and other stakeholders. The temptation to attribute this to a Norwegian sample is strong, when dealing with international companies. The egalitarian nature of cultures such as the Norwegian (low power distance) can be observed in for instance the much cited studies of Hofstede, and is likely to allow for employee pressure to a much larger extent than would be anticipated from for example some of the Asian countries.

A growing interest for “responsible” investments can be observed by a large number of funds and also whole exchange lists based on responsible companies such as the Dow Jones Sustainable Index and the “FTSE4good” list. That owners and investors view it as valuable to

receive such positive attention and a competitive argument in addition to the normal financial indicators, is likely, which should result in a commitment to tackle CSR challenges in companies.

The interview respondent stated that “we are influenced by the debates that go on in society”, when discussing which issues that were of concern for them (Appendix 7).

- Internal analysis and pressure from external interest groups are stated as the most important ways companies become aware of CSR challenges.

**Q16.** The 16<sup>th</sup> question presented another round of statements, where the respondents should indicate their level of agreement from 1 “disagree” to 7 “agree”.

From 1 “Disagree” to 7 “Agree”	$\bar{X}$	Mode	Median	S	n	$\pm E$
We are aware of environmental challenges that impact our company, or might do so in the future	5,86	6	6	1,23	36	0,40
Our company's interest in CSR does not translate into action	2,92	3	3	1,42	36	0,46
Our company have the appropriate procedures to explore CSR challenges	4,28	5	4	1,52	36	0,50
We invite representatives of NGOs (WWF, Bellona, etc.) to provide a more informed understanding of social responsibility	3,03	1	2	1,89	36	0,62
Challenges regarding sustainability and CSR are ethical issues	5,06	6	5	1,37	35	0,45
Our CSR initiatives can be documented	4,81	6	5	1,73	36	0,56

Table 19: CSR Challenges and the Company - Summary

As these statements do not have a common theme, the answers are presented one by one to provide more information.

**Q16.1** Concerning environmental challenges, the majority of the respondents stated that this was something familiar, and the figure shows little variation in the answers. This seems reasonable, given the fact that challenges regarding environment was deemed most important both by companies and also how they perceive their local community.

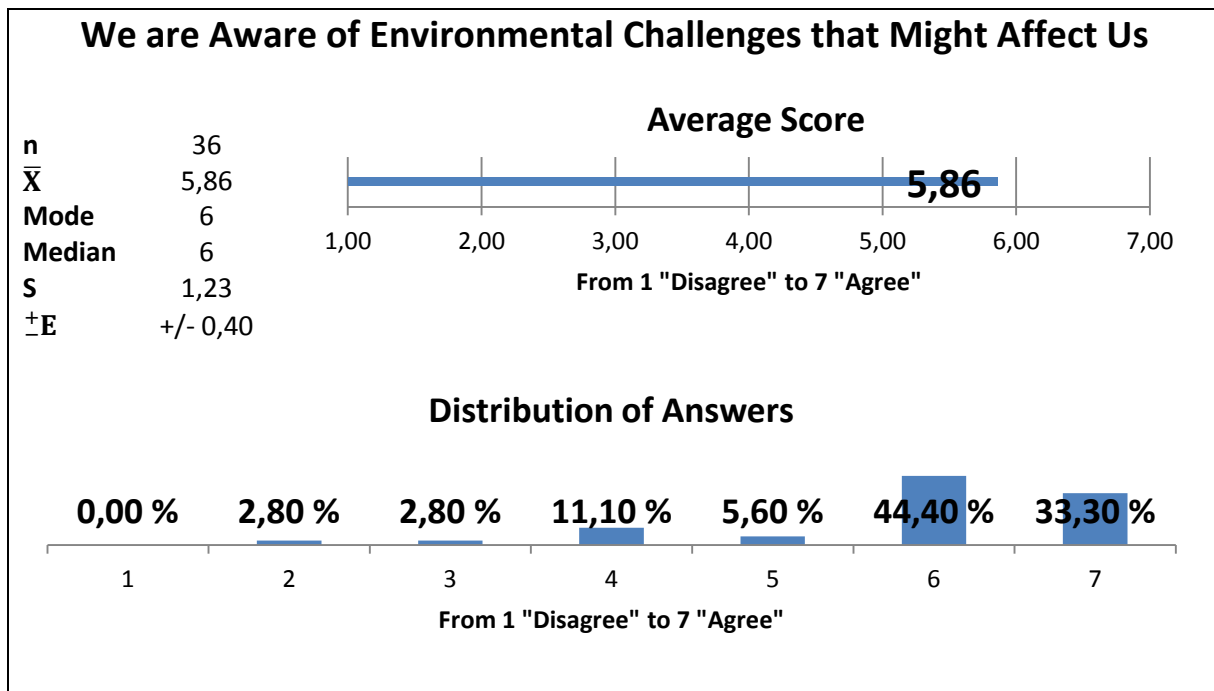


Figure 39: Company Awareness

The fact that half of the respondents indicated internal analysis as one of the ways that CSR challenges gained their attention, also strengthens the belief that a proactive stance has been taken. What this first statement does not address is whether or not these companies have come up with a program to meet these challenges.

- Companies report to be aware of environmental challenges.

**Q16.2** On the next page there is a figure showing how companies consider their CSR intentions to be turned into specific activities. This statement was formulated negatively, so a low score a close relationship between intention and activity. The tendency is towards the lower half of the scale, but with a wider range and a more even distribution than in the previous statement.

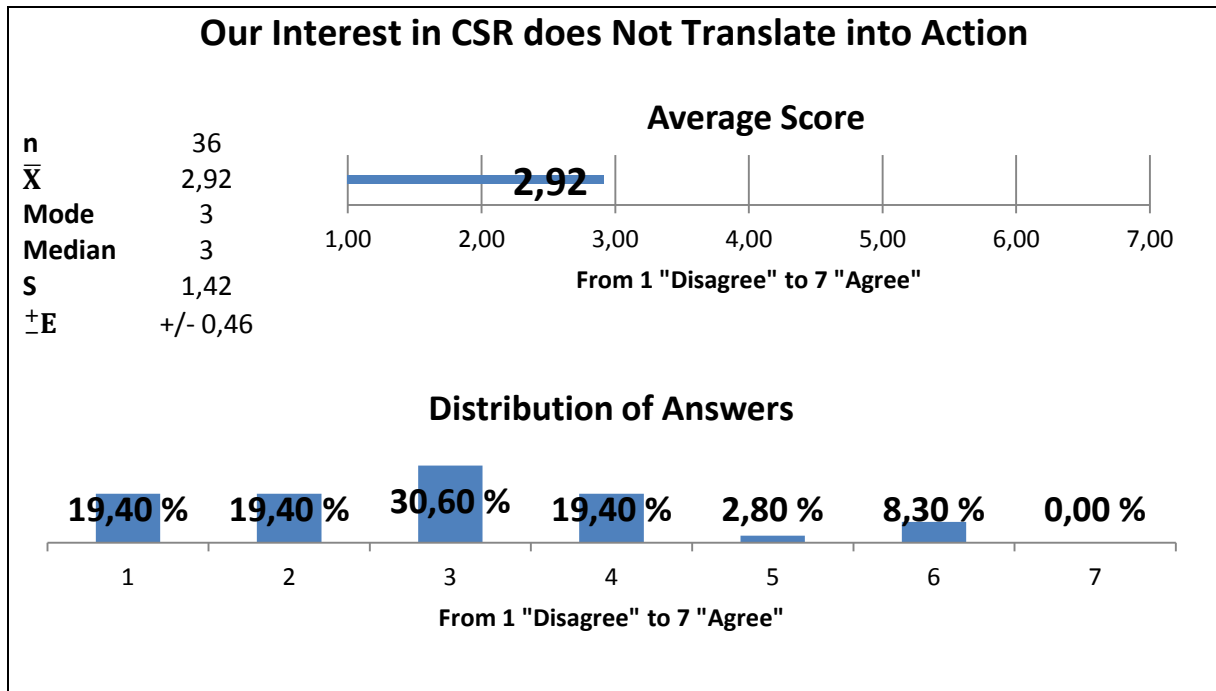
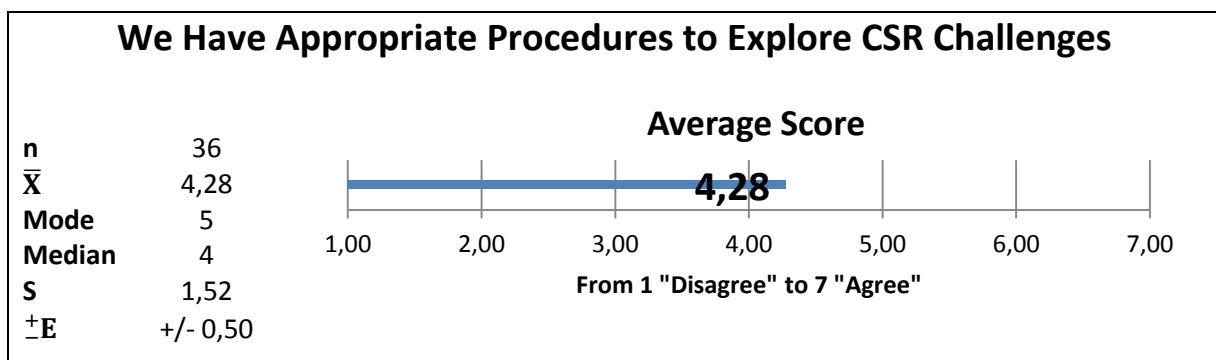


Figure 40: Company Determination in Pursuing CSR

This is interpreted the way that in most companies the level of interest relates quite well to the amount of CSR action. The mean of 2,91 should indicate a quite high similarity between interest and activity.

- The companies are quite confident that their level of CSR efforts matches their level of interest.

**Q16.3** Regarding procedures to detect and investigate CSR challenges, the figure below shows a large spread in the answers. The mean is at 4,28 which is close to a neither-nor answer on a scale from 1 to 7.



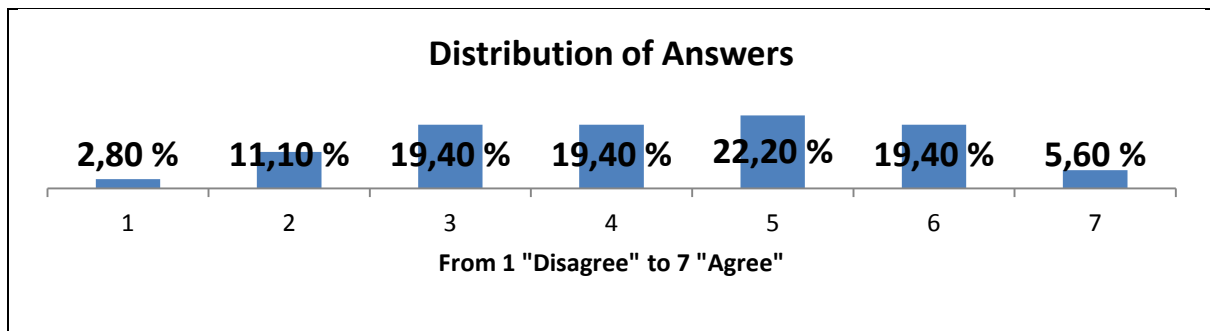


Figure 41: Companies CSR Capabilities

This is a bit surprising given the fact that the companies relies to a large extent on internal competence to discover CSR challenges (Q15), which one might expect resulted in a higher value on this statement.

- The companies only slightly agree to having the appropriate procedures to explore CSR challenges

**Q16.4** The insights that NGOs possess are underutilized, based on the figure below. Most companies do not invite these organizations to share of their expert knowledge, even though they are aware of their own shortcomings in dealing with such challenges. Putting these capabilities and resources to use, could result in a better understanding of the underlying issues and a better connection with stakeholders.

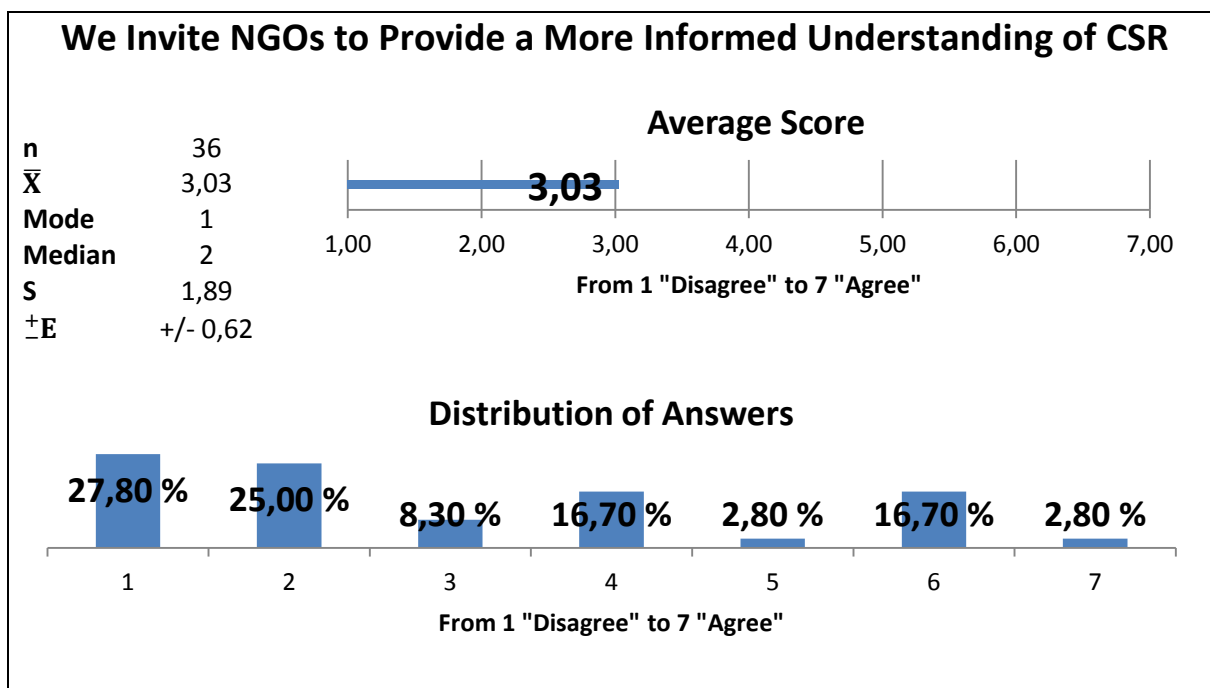


Figure 42: Companies and NGO Cooperation

- Companies do not utilize the knowledge of NGOs in their CSR work.

**Q16.5** As mentioned earlier (Q15), Hunt and Hansen (p.29) refers to a decreasing recognition of dilemmas as ethical dilemmas, which leads to the absence of ethical reasoning in solving these dilemmas. The figure below shows that the majority of respondents view CSR and sustainability issues as ethical issues, which correspondingly should result in the process of ethical reasoning depicted in the Hunt-Vitell Theory of Ethics (p.28)

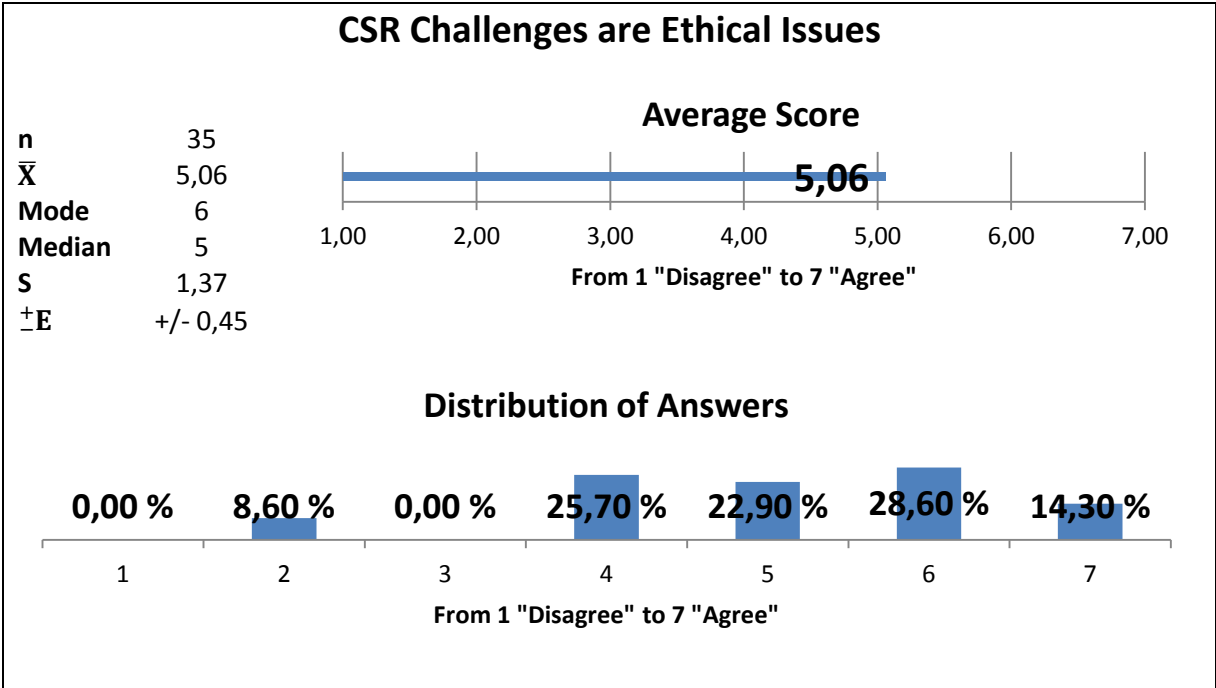
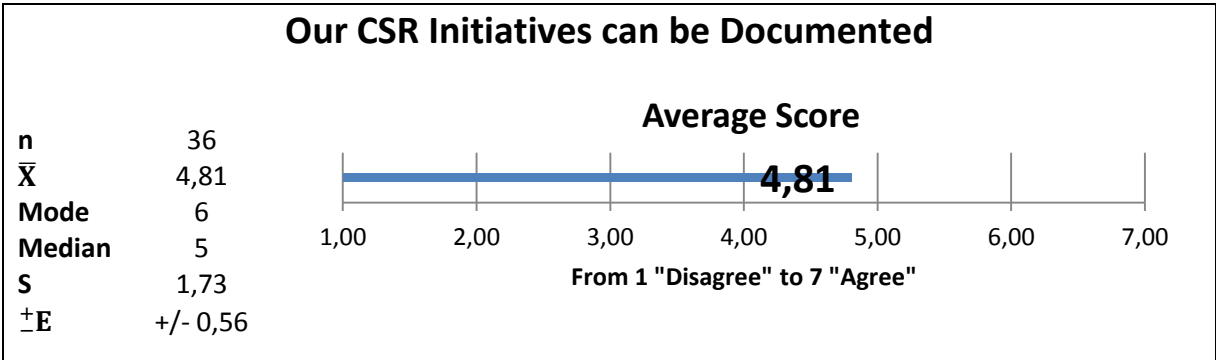


Figure 43: Ethical Perception of CSR Challenges

- CSR challenges are regarded as ethical issues.

**Q16.6** As the figure below shows, not all companies can document their CSR initiatives, but the majority does. To document these efforts is not important in itself, but as later questions will reveal, not all CSR initiatives are evaluated (Q25) and not all companies have criteria to measure the outcome of their CSR related actions (Q29).





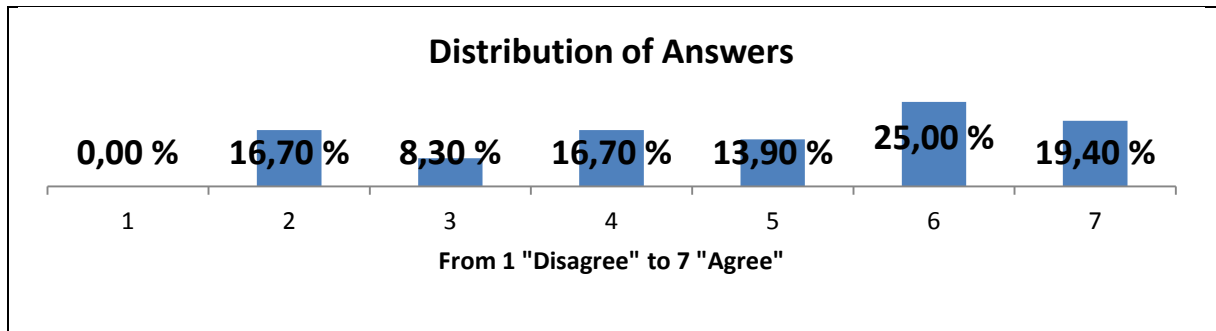


Figure 44: Traceability of CSR Activities

Another side of documentation and traceability is that it facilitates communication of efforts, which is important both in stakeholder communication (ISO recommendation for instance), for achieving or controlling level of fit between initiatives and expectations (p26) and for reaping the benefits of good deeds. Since respondents state that positive financial effects of CSR activities most importantly comes through improvements in the reputation (Q32) documenting and communicating these activities should be important. The different sides of these answers will be dealt with more in connection with the mentioned questions.

- The majority of the companies can document their CSR activities

## CSR Approach

The next questions are about the codes and norms that the companies have, and there are two reasons for asking them: first they are meant to find out how companies go about these codes and whether or not they do it, and secondly to see how it relates to the Hunt-Vitell Theory of Ethics. As presented earlier (p28), the existence and enforcement of informal and formal codes within organization, the industry and the profession make up the professional part of this ethics framework, the stepping stone of the moral reasoning attributed to the professional sphere (isolated from cultural and personal characteristics).

This is a rather large section with many questions about the CSR approach of the companies. The origin, motivation, evaluation, communication and result are reviewed of these approaches are reviewed.

## Summated Findings:

- All companies who answered the question about a code of conduct, had such a code. The sample population is therefore assumed to be above average involved in CSR.

- The majority of companies know of industry norms that guide conduct.
- About half of the companies have implemented CSR activities or programs.
- Most of the companies with CSR activities, have been working with them for several years.
- The CSR activities of the sample population encompass many areas, but the environment is the most common.
- The responsibility for CSR activities lies on the top of the hierarchy.
- CSR initiatives come as strategic decisions by the top level in the company.
- Companies rely mostly on in-house evaluation, by superiors, system and the individual employee.
- Some companies state a positive economic effect from CSR, some a negative, but the majority have no criteria to measure economic effect.
- About 60% of the companies have defined criteria for evaluating their CSR activities, 20% do not evaluate at all.
- Companies engage in CSR first and foremost to achieve long-term sustainability of the company, secondly because of the effects on employees.
- CSR activities are to a large extent unsystematic and the potential benefits appear not to be utilized.
- CSR efforts are not much communicated.

**Q17.** In relation to the answers of Q15 it was mentioned that the more engaged a company is in CSR the more likely it is that they will contribute to a thesis such as this one, with reference to an ILO report. As the figure below shows, all of the respondents that answered this question report to have a code of conduct. The use of secondary data from the companies webpages done as a preliminary research for this thesis found that about 50% of all the companies in the sampling frame had a code of conduct that was easily available on their webpages. Even though it is perfectly possible that more than 50% of the companies have such a code, but choose not to publish it, this discrepancy between the two data sources is interpreted the way that the respondents represents mainly those companies with an active attitude towards CSR.

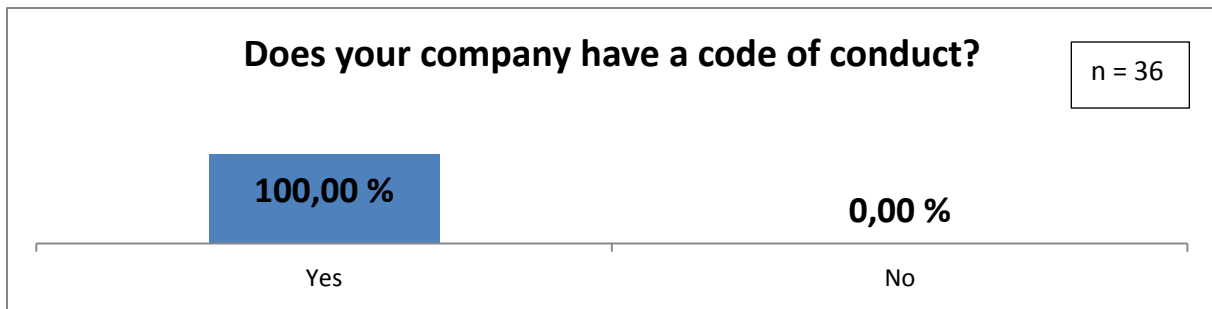


Figure 45: Companies and Codes of Conduct

Also the respondent from the interview could verify, although hesitant, that the company had a code of conduct. He admitted that the process of making it had not been “*that thorough*” and that this was something that they had agreed to improve.

- All companies who answered the question about a code of conduct, had such a code. The sample population is therefore assumed to be above average involved in CSR.

**Q18.** Code enforcement is an issue also in the Hunt-Vitell model. The figure below shows that the companies that are surveyed seem to have quite a good system for code enforcement. This is based especially on the fact that over 50% report to control this code through a reporting system. Not too much attention is given to the approximately 70% that also name superiors, because this question does not separate between actual code enforcement and a formally defined hierarchy of responsibilities normally found in any company procedure. The 54% that also has named self-justice among employees could be interpreted as a way of involving employees in this area, encouraging organization wide knowledge about the program. On the other side, it could also be interpreted the way that there is a code, but it is left up to each individual how one deals with it as long as no major incident occurs.

This was a “check all that apply” question, which means that some of the respondents very well may have chosen all of these alternatives, and that therefore some of the companies might be very much “on top of things” when it comes to practice according to the codes, whereas other are not.

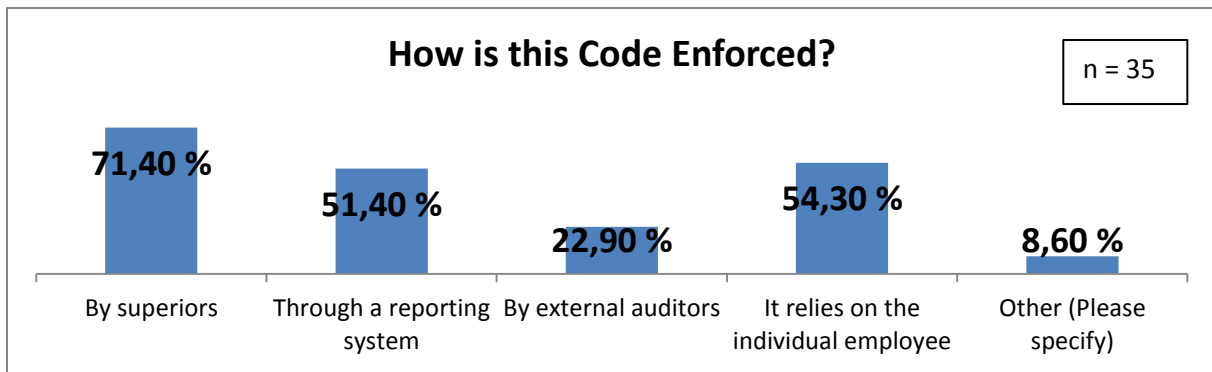


Figure 46: Code Enforcement

A relative low percentage mentions that their company's code is enforced by external auditors. This corresponds to the findings of the exploratory survey, indicating for the chosen level of GRI application, that companies prefer to in-house evaluation. As mentioned in relation to the first finding, this might have both practical and economic reasons.

The other ways of enforcement that was specified by respondents was: by LORS (Laws, Ordinances, Regulations and Standards) and compliance officers.

- Companies rely mostly on in-house evaluation, by superiors, system and the individual employee.

Apart from organizational codes, industry norms are the other relevant part to ask for, within the realm of the Hunt-Vitell Model (p28), from a heterogeneous sampling population. Professional codes, which are the last part, will depend too much on the profession of the respondent rather than the company. This would be useful if the thesis looked at how these challenges impacted for instance accountants or financial analysts. There have been some attempts to establish an ethical codex for business people (for description see e.g Wayne, 2009), similar to the Hippocratic Oath that doctors swear, but up till now these attempts have been too small and the response too scattered to be of major importance.

**Q19.** As the figure below shows, the majority of respondents do know of norms or code that are related to their industry. This indicates that there are initiatives that are large enough to gain significance, and might foster industry wide cooperation. Again, since there are many industries represented, there will be differences both in need for, and interest of such initiatives.

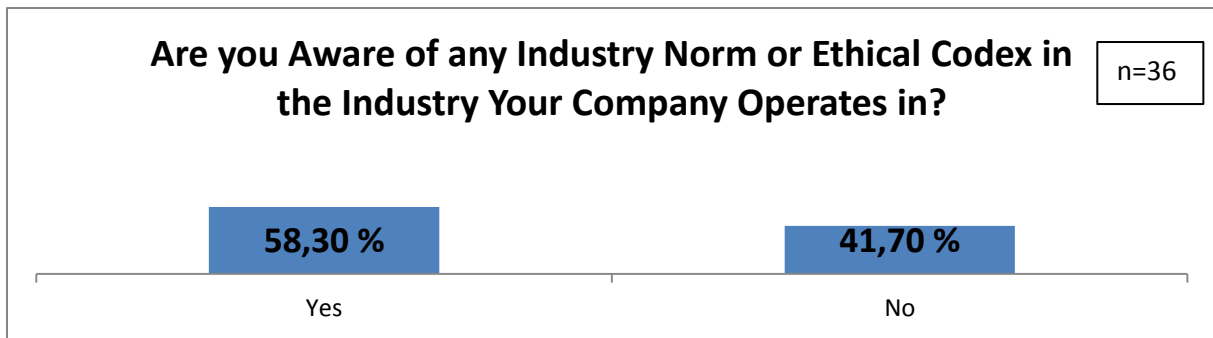


Figure 47: Awareness of Ethical Norms in the Industry

- The majority of companies know of industry norms that guide conduct.

**Q20.** On the question of whether or not the companies participate in any international initiative, 44% answered positively, as shown below. The argument for joining a larger CSR program was given under in the analysis of the exploratory survey, which included all companies in the sampling universe. That about half of the companies in the sample population are part of an international CSR might give the impression that such participation is common. When compared to the initial survey, it is apparent that nearly all of those who are involved with these programs have answered the questionnaire, and that therefore the proportion of participants in the sample is not representative for the whole population, where the participation rate is about 10,6%.

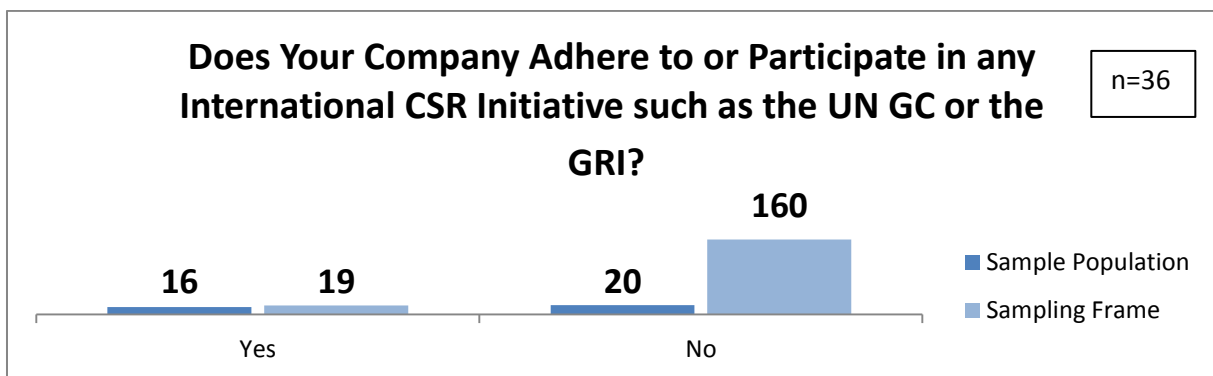


Figure 48: Respondents and International Initiative Participation

- The companies in the sampling frame are above average involved in CSR.

**Q21.** As the figure on the next page indicates, about half of the companies have implemented CSR activities. It was not specified what kind of activity or program the question asked for, so it was left to the respondent to make the distinction of what a CSR activity is and what it is not. This might be the reason why some (2) respondents have chosen to answer that they do not know whether or not the company has such activities. If the reason

for this is that they are not aware of what their company does, then it is safe to say that these companies have not succeeded in the important task of employee involvement (Q33), they will not benefit from being attractive as an employer because of CSR (Q27) and their codes and procedures might not be enforced to a large extent since this task is reported often to be handled by the individual employee (Q18). As unlikely as it may seem, it has been found that even companies with ambitious CSR policies often fail at making employees aware of them (Chinander, 2001, as cited in Garavan, Heraty, Rock & Dalton, 2010) and that “the principles of CSR are not well understood below senior management levels” (Willard, 2005, as cited in Garavan, Heraty, Rock & Dalton, 2010).

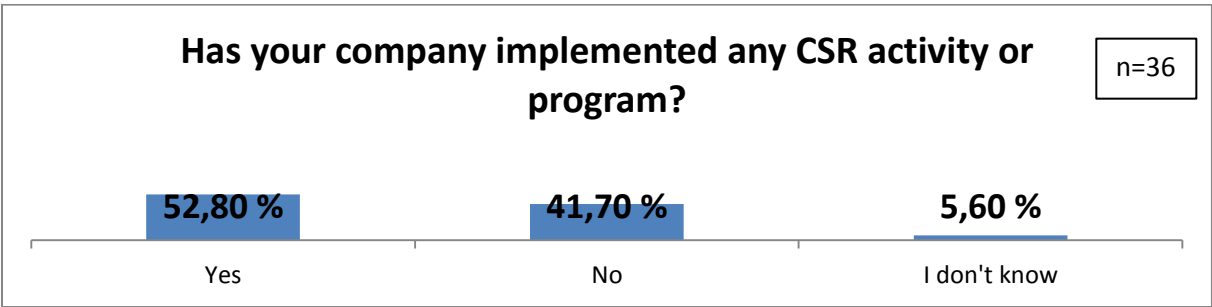


Figure 49: Companies and Their CSR Activities

- About half of the companies have implemented CSR activities or programs.

The questions from 22 to 30 have low number of respondents, as they were asked only to those companies who had implemented CST activities or programs.

**Q22.** Most of those who do have CSR activities have had so for several years. The figure also shows that such activities and programs gain significance, since one fifth of the companies started this within the last 12 months, and there is a stepwise distribution on how long they have been active.

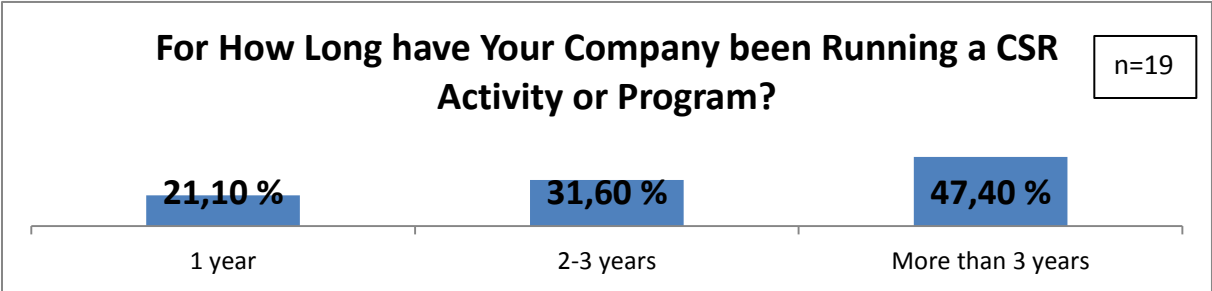


Figure 50: CSR Activity Duration

This is interpreted as a growing interest and extent of CSR activities, which is supported by the answers to Q26, where 44% of the respondents state that CSR activities are increasing in scope

- Most of the companies with CSR activities, have been working with them for several years, and the interest is growing.

**Q23.** The figure below shows where the responsibility of CSR activities and programs are put in the organization. The respondents were allowed to indicate multiple alternatives, which might result in an overall higher score. The answer is that these activities are placed on a high level in the companies. This might have to do with the fact that as long as CSR activities are not an integral part of business, they constitute resources usage and priorities that lower level employees do not control. It is interpreted as a confirmation that the strategy-level focus of this thesis, fits with reality. In a later question (Q28), the answer also indicates that this is where the initiative of most CSR activities comes from.

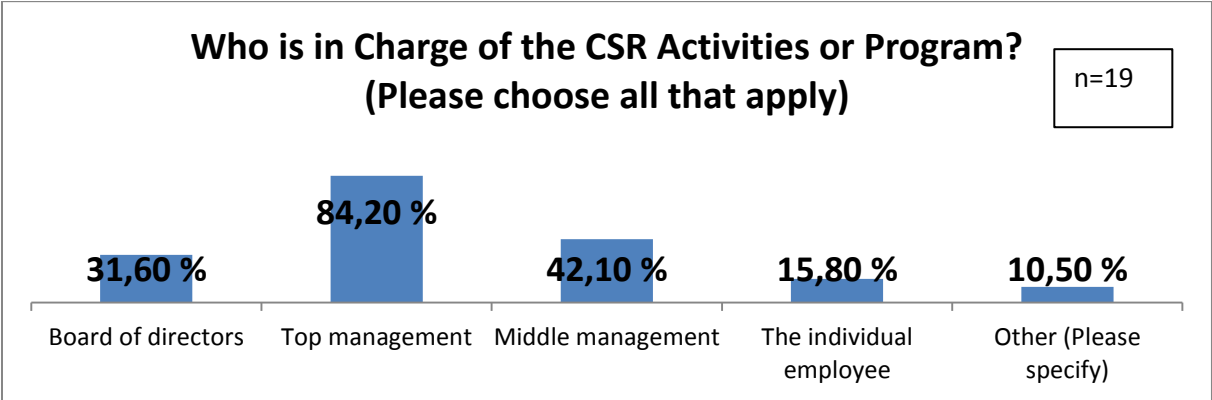


Figure 51: Responsibility of CSR Activities

Under the alternative “other” respondents have specified: “Enterprise Risk Manager”, “Corporate Communications Officer” and “HR-responsible”. Some companies have specific positions (e.g. CSO - Chief Sustainability Officer) dealing with these issues. These jobs are most certainly positioned either as middle management or top management, depending on the size and structure of the companies.

- The responsibility for CSR activities lies at the top of the hierarchy

**Q24.** Following is a graphical layout of the content of CSR activities that the companies pursue. Regarding corporate governance, Oslo Stock Exchange requires an annual report on the “Norwegian Code of Practice for Corporate Governance” (Norwegian Corporate Governance Board, 2010) produced by the Norwegian Corporate Governance Board (NUES) or another equal codes. The result of this is that close to every company follows this code as a standard, and for that reason it will be disregarded in this thesis.

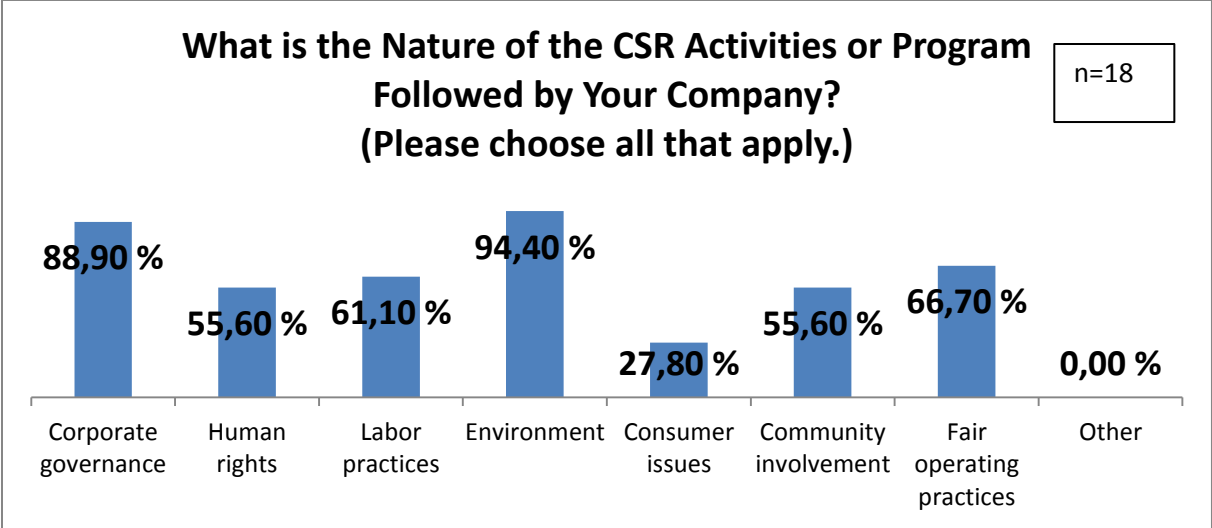


Figure 52: CSR Activities in Responding Companies

Looking at the other subjects of the CSR activities, environment stands out as common denominator across companies and industries. Again this was a question where multiple alternatives could be given, resulting in higher overall scores, but regardless of that the companies voice a massive focus on environmental issues in their programs. The same was found in questions regarding relevant challenges both for companies and local communities (Q13 and Q14), and respondents indicated in Q16 that they were aware of the environmental challenges that would affect their business now and in the future.

Those who participate in most of the international initiatives will more or less automatically cover most of these areas (Table 5, p33). It has been mentioned in relation to Q13 and Q14 regarding relevant challenges, that in a mainly Norwegian context, for instance human rights or consumer issues are not too important because of well-established legal and societal systems. The priorities might be different in another context, like suggested with a different order of responsibilities in Carroll’s CSR pyramid for developing countries (p18).

- The CSR activities of the sample population encompass many areas, but the environment is the most common.



If the belief that competitive advantages might come from CSR is the driving force, then it would be natural to focus the efforts in areas where more value could be created and less resources used and to look for synergies.

**Q25.** Concerning evaluation of CSR the figure below shows that the majority of companies have criteria that they use to evaluate these activities. The international initiative UN GC have a list of indicators that participants report on and the GRI is a reporting system, which indicate the importance of measuring and reporting such activities.

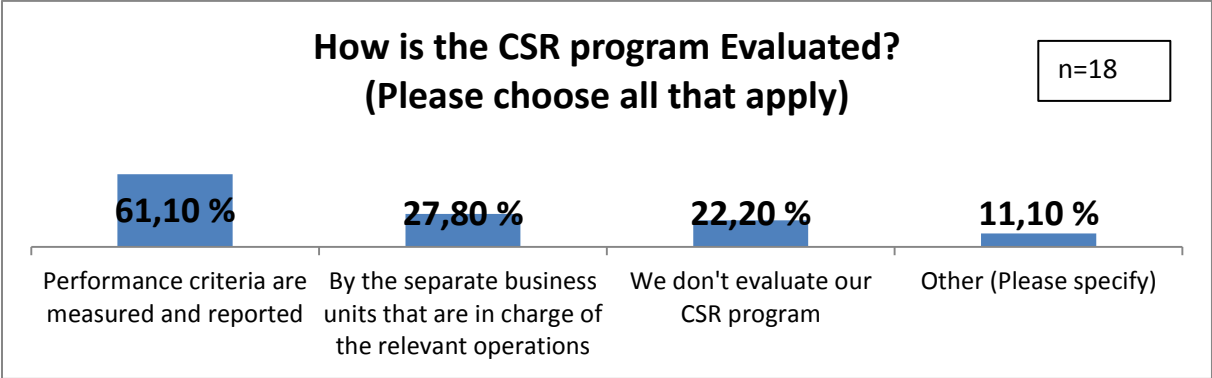


Figure 53: Evaluation of CSR Activities

Especially concerning the issue of whether or not companies profit from CSR activities, documentation and evaluation will be important in order to specify which part of the program that yield results also with respect to economic value. A later question (Q29) reveals that about 60% do not have any means of evaluating economic effects of their CSR program.

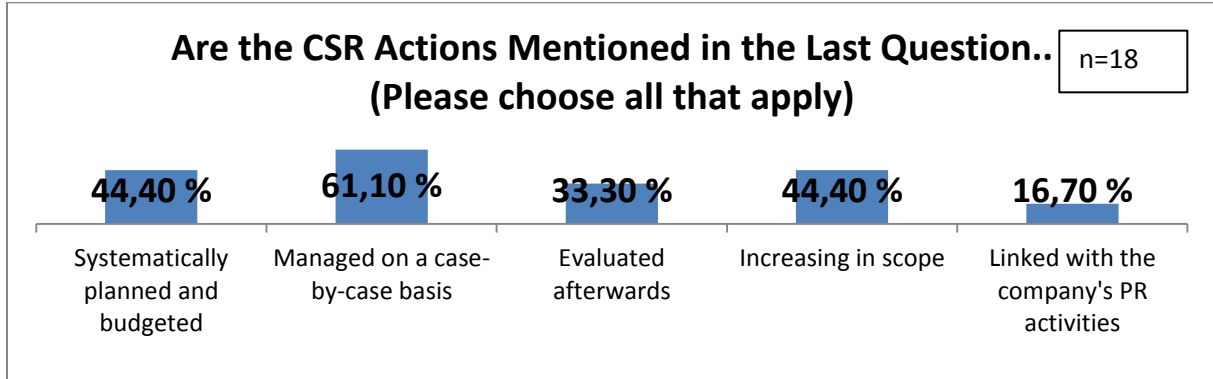
The 22% that do not evaluate their CSR program, will not have anything other than a subjective notion to go by, when determining the effects of these activities. As the number one reason why companies do not engage in CSR activities are reported to be lack of resources (Q11), a sound implication of that would be to ensure that the resources that are in fact used, are done so in an efficient way, as long as the benefits of performing the evaluation outweighs the cost.

Determining a good way of evaluating a CSR program, will depend to a large extent on both challenges faced by the company and the nature of the activities. It will be more difficult to estimate the results of a philanthropic “give-away” to society, than various other initiatives.

The respondents that have specified the “other” alternative have put “internal assessment” as a way of evaluating, and another has commented that the evaluation program “is not yet implemented”.

- About 60% of the companies have defined criteria for evaluating their CSR activities, 20% do not evaluate at all.

**Q26.** This question aimed at how the CSR activities that companies perform, are executed.



**Figure 54: CSR Approach**

44% report that these are planned and budgeted in a systematically way, which suggest that CSR activities, for the majority of companies, are a series of stand-alone events, rather than a program. When in addition companies report that these activities only to some extent are evaluated (both Q25 and this), it might be difficult to run CSR activities in an efficient manner. A relative large proportion 61% of case-by-case management increases the impression of ad-hoc practices.

The trend that CSR activities are increasing in scope, when it apparently happens regardless of whether they contribute to profitability or not, might have to do with the expectations in society and local communities. As pointed out in the literature review (figure 4, p.22), many organizational changes can be traced to shifting expectation or “revolutions” in society. One might also be tempted to attribute a growing interest for CSR to the fact that CSR and sustainability are popular topics, and that therefore companies want to have CSR on their “corporate resume”.

These assumptions are confirmed to some extent by answers to a later question (Q28) where 44% put societal demands as origin of CSR initiative, but then contradicted in Q31 where only 20% say that demands from society is a reason to take CSR seriously.

When in Q32 respondents name improved reputation as the most important way CSR can strengthen the profitability of a company, the link between CSR actions and the company’s PR activities might be expected to be higher than the 16% stated in the figure above. A later question (Q30) asks how CSR efforts are marketed.

- CSR activities are to a large extent unsystematic and the potential benefits appear not to be utilized.

**Q27.** The figure below shows how the respondents rate various alternative motivational factors for implementing CSR. As this is a question where multiple alternatives could be chosen, a high average score and an even distribution would be expected.

All of the respondents indicate that their company implements CSR activities to achieve long-term sustainability of their company, which is remarkably high given the way that respondents indicate that these activities are approached. This answer puts CSR activities as something vital for company survival, and the assumption would then be that it would be approached that way. On the other end of the ranking improved short term financial performance can be found, showing that one third of the respondents state this as a motivation, even though the CSR-FP link is hard to prove empirically.

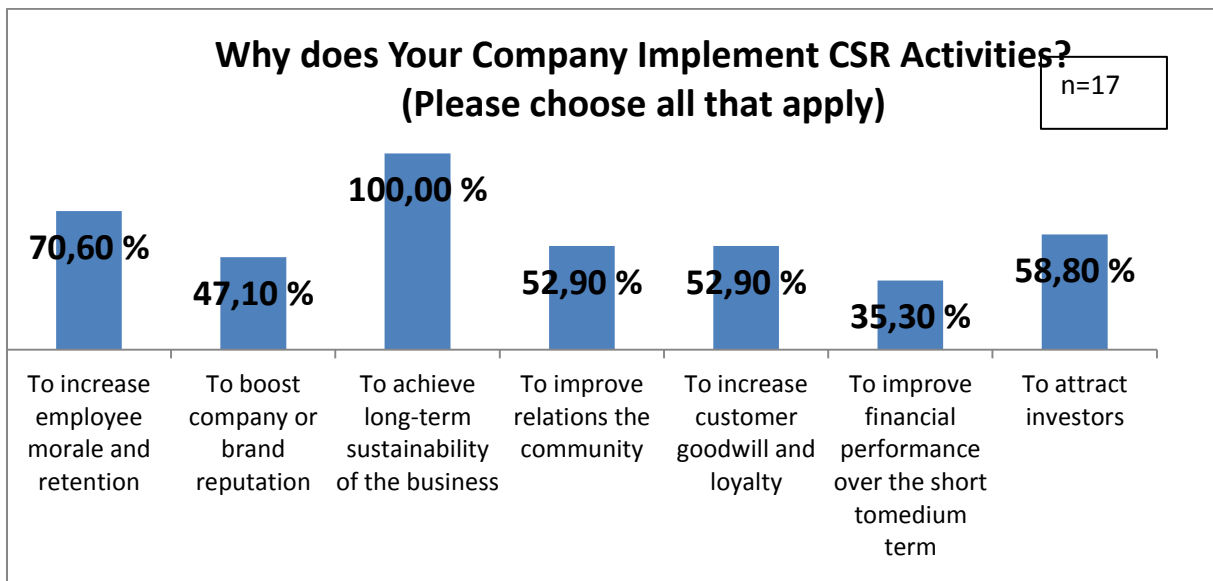


Figure 55: Reason for Implementing CSR Activities

Increased employee morale and attracting investors are on average the second and third most frequent motivation for implementing CSR activities.

- Companies engage in CSR first and foremost to achieve long-term sustainability of the company, secondly because of the effects on employees.

**Q28.** As the figure below shows, CSR initiatives originate mainly as strategic decisions from owners or top management. This corresponds to the motivation of long term survival of the company stated in Q27. It is also interpreted in the sense that CSR activities more often than not, are the result of top-down strategic processes, because of an assumption that a bottom-up process would result in a higher score on the “much talked about issue” alternative. This is also supported by the quote that CSR principles often do not transcend well from the top levels in the company (p102). It is also in line with Q23 where top management is pointed out as the ones in charge of CSR programs and activities.

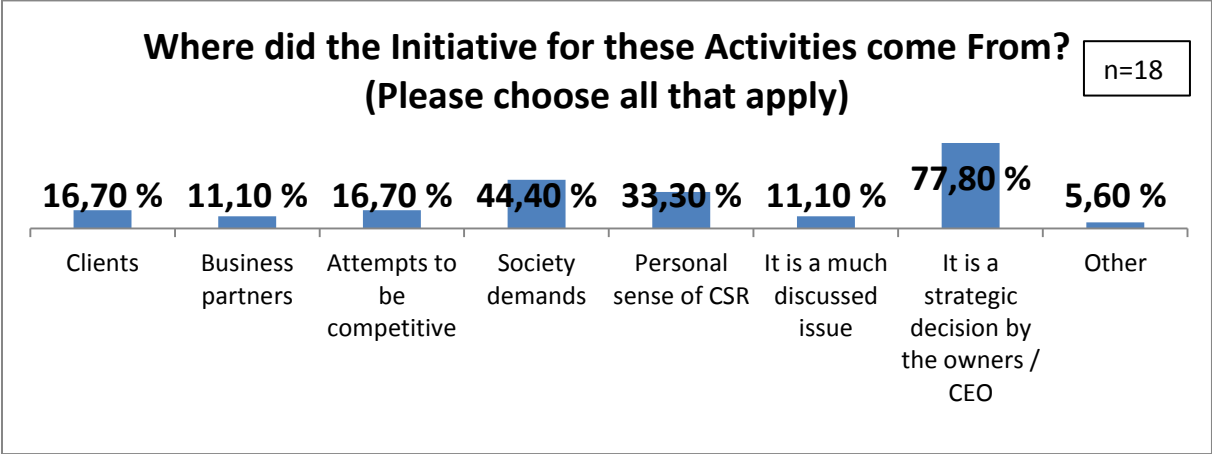


Figure 56: Source of CSR Initiative in Companies

Even though the “other” alternative has been selected, no source of initiative was specified.

The interview respondent stated that in his company, it was mainly the employees that were behind CSR initiatives: “very often these [CSR initiatives] come from the grassroots”, but also initiatives could come from the top: “not that I would be surprised if it came from the top” (Appendix 7).

- CSR initiatives most often come as strategic decisions by the top level in the company.

**Q29.** Knowing from previous answers that CSR activities are considered important for long term sustainability of the company, initiated in most cases as a strategic move by top managers, it is interesting to see the figure below. 29% report a positive economic effect by their own indicators and as much as 58% state that the company does not have any criteria to measure such effects by. This was discussed briefly when looking at evaluation of CSR activities in Q25, and it is generally known that there are few good ways for companies to

assess the economic results of resources used on CSR. To find good measurements therefore stands as an important area for potential improvement within the field of CSR.

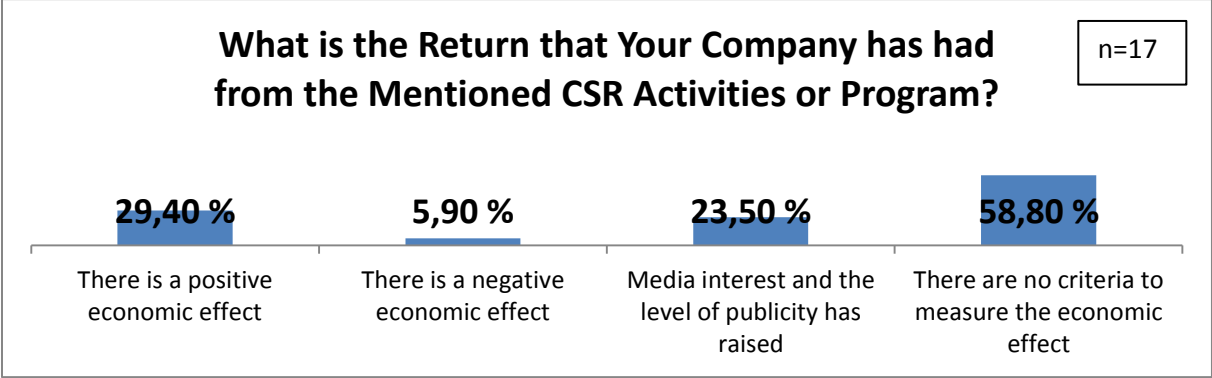


Figure 57: Results of CSR Activities

- Some companies state a positive economic effect from CSR, some a negative, but the majority have no criteria to measure economic effect.

**Q30.** In one of the previous questions (Q26) only a few respondents (16%) reported that their CSR activities were linked to PR, even though better reputation is named by most respondents as how CSR can contribute to long term profitability (Q32). The linking referred to in Q26 might have been interpreted that the PR department participates actively in the CSR program, which is different from using the activities for PR purposes. The figure below shows the distribution of answers on how companies deal with communication of their CSR activities.

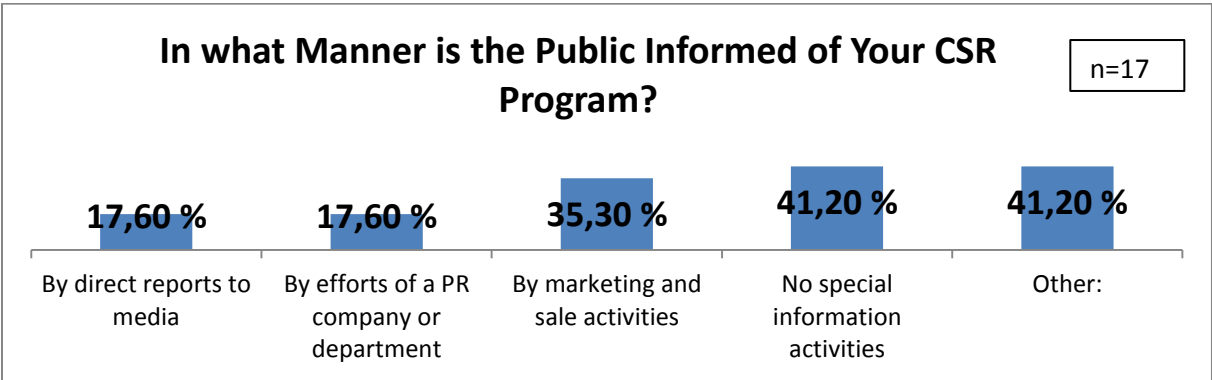


Figure 58: CSR and PR

Those who have chosen “other” have specified annual reports, company webpage, company magazine or that they have not implemented any communication activities yet. Several options are used by some of the companies, whereas others do not do anything in particular to

show their CSR efforts. Because of the reputation effect mentioned (Q32) and the importance of communication with stakeholder (e.g. ISO 26000), this is an area where companies have the possibility of gaining more from the actions that they take on. Some initiatives need perhaps not be communicated as the initiative itself is a way of getting noticed, like the interview respondent commented: “the thing about electrical cars is also an easy thing for us to do, because it becomes very visual that the company takes responsibility” (Appendix 7).

- CSR efforts are not much communicated.

## **CSR, Reasons and Outcome**

Towards the end of the questionnaire the respondents are asked why they believe that CSR are important, how the outcome of CSR activities can influence performance, which aspects that are especially important in CSR activities and to assess how their own approach fits.

### **Summated Findings:**

- CSR is assumed to be important because it contributes to corporate longevity and it is the right thing to do.
- Reputation and employees’ satisfaction are the outcomes of CSR activities assumed to have most impact on financial performance.
- Employee involvement and continuity is reported to be the most important aspects when working with CSR.
- The current CSR approach of companies scores quite low on fit, externally, internally and with regards to coherence
- The companies that answer indicate an interest in examples of how and why CSR activities can benefit both the company and society.

**Q31.** As those representatives of companies without any CSR activities or programs were not asked about motivation and intention to engage in such, the question was rephrased on a general level and the answers are shown in the figure below.

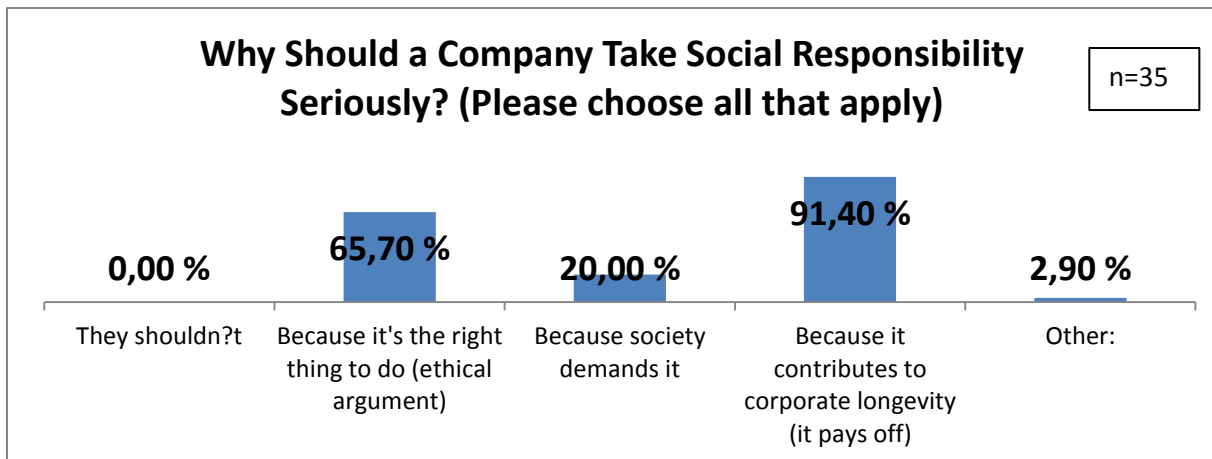


Figure 59: Reasons for CSR

Again, as in Q27 there is a massive conviction that CSR is profitable in the long run. There are also a large number of respondents indicating that an ethical obligation exists to contribute beyond the legal minimum. A rather small portion of those asked agree that demands from society constitute a good reason to be serious about CSR. On other reasons, “to make employees and other stakeholders aware of that they care” was specified.

When asked this question, the interview respondent answered: “I think that it is perhaps not one single reason, I think it is a result of that in the long run, it pays off for the company to behave in a socially responsible way”. Demands from costumers were not that important for them, because “they are superficial by and large... it would not make much difference whether these requirements were present or not”, but they expected that such demands would become more important (Appendix 7).

- CSR is assumed to be important because it contributes to corporate longevity and it is the right thing to do.

**Q32.** In this question the respondents were asked to indicate on a 7 point scale to what extent they did agree that CSR can strengthen the profitability of a company, and the results are shown in the table on the next page.

From 1 “Disagree” to 7 “Agree”	$\bar{X}$	Mode	Median	S	n	$\pm E$
By cost savings (less resources used)?	4,26	4	4	1,60	34	0,54
By a better reputation?	5,74	6	6	1,02	35	0,34
By making products that better fit societal needs?	4,32	5	4	1,55	34	0,52
By allowing for co-creation of the regulatory environment?	4,56	4	4	1,30	32	0,45
By better employee satisfaction?	5,44	6	6	1,14	34	0,38
By anticipating change?	4,65	4	5	1,30	34	0,44
CSR cannot strengthen profitability of a company?	3,24	4	3	1,60	33	0,54

Figure 60: Perceived Benefits From CSR

Before looking at the highest scores in this question, it is interesting to see that several of the alternatives receive values of approximately 4. A 4.0 score on a 7 point Likert scale equals neutral, which means that the respondents indicate that these alternatives hardly has any positive impact on profitability, and the same applies for a score just below 4 on the last alternative since it is stated in the negative. Since all of the alternatives that have received a mean just above 4 (cost savings, better fitting products, influence on regulations and anticipating change) definitely have a major impact on the profitability of any company, the interpretation can be that the respondents do not attribute these alternatives to CSR activities, that the respondents mean that one cannot achieve such benefits from CSR activities.

Since the alternatives in this question was based on the theory part of this thesis, and the respondents in a later question (Q35) name information on possible advantages and cases illustrating CSR practices as valuable information for their company, the task of clarifying what CSR activities are and can do in a company, is a task not yet completed by CSR proponents.

**Q32.2** Improved reputation is indicated as the factor where CSR can contribute the most to profitability. The alternative has a relative low standard deviation, showing that the answers from the respondents are close to the mean, that there is great similarity in the answers given, as becomes clear from the following figure. A confidence interval of +/- 0,34 tells that 95% of the answers from the sampling frame will be between 5,4 and 6,08, meaning that companies agree that CSR strengthens profitability through a better reputation.



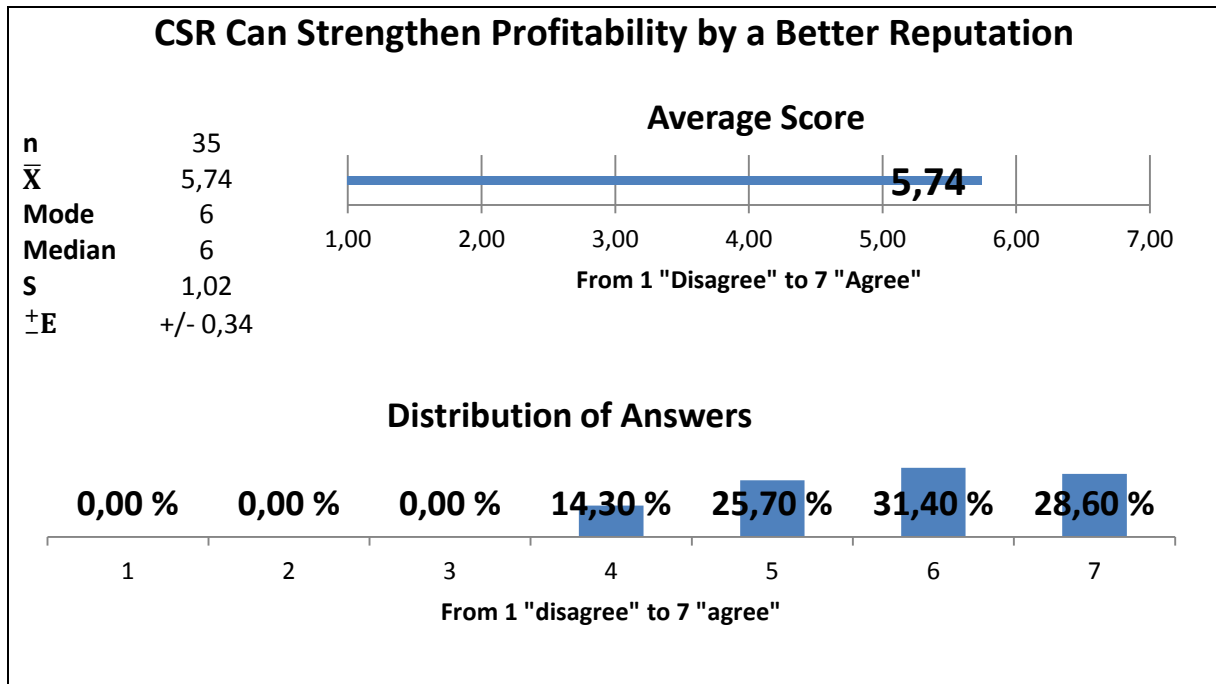


Figure 61: Improved Performance due to Reputational Benefits of CSR

That the reputational factor is the alternative that receives the highest average score has some implication for how CSR activities are viewed. This factor is the only one that can be manipulated. The other alternatives in this question (see the table above) will have to be achieved to have an impact on performance. A reputation for being socially responsible can be achieved without actually changing operation, just the marketing and communication. If a company portrays themselves as something they are not, or tries to draw massive attention to a good deed whilst hiding bad deeds, it is often considered “window-dressing”. To avoid being accused of window-dressing, companies might choose not to put too much effort into marketing of CSR, especially if they are aware that they are under-performing in some areas.

**Q32.5** The other alternative where respondents agreed that CSR had a positive effect on profitability was through employee satisfaction. The answers are distributed as shown in the figure below.

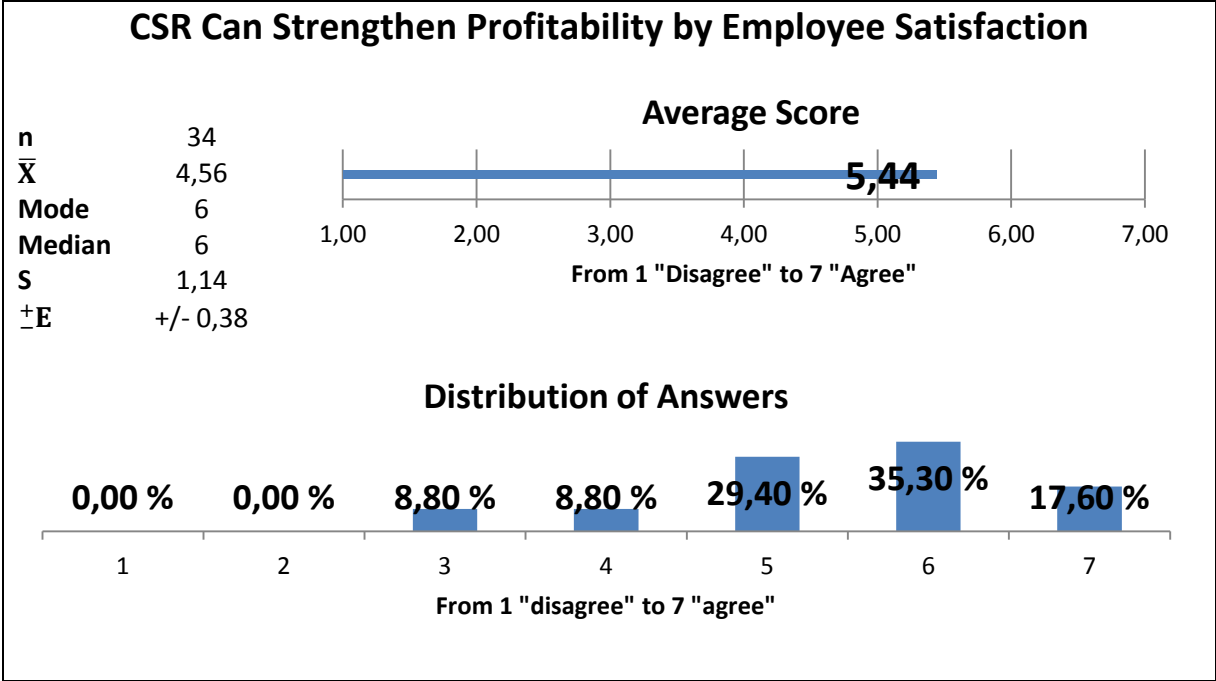


Figure 62: Improved Profitability because of Employee Satisfaction with CSR

Employee satisfaction increases productivity, reduces absence, encourages creativity and has a series of other positive effects which will influence profitability. If CSR improves employee satisfaction, then this would prove to hold. Another important factor is the use of CSR to recruit and retain the best workforce, which also affects performance positively.

The rest of the individual distribution of the answers for this question did not provide much new information and are therefore not commented. The distribution of all the answers can be found in appendix 5.

From the interview as well, employee satisfaction is mentioned and in addition some gains in reputation.

- Reputation and employee satisfaction is the outcomes of CSR activities that are assumed to have most impact on financial performance.

**Q33.** This question asked the respondents how important they think these factors are when working on a CSR program, and the answers are shown in the table below.

From 1 "Not important" to 7 "Very important"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Cooperate with authorities?	4,88	5	5	1,30	33	0,44
Communicate with stakeholders?	5,39	6	6	1,23	33	0,42
Involve employees?	6,18	6	6	0,82	34	0,28
Achieve fit between CSR activities and the company?	5,42	6	6	1,33	33	0,45
Have a continuous process?	5,79	6	6	1,11	34	0,37
Make partnership in the value chain to improve CSR?	5,00	6	5	1,63	34	0,55
Report on progress?	5,48	6	6	1,21	33	0,41

Table 20: Important Features of CSR Activities

The answers show that all of these topics are deemed important in a CSR program, but stating employee involvement and continuous work as a bit above the rest.

**Q33.3** When working on a CSR program, employee involvement will secure not only organization-wide commitment, is also necessary for carrying out many activities. As found in Q32, the positive effect a CSR focus can have on employee satisfaction is believed to have a positive effect on financial performance. In order to achieve these benefits, companies need to involve the employees in a way that they both participate and feel ownership to the activities that are performed.

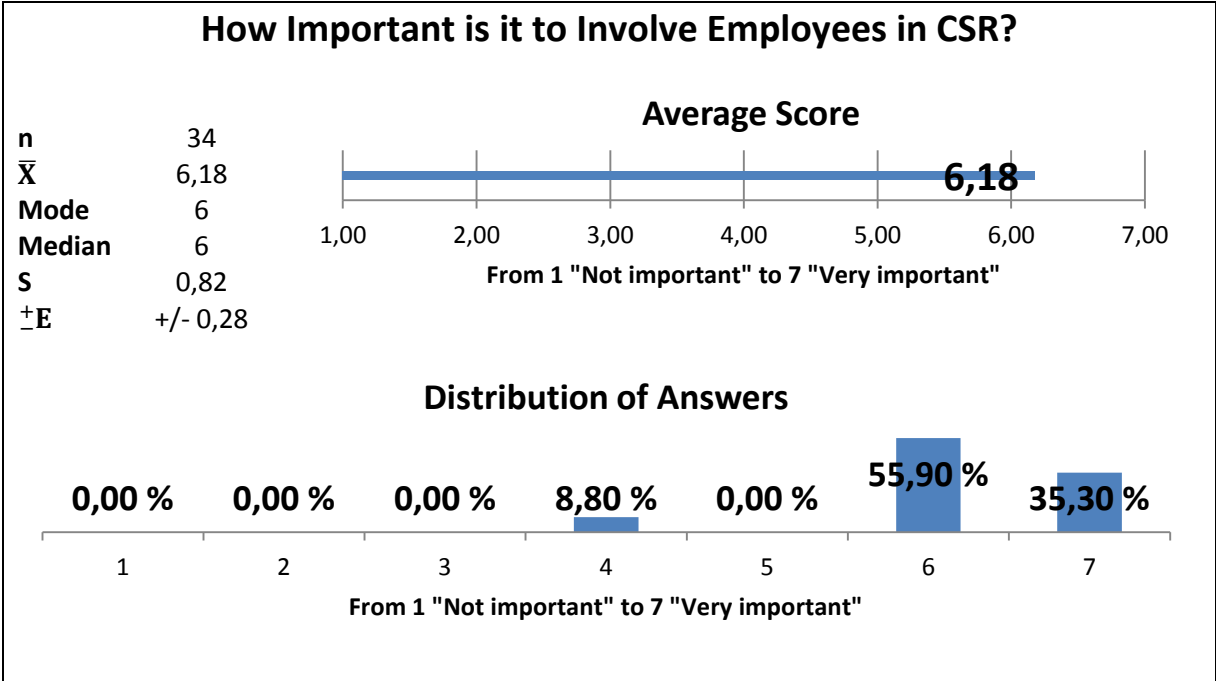


Figure 63: Importance of Employee Involvement

The figure above shows that there is little dispute that this is an important aspect of a CSR program.

**Q33.5** The alternative that scored second highest was the importance of a continuity, which was quite unexpected among the other possible alternatives, but the answers shown in the figure below show a clear tendency.

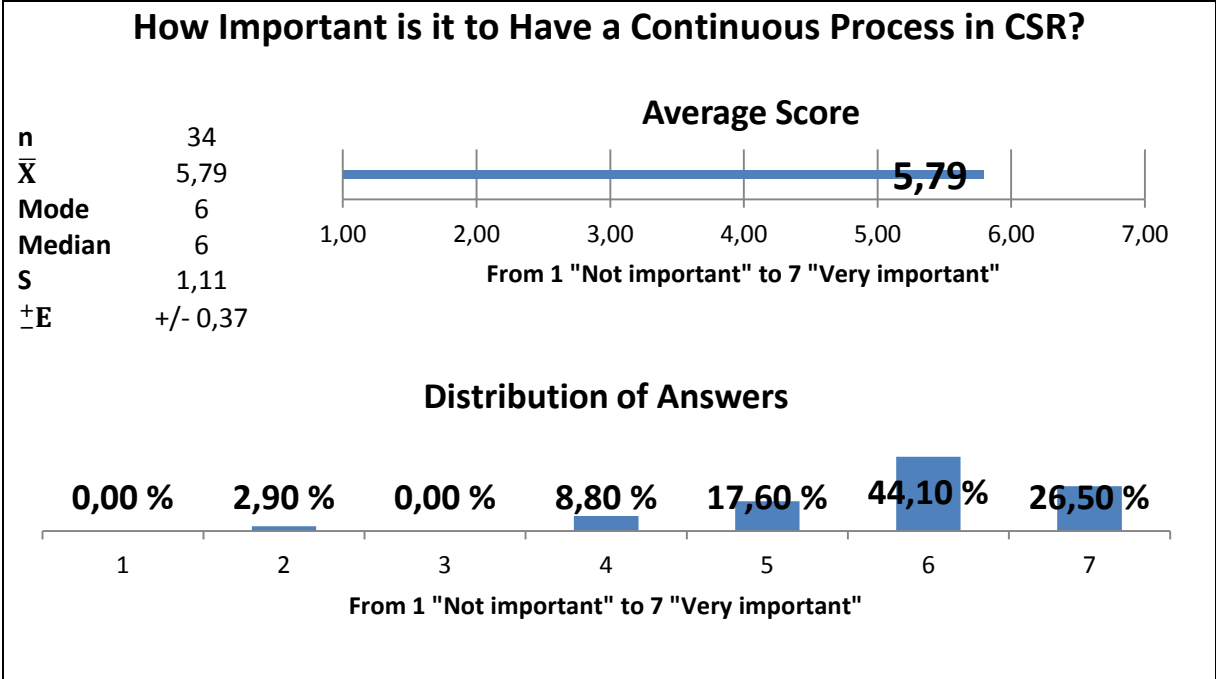


Figure 64: Importance of a Continuous Process in CSR

The importance of continuity is interpreted along with findings of a more or less ad-hoc approach to CSR activities currently (Q26), as a need to work with these issues systematically. When, in addition, a lack of resources is stated as the most important reason not to take on CSR activities (Q11) it might explain why challenges regarding CSR receive little attention in everyday business (Q10).

- Employee involvement and continuity is reported to be the most important aspects in working with CSR.

**Q34.** This question looks at integration of CSR activities in light of “three kinds of fit” (p.26), and the respondents are asked to assess the nature of their program on an aggregated level. A summary of the answers are given in the table below.

From 1 “Not so much” to 7 “To a large extent”	$\bar{X}$	Mode	Median	S	n	$\pm E$
Are complementary with the daily business of your firm?	4,64	5	5	1,27	33	0,43
Are related to each other or part of a system?	4,52	4	4	1,35	33	0,46
Coincide with the interests of various stakeholders	4,52	6	5	1,28	33	0,44

**Table 21: CSR Activities and Fit - Summary**

Mean values just above 4, indicates rather weak fit on all three alternatives. Looking at the mode values, these show a somewhat more varied result.

**Q34.1** The first alternative is asking about internal fit. How well does the CSR approach fit with the business of the firm or the industry. The nature of some industries is difficult to combine with best-practice criteria on some variables. The aviation industry is related to carbon emissions for example. There might be differences between “good” airlines and “bad” ones, but airlines compared to IT-companies will always produce more CO<sub>2</sub>. On the other hand, an IT company would not gain much admiration for producing less CO<sub>2</sub> than an aviation company. Both of them should, in a CSR perspective, strive to reduce their carbon footprint. The focus of internal fit is to find activities that ensure efficient use of resources for CSR purposes.

Unrelated efforts, in this case meaning a CSR activity that hardly can be connected to the operations of a company, is more important in some areas of CSR than others. Philanthropy, the top of Carroll’s hierarchy, will often be vaguely connected or totally unrelated. Ethical responsibilities, which respondents answer that CSR challenges are (Q16), use as a reason why companies should engage in CSR (Q31), and which are the types of responsibilities companies hold towards a largest number of stakeholders (Q5), can more easily be chosen to fit the business of the company.

Below is a figure showing the distribution of answers on internal fit. With a mode and median of 5, a bell-shaped curve around 5 can be seen except for a few outlier-values of 2. The interpretation of this is that internal fit exists to some extent in the majority of the sample, but that this is an area where improvements are possible, perhaps even without too large efforts.

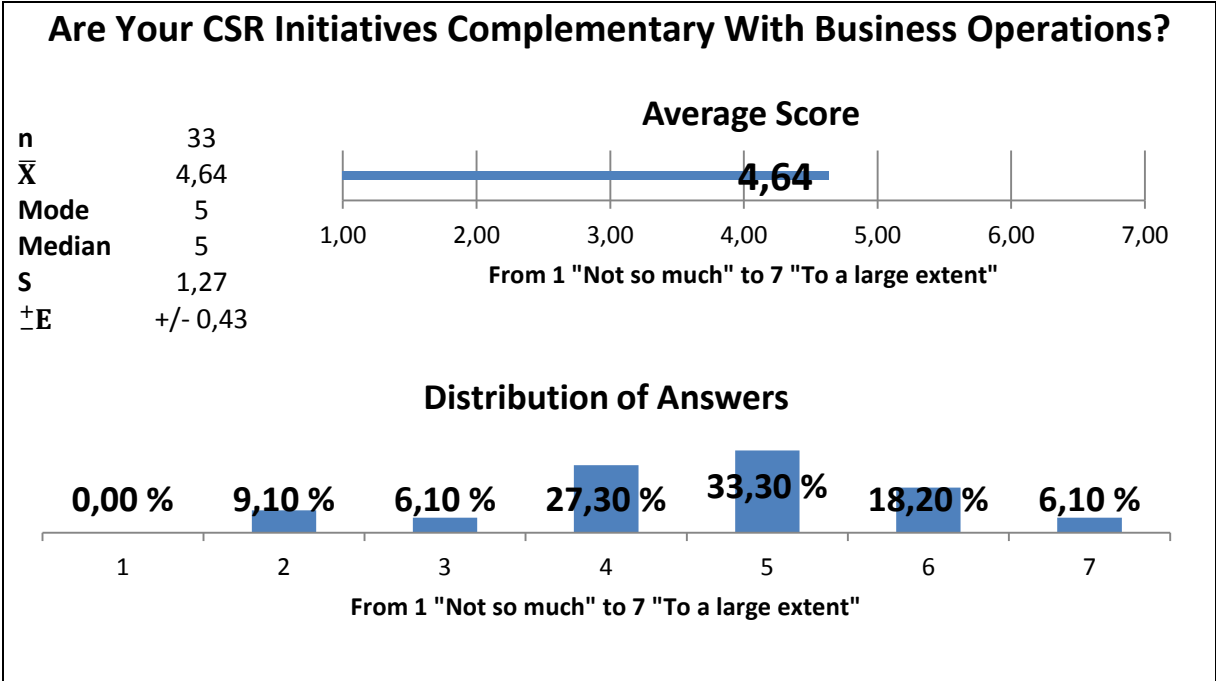


Figure 65: Internal Fit of CSR Activities in the Sample

**Q34.2** The next type of fit is coherence, and the answers are graphically depicted below. This variable is looking at how various activities are compatible with each other or put together in a system. The background for this is to achieve a synergy effect in the efforts, meaning that the output of the joint efforts exceed the sum of output from the individual activities. In a calculation like that, the question of estimating the results from CSR arises again, but enough possible benefits outweigh the lack of precise economic outcome. Organizational benefits from cooperation and thoughts of efficiency supports a coherent approach.

A mode and median of 4, together with the distribution of answers is interpreted in the way that there are few elements of a systematic approach, and that this is something that could be utilized more.

In the distribution of answers for internal fit (Q34.1), the values considered to be outlier values (deviating from the rest of the sample) were found in the lower part of the scale. For the distribution of answers for coherence (Q34.2), there are some outlier values on the higher end of the scale. So even though the mean value of internal fit (Q34.1) and the mean value of

coherence (Q34.2) are quite similar (4,64 and 4,52), this is interpreted the way that companies are “better” on internal fit, than coherence. This not-so coherent approach to CSR is also partly supported by the interpretation of Q26, that there seemingly is an ad-hoc approach to CSR activities in many companies.

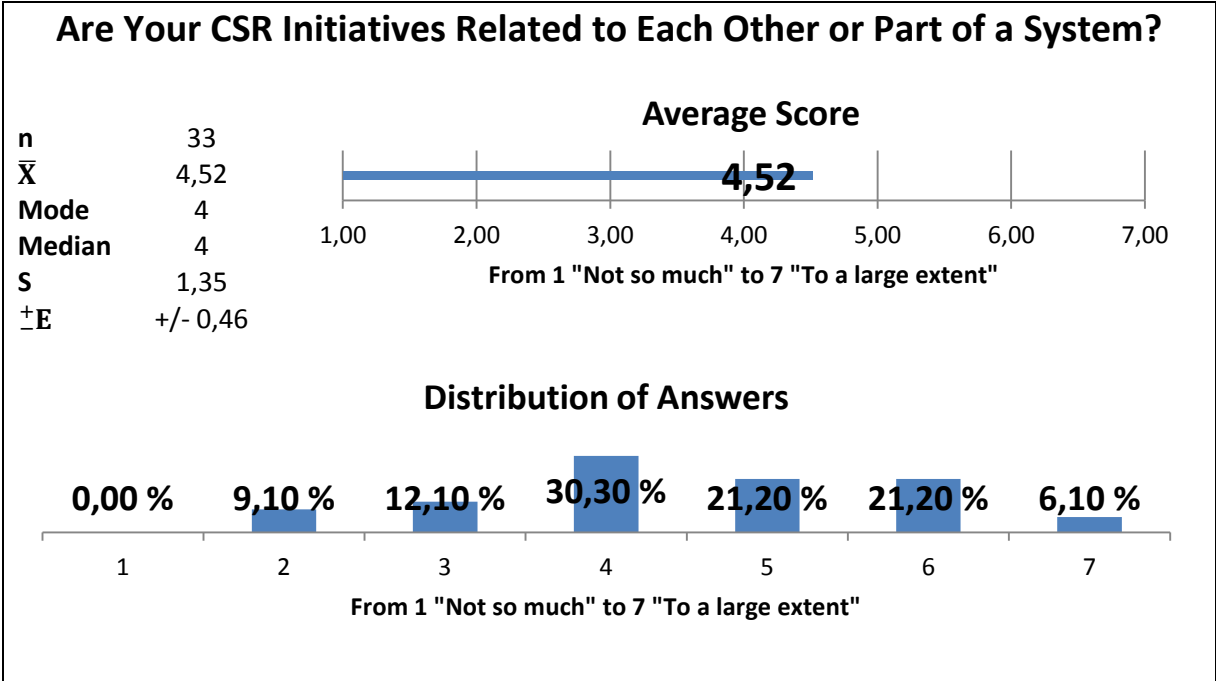


Figure 66: Coherence of CSR Activities in the Sample

**Q34.3** The last type of fit is called external, and deals with how the CSR activities match the interests of the different stakeholders of the company. This alternative got a mode of 6, median of 5, which is interpreted the way that the companies are better at achieving external fit of the CSR initiatives, than coherence, even though the mean value is the same. From the looks of the figure, a “two-top” distribution is visible, implying that the sample is divided in their opinion, but not very much.

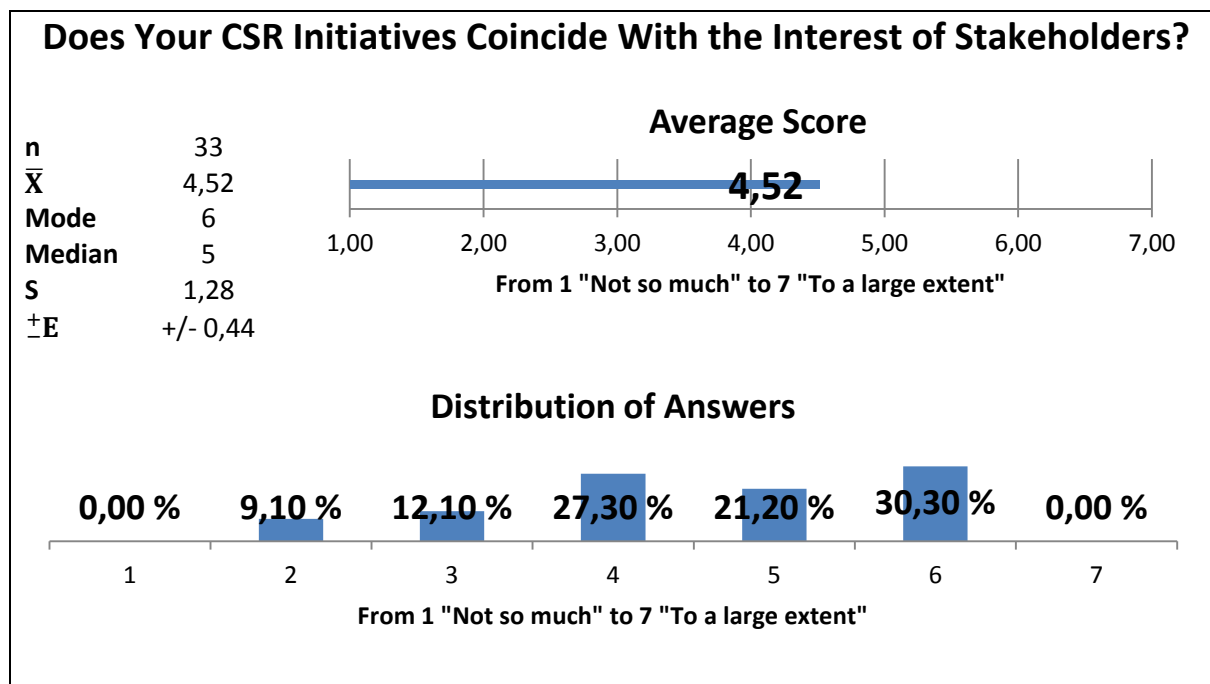


Figure 67: External Fit of CSR Activities in the Sample

The assumption about external fit would be that it should be quite high, because:

- If CSR activities do not meet the expectations of *any* stakeholders, why are they then performed?
- If CSR contributes to long term profitability through improved reputation, this must mean that CSR is something the public views as favorable, which in term should mean that it meets or exceeds their expectations?
- Stakeholders have their own objectives and expectations, so one could imagine that theoretically, these nullified each other. Nevertheless, some of the interests, such as fair operating practices, are common for several of the stakeholders and it should therefore be possible to fulfill these expectations, at least to some account.
- External fit is the first level of the model that Yuan, Bao and Verbeke (p26) presents. Since respondents have indicated that they know who their specific stakeholders are (Q8.5), that they have regular dialogue with them (Q8.1) and that the majority of the companies (Q21) have some sort of CSR activities, the stage should be set for achieving external fit.

The rather low scores on the three questions could be biased by how the scale is interpreted. In the analysis, a 4 is thought of as a neutral value. From the questions, it is possible that is perceived as “to some extent” or as a “half-way there” score. If so, then the interpretation of these answers could be too conservative. Another isolated explanation could be that the



answers are influenced by a central tendency bias, but as this suspicion not has been raised in other questions, it is not likely.

From the interview external fit was named as important and with growing importance. In that relation it was also mentioned that some regulations were needed in a more and more open market. The internal fit of CSR activities was most relevant to this company, given their situation and the few incidents that evoked CSR discussions about external matters. Again it was the employees that were in focus. When asked about the importance of a coherent, systematic approach, its importance was mentioned not only because of the potential synergies, but also because if CSR activities are systemized in a coherent program, it will also help to keep the topic of CSR in the discussions, incorporating more CSR considerations in decisions.

- The current CSR approach of companies scores quite low on fit: externally, internally and with regards to coherence.

**Q35.** This question was used in an attempt to point out the way forward, on how companies themselves say that they could be helped to CSR activities. The answers, as depicted below, show that most of the companies that have responded to this survey, are interested in how they can utilize CSR activities as competitive advantages. It supports an early notion from the work with this thesis, that most people and companies “know” that CSR is important, but have no definite knowledge of how and why. In the graph below these are exactly the two alternatives that receives most attention, interpreting illustrative cases as “how”, and information on advantages as “why”.

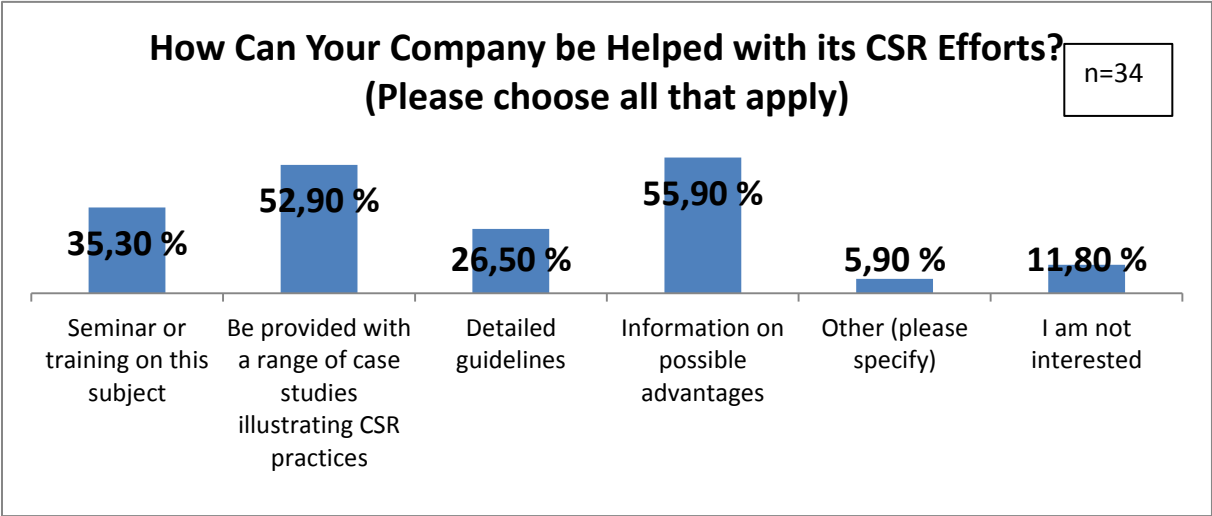


Figure 68: What Companies Value in their Continued CSR Efforts

Other alternatives that respondents specified were “international laws that are properly enforced”, “quantitative data showing the monetary effects of CSR” and “news”.

Awaiting proper enforcement of international law represents a dilemma. These “laws” exist to some extent, though more as guidelines than laws. Given that there is no jurisdiction for these laws, the enforcement of them is non-existent.

Quantitative data on monetary effects is a stumbling stone of CSR. As mentioned in the literature review (p23), several studies aiming to find such measures, reach different conclusions. As commented to the answers of Q15, Q25 and Q26: Increased planning, documenting, measuring and evaluating of CSR activities would facilitate such calculations.

- Companies are interested in examples of how and why CSR activities can benefit both the company and society.

### **About the Interviews**

The first reason for conducting an interview in addition to the questionnaire was to see whether or not this qualitative approach would produce the same kind of answers as the quantitative did. It was found, as commented during this chapter, that the two methods produced similar insights. One interview is not sufficient to provide results that are representative for a larger population, but it does give some clues.

The second reason for the interview was to go a bit deeper in some of the answers. The interview did provide a bit more knowledge of for example the extent of challenges, the different types of challenges and the role of employees. As it has been pointed out sector differences exists, and for that reason, interviews with all of the different sectors would have been preferable.

## Discussion

“What does corporate social responsibility do? Does it help make the earth more sustainable? Does it restore trust in corporations? Reduce corporate malfeasance? Increase business profitability? In the development context does it reduce poverty? Uphold international human rights? Lessen corruption and improve public governance? End illegal activity such as smuggling and human trafficking?” (Blowfield, 2007, p. 683).

This thesis started out by looking at a much discussed concept, corporate social responsibility, and naming five reasons why it was important in a business setting: the environment, future generations, societal change, inequality and competitive advantages. The concept of CSR and how related challenges influence companies was questioned in general, asking what kind of challenges companies faced, what they can do in terms of possible options and how handling these challenges can be turned into competitive advantages. The theoretical part included many related areas, and the broad and aggregated approach was kept during the research phase, where many questions were asked in order to get an overview and see whether or not any areas or topics proved to be of particular importance.

So what does corporate social responsibility do? Does it help make the earth more sustainable? No, sustainable practices does that. Does it restore trust in corporations? No, trustworthy conduct does that. The goal of CSR is said to be contributing to sustainable development, which relies on the successful implementation of appropriate activities. If that is achieved the earth can become more sustainable, trust restored, corruption revoked or poverty reduced – and, profitability increased.

Corporate social responsibility does help the corporation put focus on important issues and possibilities. Through relations with stakeholders, the corporation can increase its knowledge about challenges, expectations, activities, and results, knowledge that is valuable and can increase its competitiveness.

What is a socially responsible act of the company? That is a question that could be asked through the approach of Carroll (p17). By using the stakeholder-responsibility matrix (p17) to map out who the stakeholders are, and what responsibility the company holds towards them, various actions can be assessed.

Towards the employees, answers to Q5 reveal that the majority attribute economic-, legal- and ethical responsibilities. A socially responsible wage should then be such that the company is

able to sustain it (economically responsible), fulfilling the requirements of the law (legally responsible) and fair given the difficulty, danger, time, place and compared to similar jobs or wage level in the same company or industry (ethically responsible). For those who state that they also hold a philanthropic responsibility towards their employees (a minority of companies), the compensation package might include a Christmas bonus or similar payments, not connected to the actual work that is being done.

It was argued that CSR efforts benefit from empirical grounding, and that the resource-advantage theory might provide this foundation. Below some of the characteristics of the resource advantage theory (p13) are related to the context of CSR, to emphasize how this view of competition can improve the understanding of CSR challenges and possibilities.

- Heterogeneity as opposed to homogeneity of demand within an industry serves as an argument for why companies are better suited to address some issues of social responsibilities than governments. Since demand is not homogenous, customization of products and solutions are better performed by those with firsthand knowledge of the industry. Where and when regulation is needed, these could benefit from a co-creative process between leading companies and governments (Rossi, 2010). Intra-industry heterogeneity implies that companies will seldom succeed in their pursuit of external fit by copying the practices of a competitor.

For companies to have a better understanding of their specific situation, stakeholder involvement is crucial. To map the responsibilities of the company and identify and initiate cooperation with key stakeholders are two very important steps of SR in a company (Standard Norge, 2010).

- The cost and quality of consumer information makes it difficult to make rational choices, but despite this fact, rationality is often assumed. The information-society is abundant with information, but this overload has led to the problem of filtering out relevant and correct information. Regarding consumer information, media plays a role, distributing attention unevenly across various issues and companies. Imperfect and costly information for the consumer has a mixed effect when it comes to SR in companies. It might lead to lack of both criticism and appraisal whenever it is due. To get away with malpractice might seem as a treat, but as many scandals have shown, companies are better off handling incidents proactively rather than covering it up. These reasons make

communication with stakeholders an important task. The advent of social media has been mentioned in this regard (p70).

Good communication allows a company to gain the right amount of attention for good deeds and to be the first to explain when something unwanted happens. Over-emphasizing every good deed through an active PR department might lead to accusations of window-dressing. A company, which positions itself as socially responsible, should expect to be carefully scrutinized by the public on every action they take: “The big whale that blows up steam gets spotted and eventually harpooned”(Schmidheiny, 2010).

The R-A theory states that because of imperfect information, consumers often rely on trademarks to indicate the level of quality of a product or a producer (Hunt, 2000). This might also apply for CSR certifications, that rather than examining all practices and going through the troublesome task of gathering all relevant information, a logo or accreditation posted on a product or a webpage might suffice for the average stakeholder.

- When constrained self-interest is given as motivation for human behavior in the company, it increases the need for communication. What the implications of these constraints are will have to be explored if the company shall be able to fulfill expectations. The constraints are based on “personal moral codes, which are in turn shaped or influenced by, for example societal, professional, industry, and organizational moral codes” (Hunt, 2000, p.118)

From the interview this is exemplified by the statement that “competent people have to be heard”, naming support and acceptance of choices made – and easier implementation as good reasons (Appendix 7).

- The information of companies is imperfect and costly. Companies act in a world where the variables are many and often of with little depth (p6). Academia, NGOs and special interest organizations deal with few variables and can therefore make use of a deeper focus. Realizing this and acknowledging the differences might encourage increased cooperation, allowing companies to utilize the expert knowledge found among their stakeholders, rather than maintaining a belief of having perfect information. For a company dealing with challenging side-effects of its operations, a satisfactory level of information could be attained through stakeholder dialogue, whereas a quest to uncover all implications itself

might be too costly and therefore remain undone. As found in the replies to the questionnaire (Q16.4) the competence of NGOs is not put to use.

- Resources are of many kinds, both tangible and intangible. The R-A theory mentions financial, physical, legal, human, organizational, informational and relational. These are considered resources only if they enable efficient or effective production of “a market offering that has value for some market segment(s)” (Hunt, 2000, p128). The resources of a company are heterogeneous in that their combination is unique and imperfectly mobile in that not all of them can be sold in a market.

CSR can thus be a resource to the company in many ways, legal through trademarks or certifications, human through their personal moral code facilitating detection of ethical issues, organizational through routines and cultures of CSR or relational through a good reputation among customers. The immobility of resources implies that, in this case, the resources of CSR cannot be obtained by copying a successful competitor because only part of the resources combination can be copied or bought.

- The role of management in the R-A theory is to “recognize and understand current strategies, create new strategies, select preferred strategies, implement the strategies selected and modify strategies through time” (Hunt, 2000, p131).

From this list of managerial tasks, it becomes apparent that it is important to be in contact with the surroundings of the company and its stakeholders. The tasks of creating and selecting *preferred* strategies relates to achieving fit in the CSR setting. Implementation is a crucial point, as it relies on achieving the goals of the strategy by coordinating a series of smaller decisions throughout the company, by a number of people and through time.

- The R-A theory states that the (business) environment does not determine the performance of a company, but it does have influence. It holds that strategic choices must be made based on the characteristics of available resources, which will influence how the company competes. This view of competitive dynamic allows resource allocation, creation of new resource and therefore potentially increased productivity.

Within the view of competition that the R-A theory proposes, the CSR approach of a company can be the basis of competitive advantages, in creating new resources and increasing productivity.

## **Key Insights from Working with this Topic:**

For this thesis the focus has been set on how strategies in are influenced by certain challenges, and whether or not that could be turned into advantages for the company. Through the work of this thesis, the concept of CSR has been studied from different angles and the approach of several companies has been investigated. From this process there are some themes or insights that stand out, and in the following these are described shortly.

### **The Need for Fit**

The current CSR approach of companies scores quite low on fit: externally, internally and with regards to coherence. It has been pointed out that regarding CSR, the challenges and solutions are different depending on sectors, size and markets. Knowing and communicating with the stakeholders of the company is at the core of CSR. One practical way to start is that of Carroll's (p17) mapping out stakeholders and discussing what kind of responsibility the company holds towards them. In dialogue with stakeholders, the company can learn about the expectations it faces, and communicate its approach, intentions and challenges.

The companies surveyed report that these matters are covered in a good way. The responding companies are assumed to be above average involved with CSR, so that for the population of companies publicly listed in Norway, in general, this is the starting point.

When the matters of stakeholders, challenges and expectations are sufficiently investigated, the company has increased its knowledge about the risks and opportunities it is facing and the process of finding the right actions to handle challenges and fulfill expectations can start.

External fit relates to how the CSR activities fit with the expectations and demands of the stakeholders. This is, and has been the focal point of CSR, as the expectations are the foundation of the responsibilities, and represent the result that CSR activities should give.

The rather low score companies receive on external fit (though there are differences in the answers), supports the assumption that there are room for improvement in discovering challenges in cooperation with stakeholders.

When it was stated that external fit had been the focal point of CSR, this has a negative consequence in that it encourages a CSR approach which asks only "what has to be done?", rather than "what can be done?"

Internal fit of CSR practices is concerned with making activities that fit with the business operations of the company. As differences exist, solutions must be found for the industry and the specific company. Adopting the approach of others or a general one without adapting it will not facilitate high performance in this area. This is the kind of fit that receive the highest score in the questionnaire, though none of them are scored very high.

Coherence among the CSR activities enables synergies to be explored and systematic approaches. It therefore facilitates effective and efficient use of resources and allows comparison and learning. The respondents score the coherence of their approach close to neutral, which is supported by other findings of ad-hoc practices.

A sincere interest in CSR suggests that companies strive to achieve these three kinds of fits with their CSR activities. The better the company gets at this, the more value it is able to create out of its CSR program and the bigger a competitive advantage this program can be.

### **The Role of Employees**

Employees are recognized as the most important stakeholder. They have a lot of influence over the operations of the company, but are at the same time very much dependent on the company. In a CSR program it will be very important to remember that these stakeholders also have expectations concerning the way their company handles all its challenges, not only the ones concerning labor standards. Employees are not only employees, many of the also at the same time often represent other stakeholder groups by being consumers, living in the local community, and sometimes being part-owners in the company. In addition they are voters and might be parents. These mixed interests might give rise to other and more complex priorities than those of the company, combining both an inside- and an outside view. Therefore, and because the employees are readily available for the company, they provide a valuable source of information. This makes it very important that companies have good channels for bottom-up communication, so that they can incorporate the knowledge of the employees in their CSR approach.

Employees are directly linked to the performance of the company which makes employee satisfaction a high priority for most companies. CSR activities aimed at improving the work environment are found to be the ones that contribute the most to long term performance.

Another reason why employees are of such importance is that it is they who are implementing whatever CSR activity chosen by top level managers and executives. As it was bluntly stated



at the start of this discussion; CSR does not help make the world more sustainable, sustainable practices do. When there are studies finding that principles of CSR are not understood below the strategic level and that companies fail in making their employees aware- and an integral part of their CSR program, it indicates that efforts of implementation have failed and the result will be accordingly.

Putting employees' first-hand knowledge to use in handling the challenges they are a part of and keeping them informed in the process, ensures better fitting solutions and easier implementation – and in addition increases employee satisfaction by allowing them to voice their opinion.

### **Implementation and Utilization**

The companies that answer this survey indicate an interest in examples of how and why CSR activities can benefit both the company and society. It is employees that actually put various CSR activities into life, but it is the role of management to make sure that it happens the way it is supposed to. Being one of the cruxes of CSR, the task of translating codes, principles and strategies into action will benefit largely from achieving the three kinds of fit and understanding the important role of employees. When important tasks have been identified, and both those who chose the activities and those who perform them have a clear understanding of the activities at hand and why they are important, getting it done becomes easier.

It is difficult to conclude whether or not the company has succeeded in implementing meaningful CSR activities when few criteria for measurement of result are used, and few CSR programs are evaluated. Criteria should be found and evaluations done, to ensure learning and improvements.

When the company is able to implement the activities that fit their specific challenges effectively, it might be able to utilize more of the potentials for creating competitive advantages based on socially responsible conduct, such as reduced resource usage, innovating products that better match societal needs, sidestepping or influencing future regulations and anticipating change.

## Chapter 5: Conclusion

In this last chapter the thesis concludes on the answers asked in the beginning, based on the analysis in the previous chapter and the theories from chapter 2. When

this is done, a critical review of the whole thesis is given and then finally some suggestions to further research are included, using the conclusions as a starting point.

Box 4:  
**Chapter 5: Conclusion**

### **How do challenges regarding social responsibility and sustainability impact strategies and business models of international companies?**

This thesis finds that the extent of impact is not so large. The challenges and the stakeholders are known, but it does not influence the way business is carried out in any way particular.

### **What kind of CSR- and sustainability challenges do international companies face?**

The challenges that companies face are first and foremost related to the environment. Subsequently companies are concerned with challenges regarding labor standards and corruption.

### **How can international companies react to challenges regarding social responsibility and sustainability?**

As social responsibility of a company is shaped in the relation to stakeholders, it is also the preferred starting point of the reaction. For many companies the Response-ability is large, and growing with the process of globalization. Systematically cooperating with stakeholder to implement activities that fit challenges, expectations and the company will benefit both the company and society.

### **How can international companies translate challenges regarding social responsibility and sustainability into competitive advantages?**

The findings of this thesis are that social responsible conduct by the company can result in competitive advantages mainly through improvements in the reputation and increased employee satisfaction.

The results that companies experience from their CSR efforts are mostly positive, both economical and in terms of media interest.

It is the author's opinion that CSR can create competitive advantages in several other ways elsewhere in thesis, ways which seem generally unexplored and underutilized.

### **Critical Review**

From the surveys, it is concluded on a theoretical basis, that the sample population has similar characteristics as the sample frame, by which the answers are assumed to be theoretically representative. It was also pointed out, that the majority of respondents are those companies who are involved in the field of CSR, which might reduce the representativeness and validity somewhat.

The approach of this thesis was to explore the general views and impact of CSR, which was why a broad theoretical foundation was built in chapter 2, and a large number of questions were asked and analyzed in chapter 4. This gave a good overview, but little depth. Further, more focused research will be needed to gain detailed knowledge of the various variables and their impact.

The Oslo Stock Exchange is a "Norwegian" stock exchange in many ways, which biases the sample's validity as international companies.

The weaknesses of the methodology chosen were given some criticism in chapter 3. A large amount of data covering many topics resulted in little in-depth analysis due to the size and aim of the thesis. With fewer topics and variables, there might have been room for more sophisticated analysis within the time limits of this work.

The qualitative survey would have benefitted from a larger number of respondents. Conducting one interview did provide a comparison to the quantitative answers and some in-depth knowledge, but some more interviews would have significantly increased the value of including a qualitative survey.

## **Suggestions for Further Research**

### **CSR & Employees**

Investigate further the role of employees in companies CSR approach.

### **Other Samples**

As the Oslo Stock Exchange is small, mainly Norwegian and biased towards a few sectors, conducting similar surveys using other stock indexes, might give new insight and improve the relevance to international companies in general.

### **Limited Sectors**

CSR challenges affect companies differently, and one of the clear distinctions is found in the sector or industry that the companies operate in. This might help isolate and target specific CSR challenges relevant to the industry, and tailor actual activities to counter the challenge and utilize possibilities.

### **Limited CSR Areas**

Similar to sector limitations, a focus on how one type of CSR challenges influences companies might give more specific knowledge and possibly facilitate knowledge sharing and inter-industry benchmarking.

### **Case Studies from Different Sectors and Challenges, on how Aligned Interests can Be Achieved.**

In describing cases where companies have successfully aligned the interests of their stakeholders with its own by handling CSR challenges, more companies can be inspired and receive input on how they can tackle their own challenges.

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## Appendix 1: Dataset 1 – Secondary Data

This Dataset consists of data gathered from the webpages of companies, the Oslo Stock Exchange, UN GC and GRI.

Name	Sector	Code	UN GC	Areas	GRI	Level	M. Cap.
ABG Sundal Collier	Financials	Yes	No		No		3296
AF Gruppen	Industry	Yes	Yes	3	No		2869
AGR Group	Energy	Yes	No		No		1934
AKVA Group	Industry	No	No		No		267
Acta Holding	Financials	No	No		No		657
Aker	Energy	Yes	No		No		11506
Aker Biomarine	Health Care	No	No		No		2245
Aker Floating Production	Energy	Yes	No		No		86
Aker Seafoods	Consumer Stap.	No	No		No		846
Aker Solutions	Energy	Yes	No		No		29639
Aktiv Kapital	Financials	No	No		No		2207
Algeta	Health Care	Yes	No		No		5038
AmericanShipping	Industry	No	No		No		124
Apptix	IT	No	No		No		267
Arendals Fossekompani	Utilities	No	No		No		3671
Atea	IT	Yes	No		No		6235
Austevoll Seafood	Consumer Stap.	No	No		No		9771
Avocet Mining	Materials	No	No		No		3500
Axis-Shield	Health Care	Yes	No		No		1420
BW Offshore	Energy	No	No		No		10107
BWG Homes	Consumer Discr.	Yes	No		No		2555
Bakkafrost	Consumer Stap.	No	No		No		2661
Belships	Industry	No	No		No		170
Bergen Group	Energy	Yes	No		No		546
Bionor Pharma	Health Care	No	No		No		368
Biotec Pharmacon	Health Care	No	No		No		276
Birdstep Technology	IT	No	No		No		122
Blom	IT	No	No		No		86
Bonheur	Energy	No	No		No		6934
Borgestad	Financials	No	No		No		411
Bouvet	IT	No	No		No		605
Byggma	Materials	No	No		No		343
Camillo Eitzen	Industry	Yes	No		No		411
Cermaq	Consumer Stap.	Yes	No		Yes	C	8463
Clavis Pharma	Health Care	No	No		No		1051
Codfarmers	Consumer Stap.	No	No		No		123
Comrod Communication	Industry	No	No		No		238
ContextVision	Health Care	No	No		No		125
Copeinca	Consumer Stap.	Yes	Yes		No		3101
DNO International	Energy	Yes	No		No		9641
DOF	Energy	Yes	No		No		4916
Data Respons	IT	No	No		No		467
Deep Sea Supply	Energy	Yes	No		No		1681
Det norske	Energy	No	No		No		3389
DiaGenic	Health Care	No	No		No		222
DnB NOR	Financials	Yes	Yes	4	Yes	B+	131444

Dockwise	Energy	Yes	No		No		4020
Dolphinics	IT	No	No		No		593
Domstein	Consumer Stap.	No	No		No		124
EDB Ergogroup	IT	Yes	No		No		4144
EOC	Energy	No	No		No		829
Eidesvik	Energy	No	No		No		1146
Eitzen Chemical	Industry	Yes	No		No		964
Eitzen Maritime Services	Industry	Yes	No		No		295
Ekornes	Consumer Discr.	Yes	Yes	4	No		5266
Electromagnetic Geoservices	Energy	Yes	No		No		1977
Eltek	IT	Yes	No		No		1978
Fairstar Heavy Transport	Energy	Yes	No		No		956
Faktor Eiendom	Financials	No	No		No		284
Fara	IT	No	No		No		67
Farstad Shipping	Energy	No	No		No		6903
Floatel International	Energy	No	No		No		1402
Fornebu Utvikling	Financials	No	No		No		1975
Fred. Olsen Energy	Energy	No	No		No		17129
Fred. Olsen Production	Energy	Yes	No		No		1138
Frontline	Energy	Yes	No		No		11811
Funcom	IT	No	No		No		411
GC Rieber Shipping	Energy	Yes	Yes	0	No		1388
GTB Invest	Energy	No	No		No		146
Ganger Rolf	Energy	No	No		No		5298
Gjensidige	Financials	Yes	No		No		29498
Golar LNG	Energy	Yes	No		No		7085
Golden Ocean Group	Industry	No	No		No		3306
Goodtech	Industry	No	No		No		697
Green Reefers	Industry	No	No		No		176
Grenland Group	Energy	Yes	No		No		445
Grieg Seafood	Consumer Stap.	Yes	No		No		2479
Gyldendal	Consumer Discr.	No	No		No		683
Hafslund A	Utilities	Yes	No		No		8138
Hafslund B							5532
Havila Shipping	Energy	No	No		No		984
Hexagon Composites	Industry	Yes	No		No		934
Hurtigruten	Consumer Discr.	Yes	No		No		2096
I.M. Skaugen	Energy	No	No		No		972
IGE Resources	Materials	Yes	Yes		No		289
Ignis	IT	No	No		No		401
Imarex	Financials	Yes	No		No		829
Infratek	Industry	No	No		No		1341
Inmeta	IT	No	No		No		601
InterOil Exploration & Prod.	Energy	Yes	No		No		726
Intex Resources	Materials	Yes	No		No		472
Itera	IT	No	No		No		245
Jinhui Shipping	Industry	No	No		No		1706
Kitron	IT	No	No		No		412
Komplett	Consumer Discr.	Yes	No		No		989
Kongsberg Automotive	Consumer Discr.	Yes	No		No		1917
Kongsberg Group	Industry	Yes	Yes	4	Yes	B+	15010
Kverneland	Industry	No	No		No		1057
Lerøy Seafood	Consumer Stap.	No	No		No		10190

Maritime Industrial Services	Energy	No	No		No		595
Mamut	IT	No	No		No		549
Marine Harvest	Consumer Stap.	Yes	Yes	4	Yes	C	24216
Medi-Stim	Health Care	No	No		No		436
Morpol	Consumer Stap.	No	No		No		3545
NEAS	Industry	No	No		No		153
Namsos Trafikkselskap	Industry	No	No		No		72
Navamedic	Health Care	No	No		No		54
Nio Security	IT	No	No		No		145
NorDiag	Health Care	Yes	No		No		126
Nordic Semiconductor	IT	No	No		No		3695
Norse Energy	Energy	Yes	No		No		757
Norsk Hydro	Materials	Yes	Yes	4	Yes	B+	70815
Norske Skog	Materials	Yes	Yes	0	Yes	B	4083
Northern Logistic Property	Financials	No	No		No		852
Northern Offshore	Energy	No	No		No		2171
Northland	Materials	Yes	No		No		3801
Norway Pelagic	Consumer Stap.	No	No		No		664
Norwegian	Industry	No	No		No		4408
Norwegian Car Carriers	Industry	No	No		No		392
Norwegian Energy Company	Energy	Yes	No		No		4682
Norwegian Property	Financials	No	No		No		4911
ORIGIO	Health Care	No	No		No		412
Oceanteam	Industry	No	No		No		121
Odfjell A	Industry	Yes	No		No		3136
Odfjell B							975
Olav Thon Eiendomsselskap	Financials	Yes	No		No		9527
Opera Software	IT	No	No		No		3012
Orkla	Industry	Yes	Yes	4	Yes	B	54369
PSI Group	IT	Yes	No		No		167
Panoro Energy	Energy	Yes	No		No		1321
Petroleum Geo-Services	Energy	Yes	No		No		20096
Petrolia	Energy	No	No		No		210
Photocure	Health Care	No	No		No		1127
Polaris Media	Consumer Discr.	No	No		No		1213
Pronova BioPharma	Health Care	Yes	No		No		2961
Prosafe	Energy	Yes	No		No		10053
Protector Forsikring	Financials	No	No		No		1057
Q-Free	IT	No	No		No		1024
Questerre Energy	Energy	Yes	No		No		2337
REC	IT	Yes	No		No		20837
Repant	Industry	No	No		No		105
RXT	Energy	Yes	No		No		222
Rieber & Søn	Consumer Stap.	Yes	No		No		3827
Rocksource	Energy	Yes	No		No		938
Royal Caribbean Cruises	Consumer Discr.	Yes	No		No		56372
SAS AB	Industry	Yes	Yes	3	No		7139
SalMar	Consumer Stap.	Yes	No		No		6502
Scana Industrier	Materials	Yes	No		No		1409
Schibsted	Consumer Discr.	Yes	Yes	0	No		18912
SeaBird Exploration	Energy	No	No		No		621
Seadrill	Energy	Yes	No		No		89068
Seawell Corporation	Energy	No	No		No		8565



Sevan Marine	Energy	Yes	No		No		3598
Siem Offshore	Energy	No	No		No		4274
Simtronics	Industry	No	No		No		115
Skiens Aktiemølle	Financials	No	No		No		665
Solstad Offshore	Energy	No	No		No		4569
Solvang	Industry	No	No		No		476
Songa Offshore	Energy	Yes	No		No		5602
Star Reefers	Industry	No	No		No		784
Statoil	Energy	Yes	Yes	4	Yes	A+	452739
Statoil Fuel and Retail	Consumer Discr.	Yes	No		No		16425
Stolt-Nielsen	Industry	No	No		No		8702
Storebrand	Financials	Yes	Yes	4	Yes	B	21188
Storm Real Estate	Financials	Yes	No		No		264
Subsea 7	Energy	Yes	No		No		48099
TGS-NOPEC	Energy	Yes	No		No		14850
TTS Group	Industry	No	No		No		559
Teco Maritime	Industry	No	No		No		41
Telenor	Telecom.	Yes	Yes	4	Yes		149405
Telio Holding	Telecom.	No	No		No		614
Tide	Industry	Yes	No		No		778
Tomra Systems	Industry	Yes	Yes	0	No		5258
Veidekke	Industry	Yes	No		No		6786
Vizrt	IT	No	No		No		1475
Voss Vekselbank	Financials	Yes	No		No		242
Wentworth Resources	Energy	No	No		No		375
Wilh. Wilhelmsen A	Industry	No	No		No		9020
Wilh. Wilhelmsen Holding	Industry	No	No		No		5784
Wilh. Wilhelmsen B							1994
Wilson	Industry	No	No		No		756
Yara International	Materials	Yes	Yes	4	Yes	B	92628

## Appendix 2: Email Questionnaire Invitation

Dear Madame/Sir,

my name is Odd Sverre Volle and I'm writing a master thesis in International Management and Strategy, at the University of Agder, Kristiansand, Norway. My thesis advisor is prof. Andreas W. Falkenberg.

I am studying the link between strategy and CSR in various public companies, using a web-based survey. The survey consists of about 30 questions, which should take app. 15 min. in total. The survey is aimed at managers, and the responses will be anonymous.

Could you answer to this survey, or who in your company would be the appropriate person to contact for such an inquiry?

Sincerely,

Odd Sverre Volle

[oddsverre.volle@gmail.com](mailto:oddsverre.volle@gmail.com)

+47 419 25 969

Master's candidate

University of Agder

Andreas W. Falkenberg

Professor

Thesis advisor

### Appendix 3: Email Questionnaire Reminder

Dear Madame/Sir

Ref. Previous emails.

Thank you for agreeing to participate in the survey for my master thesis at the University of Agder, Kristiansand, Norway. Your contribution will be of great value to this thesis. I therefore hope that you have the opportunity to respond to the survey by April 18.

Please find the survey at this link: ...

If you have any questions, I will be available on email [oddsverre.volle@gmail.com](mailto:oddsverre.volle@gmail.com) or phone +47 41925969

Best regards,

Odd Sverre Volle

## Appendix 4: Questionnaire

The purpose of this study is to investigate how firms view and incorporate social responsibility and environmental sustainability in their strategies. We would very much appreciate it if you could take a few minutes to fill in this questionnaire. Your responses will be anonymous and if you wish, you may request a summary report of the final study which will be completed in June 2011.

Sincerely,

Odd Sverre Volle  
Master's candidate  
University of Agder

Andreas W. Falkenberg  
Professor  
Thesis advisor

### 1. What was the approximate sales of your company in 2010 (Million NOK)?

\_\_\_\_\_

### 2. How many employees did your company approximately have in 2010?

\_\_\_\_\_

### 3. The most important markets for your company are...?

Please rate the markets from 1 (not important) to 7 (very important)

	1	2	3	4	5	6	7
Norway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scandinavia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Europe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
North America	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Asia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Africa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 4. Our company strives to...

Please rank these goals from 1 (least important) to 8 (most important)

Achieve superior financial results	-
Maintain a good reputation	-
Reduce environmental impact	-
Make sure our employees flourish	-
Conduct business in a fair manner	-
Facilitate a good relationship with the local community	-
Obey laws and regulations	-
Gain a reputation for products of high quality	-

**5. One approach to corporate social responsibility is to divide responsibilities into the economic, legal, ethical and philanthropic.**

**Which type of responsibilities do you deem relevant towards the different stakeholders of the company you work for? (Please choose all that apply)**

	Economic	Legal	Ethical	Philanthropic
Owners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social activists	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Media	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Public at large	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial institutions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**6. Please consider the relationship between your company and different stakeholders.**

Please rank from 1 (least important) to 11 (most important) the stakeholders according to HOW THEY INFLUENCE YOUR COMPANY

Please rank from 1 (least impact) to 11 (most impact) the stakeholders according to HOW THEY ARE INFLUENCED BY YOUR COMPANY'S ACTIONS

Suppliers	—	—
Social activists	—	—
Media	—	—
Government	—	—
Public at large	—	—
Financial institutions	—	—
Employees	—	—
Owners	—	—
Community	—	—
Competitors	—	—
Customers	—	—

**7. Which of the following areas do you consider important for companies to be involved in?**

Please rate from 1 (not important) to 7 (very important)

	1	2	3	4	5	6	7
Waste reduction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cleaner environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Different kinds of donations and support	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please rate from 1 (not important) to 7 (very important)

	1	2	3	4	5	6	7
Improving the work environment, training, work time flexibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Being active in the local community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**8. To what extent do you agree with the following statements?**

Please rate the statements from 1 (disagree) to 7 (agree)

	1	2	3	4	5	6	7
Our company has a regular dialogue with key stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Some key stakeholders are not pleased with our activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have few conflicts with our key stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A company should contribute to society beyond making profits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I'm not aware of who the specific stakeholders of my company are	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**9. To what extent do you believe that the following influence long term performance of a company?**

Please rate from 1 (little influence) to 7 (large influence)

	1	2	3	4	5	6	7
Caring about the environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Caring about shareholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Caring about employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contributing to local community activities and society	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Caring about customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Caring about partners and suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**10. In the company you work for, challenges regarding social responsibilities..**

Please rate the statements from 1 (disagree) to 7 (agree)

	1	2	3	4	5	6	7
Receive much attention	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Affect long term plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have an impact on product design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Impact everyday business decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Affect R&D	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**11. What would be the main reasons for your company NOT to take on any CSR activity or actions?**

Please rate the different reasons from 1 (not important) to 7 (very important)

	1	2	3	4	5	6	7
Lack of resources (money, people, time, etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of awareness about this issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We don't believe it's worth doing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We feel that laws and regulations are sufficient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not understand how these actions will help our cause	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
It is not an obligatory measure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**12. The UN Global Compact recognizes 4 areas of social responsibility; human rights, labor, environment and anti-corruption. How relevant to your company are challenges regarding..**

Please rate the different challenges from 1 (not relevant) to 7 (very relevant)

	1	2	3	4	5	6	7
Human rights at home	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human rights in countries of suppliers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Labor standards at home	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Labor standards in other countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pollution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effects of pollution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resource depletion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cultures of corruption	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Missed opportunities due to adherence of anti-corruption	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**13. Which issues or challenges are most relevant for your company to address?  
(Please choose all that apply)**

- Human rights
- Labor practices
- Environment
- Corruption
- Other (Please specify) \_\_\_\_\_

**14. Which issues or challenges are particularly important in your local community?  
(Please choose all that apply)**

- Human rights
- Labor practices
- Environment
- Corruption
- Other (Please specify) \_\_\_\_\_

**15. How do CSR challenges gain the attention of your company?  
(Please choose all that apply)**

- Through governmental agencies

- Internal analysis by the company
- External analyses ordered by the company
- External pressure from interest groups
- Intuitively
- Other (Please specify) \_\_\_\_\_

**16. To what extent do you agree with the following statements?**

	Please rate the statements from 1 (disagree) to 7 (agree)						
	1	2	3	4	5	6	7
We are aware of environmental challenges that impact our company, or might do so in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our company's interest in CSR does not translate into action	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our company have the appropriate procedures to explore CSR challenges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We invite representatives of NGOs (WWF, Bellona, etc.) to provide a more informed understanding of social responsibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Challenges regarding sustainability and CSR are ethical issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our CSR initiatives can be documented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**17. Does your company have a code of conduct, ethical guidelines or something similar?**

- Yes
- No (*IF NO, SKIP TO QUESTION 19*)

**18. How is this code enforced? (Please choose all that apply)**

- By superiors
- Through a reporting system
- By external auditors
- It relies on the individual employee
- Other (Please specify) \_\_\_\_\_

**19. Are you aware of any industry norm or ethical codex in the industry your company operates in?**

- Yes
- No

**20. Does your company adhere to or participate in any international CSR initiative such as the United Nations Global Compact or the Global Reporting Initiative?**

- Yes
- No

**21. Has your company implemented any CSR activity or program?**

- Yes
- No (*IF NO OR I DON'T KNOW, SKIP TO QUESTION 31*)
- I don't know

**22. For how long have your company been running a CSR activity or program?**

- 1 year
- 2-3 years
- More than 3 years

**23. Who is in charge of the CSR activities or program? (Please choose all that apply)**

- Board of directors



- Top management
- Middle management
- The individual employee
- Other (Please specify) \_\_\_\_\_

**24. What is the nature of the CSR activities or program followed by your company? (Please choose all that apply.)**

- Corporate governance
- Human rights
- Labor practices
- Environment
- Consumer issues
- Community involvement
- Fair operating practices
- Other \_\_\_\_\_

**25. How is the CSR program evaluated? (Please choose all that apply)**

- Performance criteria are measured and reported
- By the separate business units that are in charge of the relevant operations
- We don't evaluate our CSR program
- Other (Please specify) \_\_\_\_\_

**26. Are the CSR actions mentioned in the last question.. (Please choose all that apply)**

- Systematically planned and budgeted
- Managed on a case-by-case basis
- Evaluated afterwards
- Increasing in scope
- Linked with the company's PR activities

**27. Why does your company implement CSR actions? (Please choose all that apply)**

- To increase employee morale and retention
- To boost company or brand reputation
- To achieve long-term sustainability of the business
- To improve relations the community
- To increase customer goodwill and loyalty
- To improve financial performance over the short to medium term
- To attract investors

**28. Where did the initiative for these actions come from? (Please choose all that apply)**

- Clients
- Business partners
- Attempt to increase competitiveness
- Society demands
- Personal sense of social responsibility
- It is a much discussed issue
- It is a strategic decision by the owners / CEO
- Other \_\_\_\_\_

**29. What do you consider is the return that your company has had from the mentioned CSR activities or program, indicated by the metrics and indicators used by your company?**

- There is a positive economic effect
- There is a negative economic effect
- Media interest and the level of publicity has raised
- There are no criteria to measure the economic effect

**30. In what manner is the public informed of your CSR program?**

**(Please choose all that apply)**

- By direct reports to media
- By efforts of a PR company or department
- By marketing and sale activities
- No special information activities
- Other: \_\_\_\_\_

**31. Why should a company take social responsibility seriously?**

**(Please choose all that apply)**

- They shouldn't
- Because it's the right thing to do (ethical argument)
- Because society demands it
- Because it contributes to corporate longevity (it pays off)
- Other: \_\_\_\_\_

**32. To what extent do you agree that corporate social responsibility can strengthen the profitability of a company..**

Please rate the different statements from 1 (disagree) to 7 (agree)

	1	2	3	4	5	6	7
By cost savings (less resources used)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By a better reputation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By making products that better fit societal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By allowing for co-creation of the regulatory environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By better employee satisfaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
By anticipating change?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CSR cannot strengthen profitability of a company?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**33. In your opinion, when working on a CSR program, how important is it to..**

Please rate the different aspects from 1 (not important) to 7 (very important)

	1	2	3	4	5	6	7
Cooperate with authorities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communicate with stakeholders?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Involve employees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Achieve fit between CSR activities and the company?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have a continuous process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Make partnership in the value chain to improve CSR?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Report on progress?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**34. Please assess to what extent the CSR initiatives your company take on..**

Please rate from 1 (not so much) to 7 (to a large extent)

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Please rate from 1 (not so much) to 7 (to a large extent)

	1	2	3	4	5	6	7
Are complementary with the daily business of your firm?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are related to each other or part of a system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coincide with the interests of various stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**35. One of the purposes of this project is to investigate how CSR can be used to benefit both the company and society. Which of the following would be most helpful to you and your company? (Please choose all that apply)**

- Seminar or training on this subject
- Be provided with a range of case studies illustrating CSR practices
- Detailed guidelines
- Information on possible advantages
- Other (please specify) \_\_\_\_\_
- I am not interested

**36. What is your current position with the company?**

- CEO
- Top management
- Middle management
- Other: \_\_\_\_\_

Thank you very much for participating in this survey.

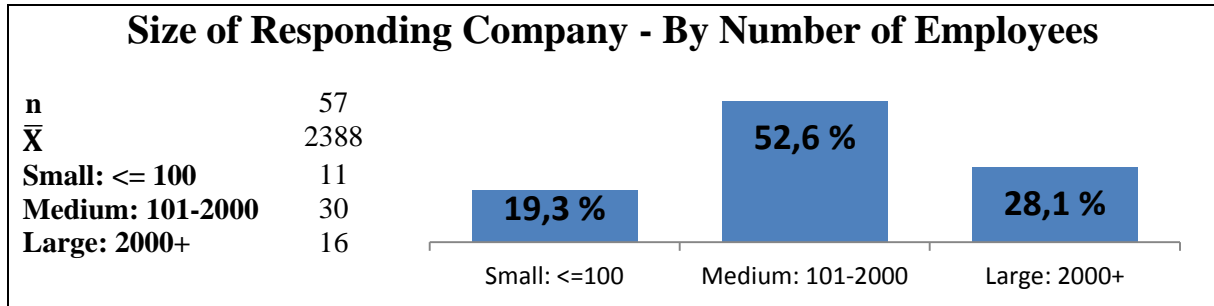
If you have any questions, comments or wish to receive a summary report of the final study, please send an email to [oddsverre.volle@gmail.com](mailto:oddsverre.volle@gmail.com)

## Appendix 5: Dataset 2: Primary Data - Answers from the Questionnaire

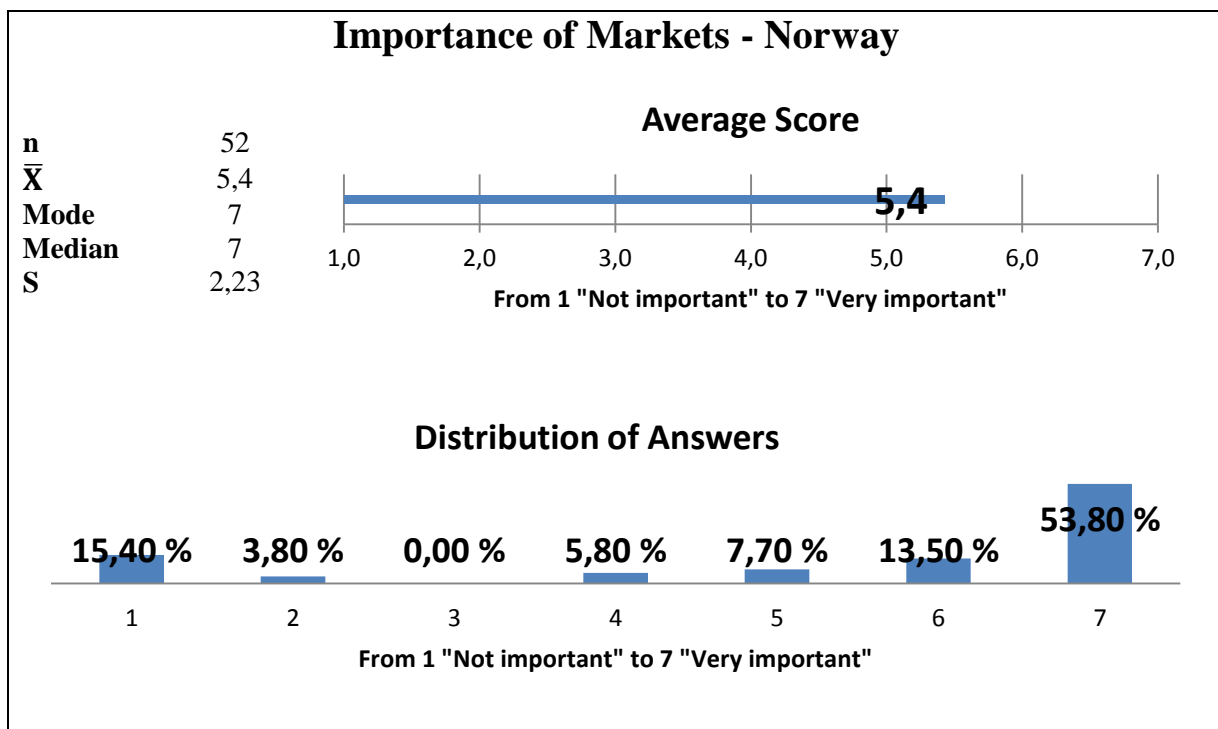
First the answers are presented question by question in various graphs and tables, and afterwards the dataset is included for reasons of transparency.

Q1. Not valid

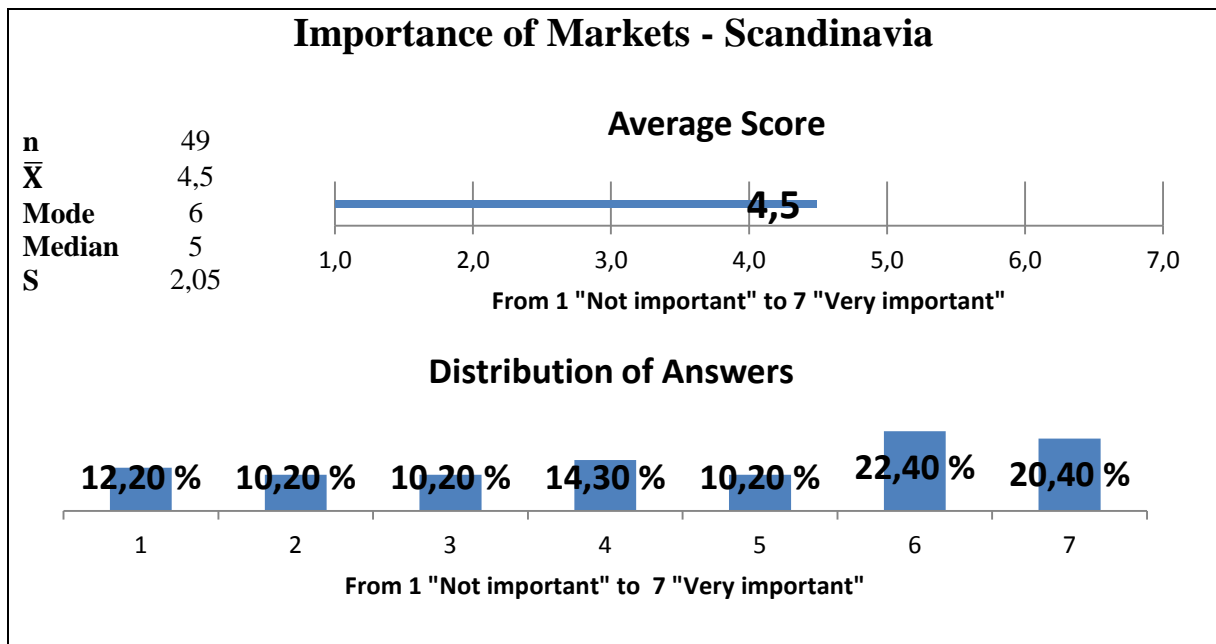
Q2. Distribution of Company Size



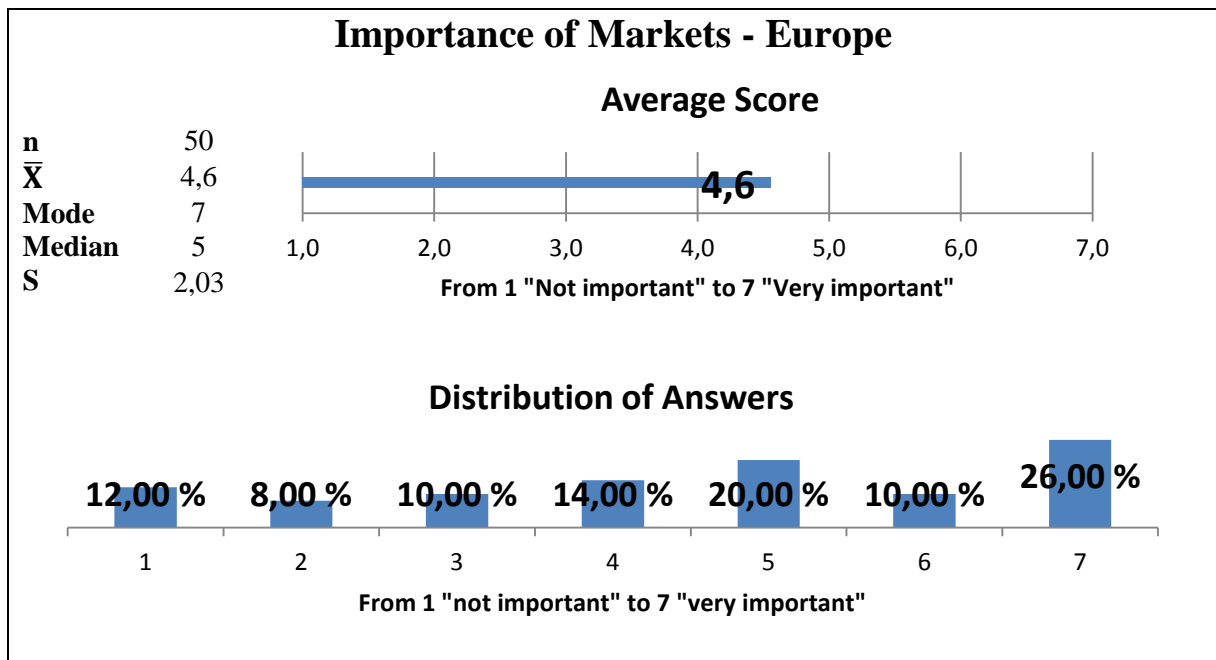
Q3.1



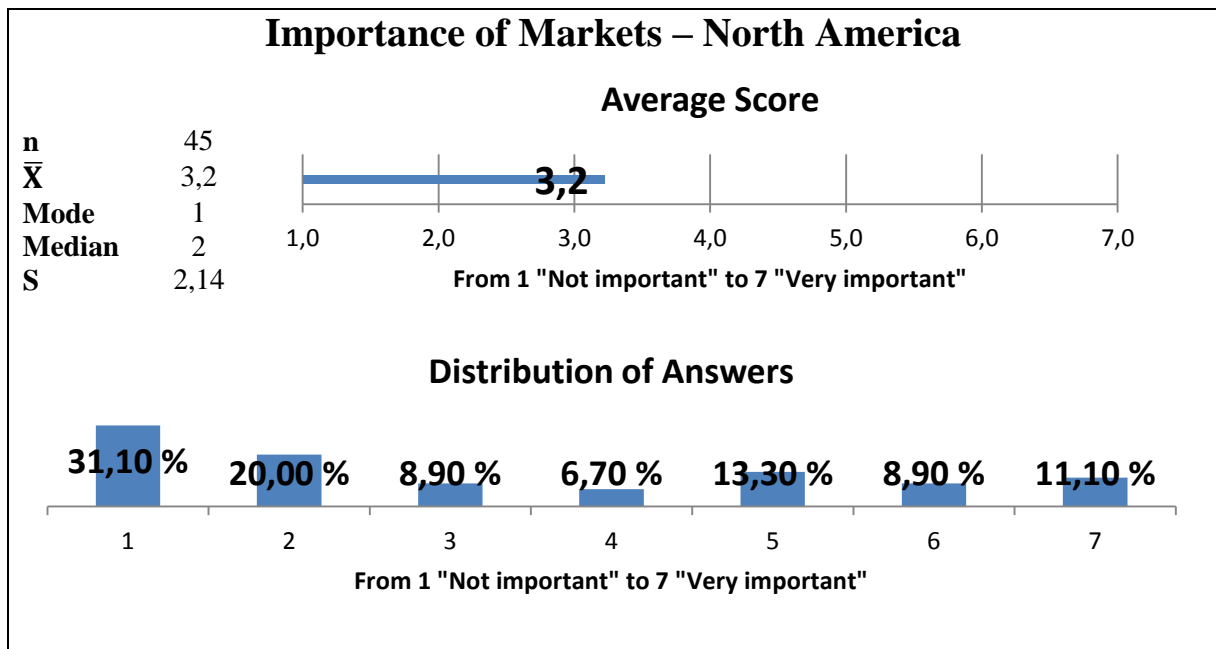
Q3.2



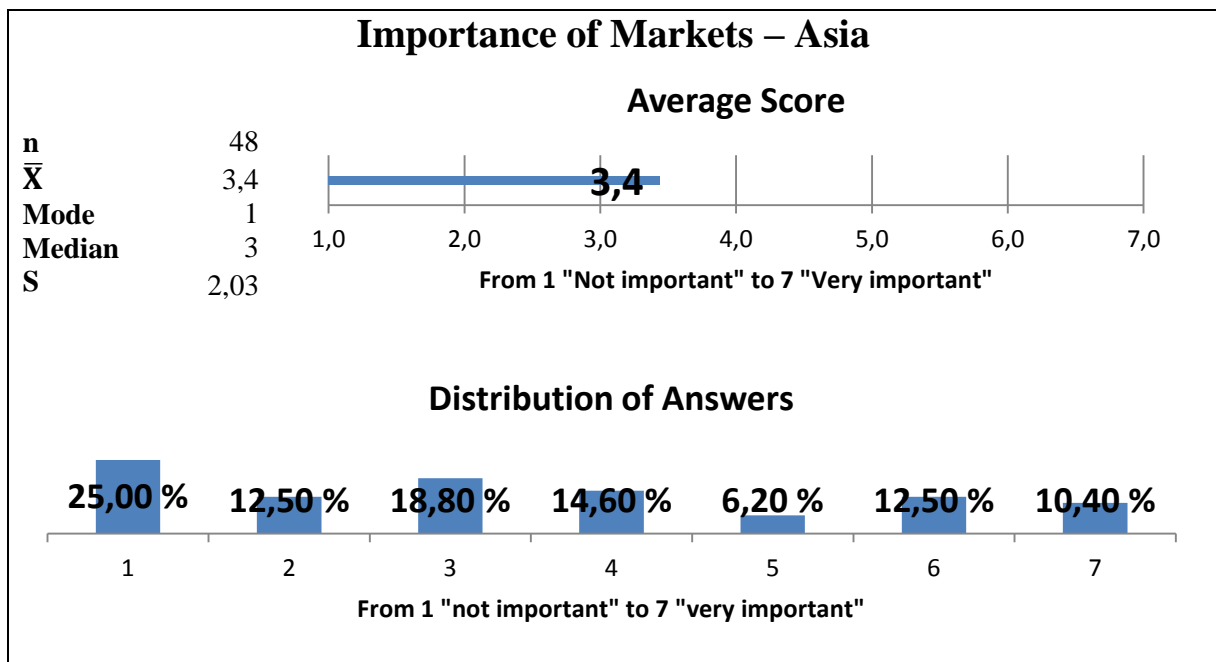
Q3.3



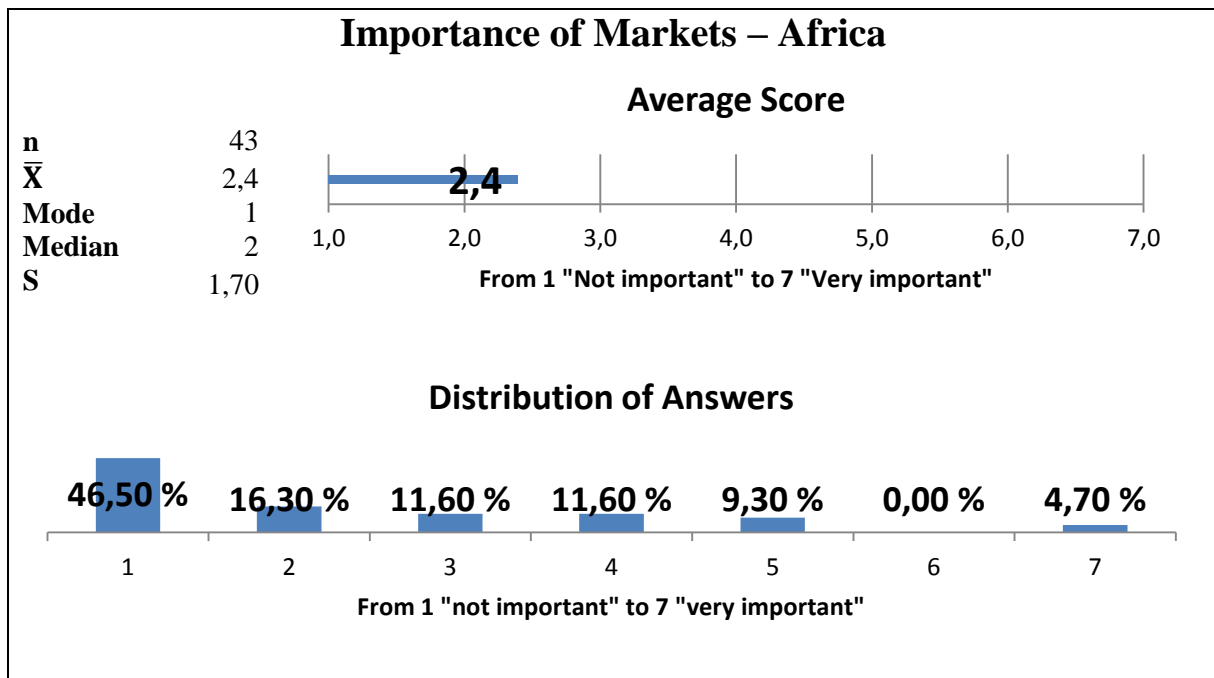
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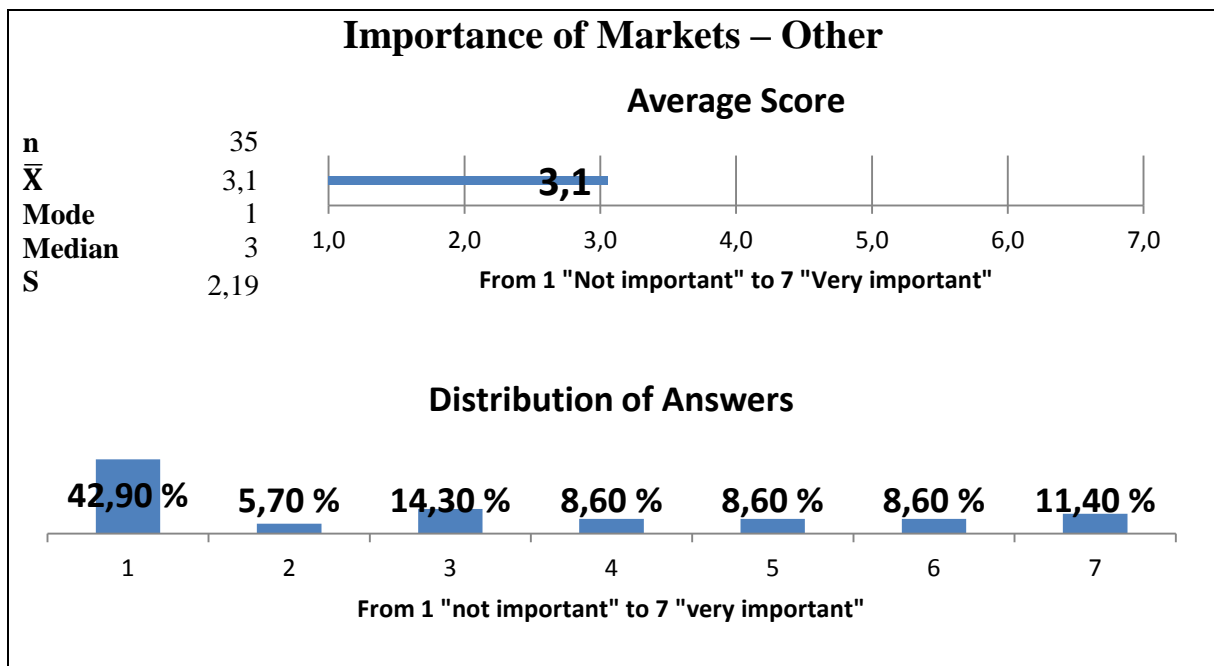
Q3.5



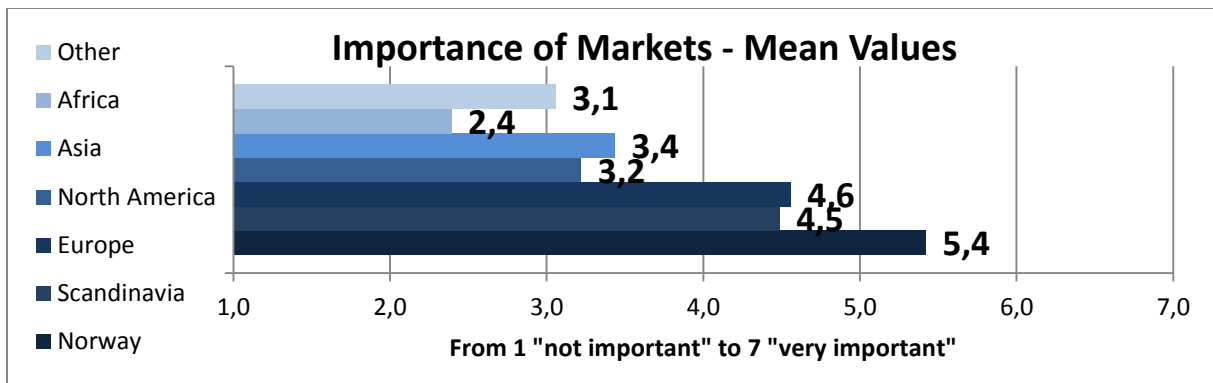
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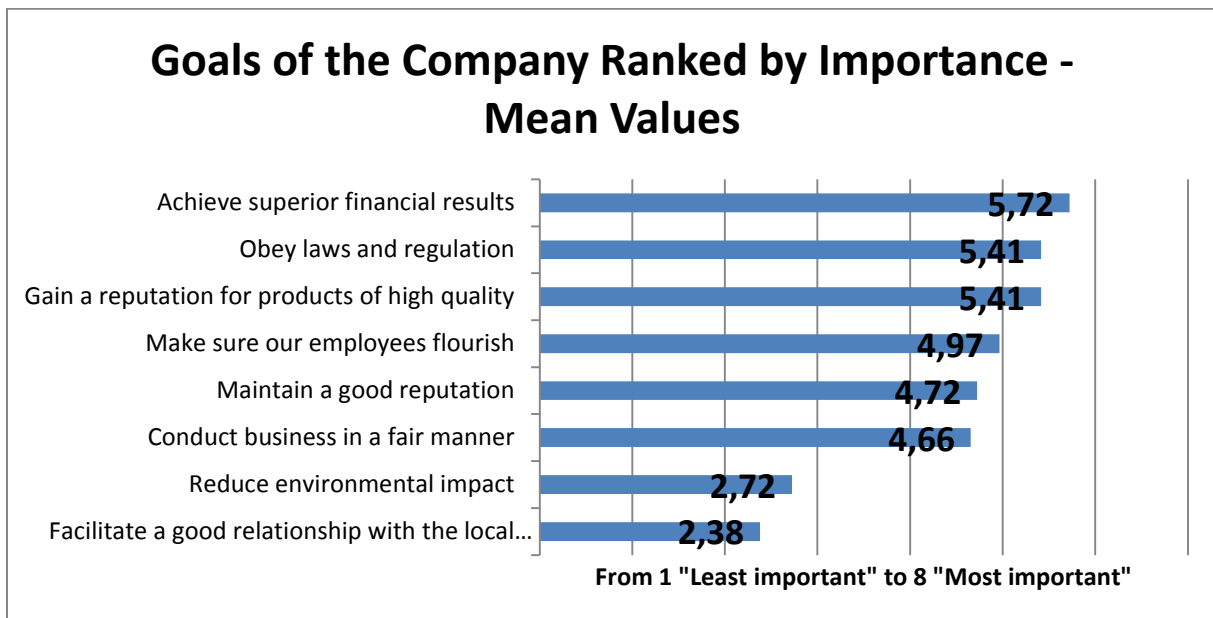
Q3.7



Q3 - Summary



Q4



Our company strives to...	$\bar{X}$	Mode	Median	S
Facilitate a good relationship with the local community	2,38	1	1	2,17
Reduce environmental impact	2,72	2	2	1,80
Conduct business in a fair manner	4,66	5	5	1,88
Maintain a good reputation	4,72	4	4	1,64
Make sure our employees flourish	4,97	4	5	1,65
Gain a reputation for products of high quality	5,41	5	5	1,75
Obey laws and regulation	5,41	8	6	2,44
Achieve superior financial results	5,72	8	6	2,23



## Q5

Relevant responsibilities towards different stakeholders	Economical	Legal	Ethical	Philanthropic	n	Sum of Attention
Owners	95,70 %	68,10 %	57,40 %	12,80 %	47	58,50 %
Customers	76,10 %	73,90 %	82,60 %	19,60 %	46	63,05 %
Employees	83,00 %	66,00 %	95,70 %	31,90 %	47	69,15 %
Community	25,50 %	51,10 %	85,10 %	42,60 %	47	51,08 %
Competitors	58,70 %	65,20 %	65,20 %	10,90 %	46	50,00 %
Suppliers	80,90 %	74,50 %	63,80 %	10,60 %	35	57,45 %
Social activists	4,70 %	34,90 %	81,40 %	41,90 %	43	40,73 %
Media	39,10 %	45,70 %	89,10 %	23,90 %	41	49,45 %
Government	32,60 %	95,70 %	67,40 %	13,00 %	46	52,18 %
Public at large	33,30 %	52,10 %	87,50 %	31,20 %	48	51,03 %
Financial institutions	84,80 %	67,40 %	60,90 %	4,30 %	46	54,35 %
Average	55,85 %	63,15 %	76,01 %	22,06 %	45	

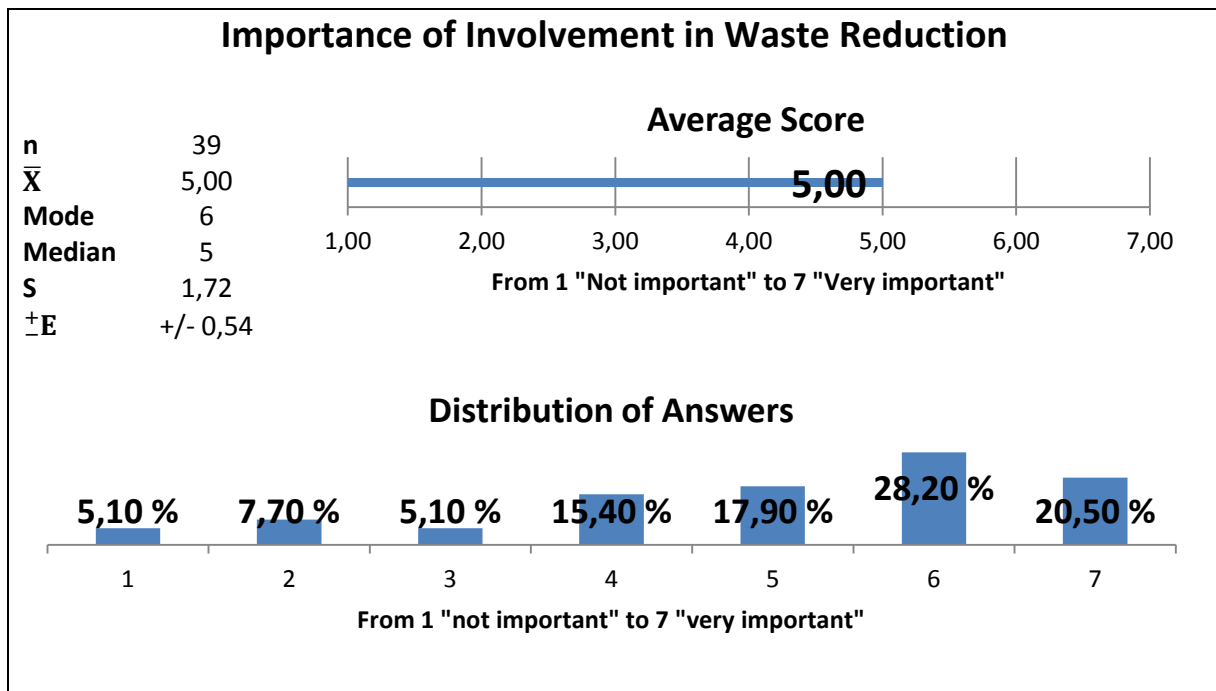
## Q6

From least (1) to most important (11)	How they influence (22 valid)				How they are influenced (21 valid)				
	$\bar{X}$	Mode	Median	S	$\bar{X}$	Mode	Median	S	Diff.
Suppliers	6,41	7	7	2,06	7,33	9	8	2,36	0,92
Social activists	3,14	1	1	3,57	3,86	1	2	3,52	0,72
Media	4,45	3	4	1,80	4,33	2	4	2,77	-0,12
Government	6,27	5	6	2,47	4,95	5	5	2,46	-1,32
Public at large	4,77	3	3	3,03	4,10	4	4	2,47	-0,68
Financial institutions	6,23	8	7	2,17	5,29	5	5	2,53	-0,94
Employees	7,77	9	9	2,56	8,48	11	10	3,08	0,70
Owners	8,27	11	9	3,22	7,71	10	8	3,03	-0,56
Community	4,82	2	4	2,77	5,57	5	5	2,30	0,75
Competitors	5,36	7	5	2,37	6,10	6	6	2,09	0,73
Customers	8,50	10	10	3,29	8,05	11	8	2,94	-0,45

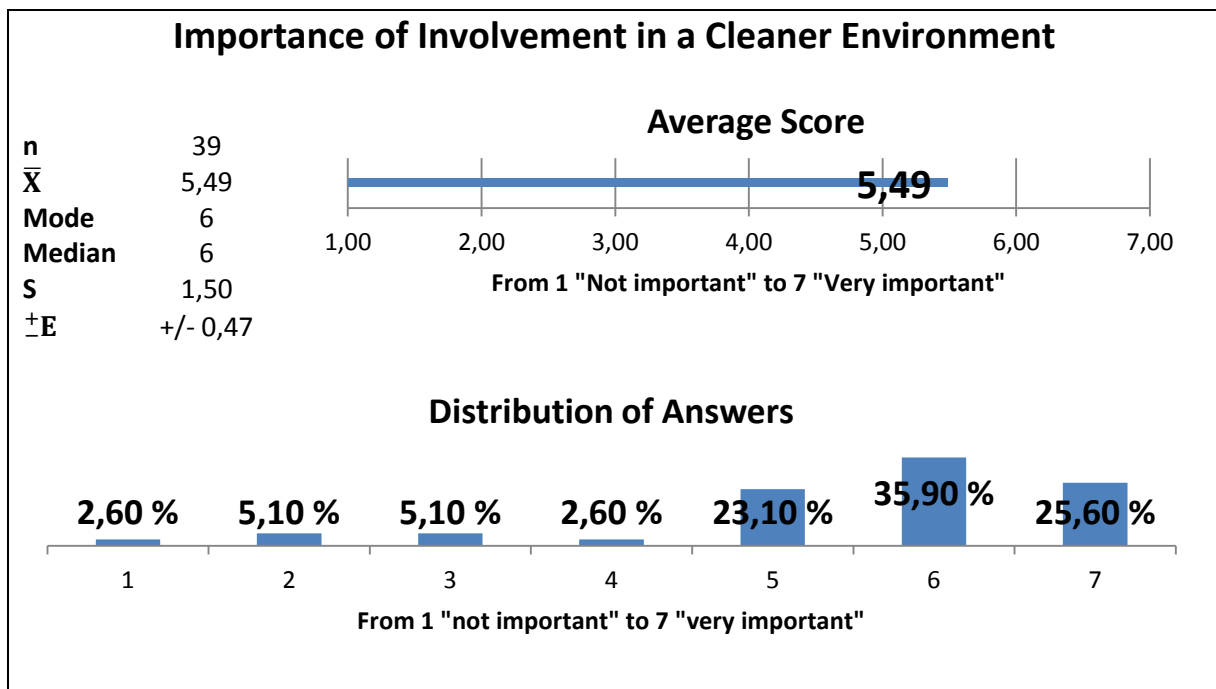
## Q7 - Summary

From 1 "Not important" to 7 "Very important"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Waste reduction	5,00	6	5	1,72	39	0,54
Cleaner environment	5,49	6	6	1,50	39	0,47
Different kinds of donations and support	3,56	2	3	1,65	39	0,52
Improving the work environment, training, work time flexibility	5,62	5	6	1,21	39	0,38
Being active in the local community	4,38	6	5	1,73	39	0,54

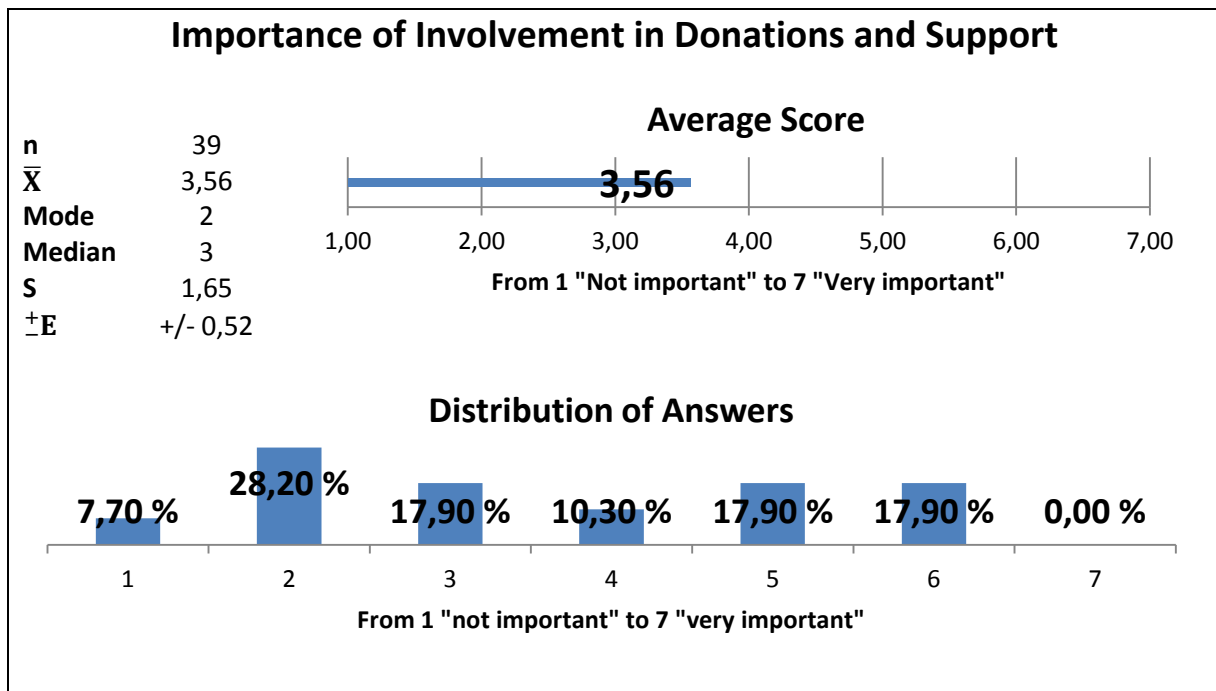
Q7.1



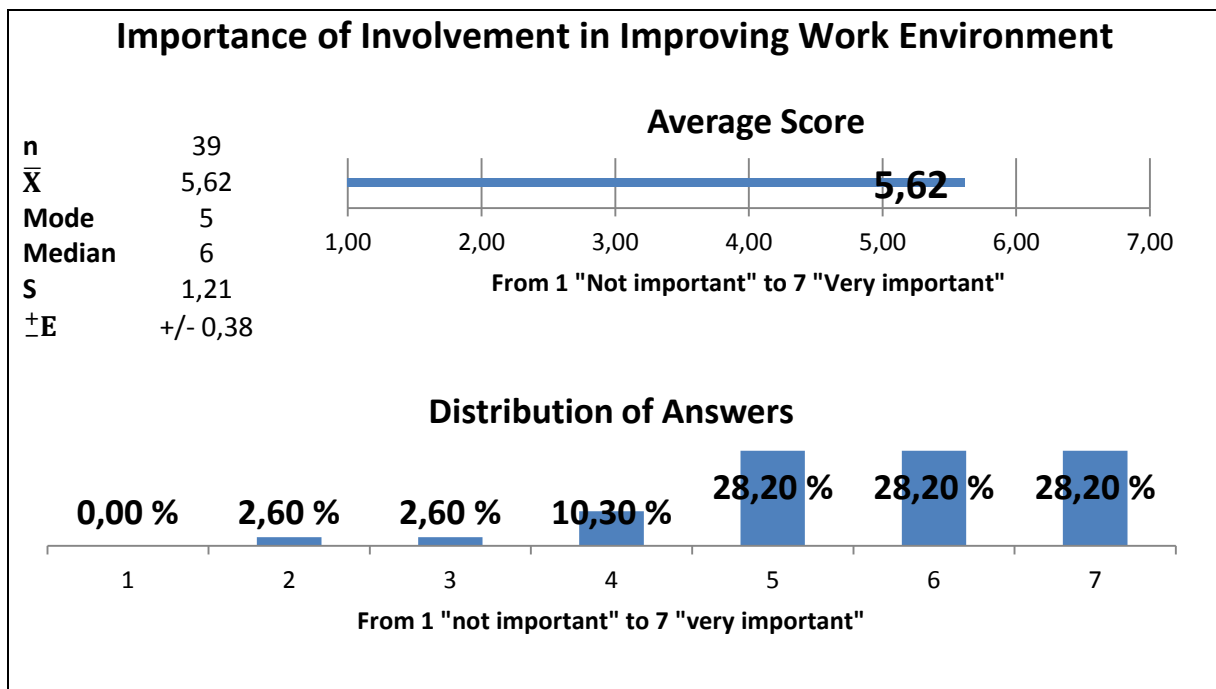
Q7.2



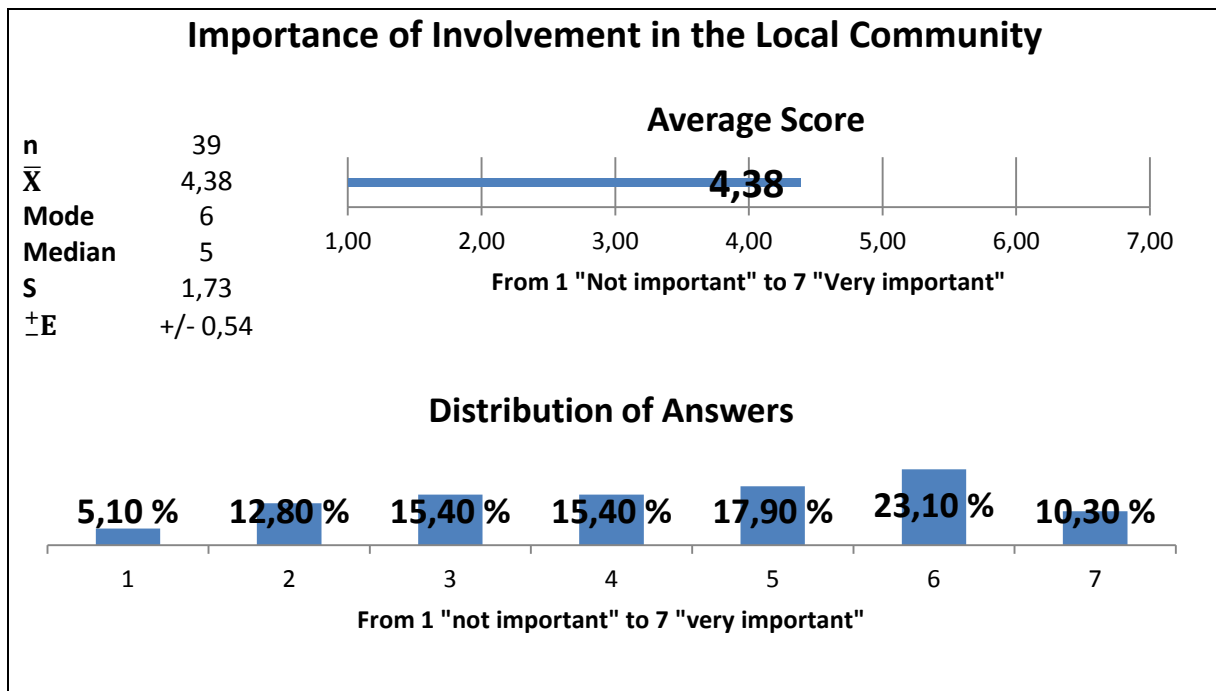
Q7.3



Q7.4



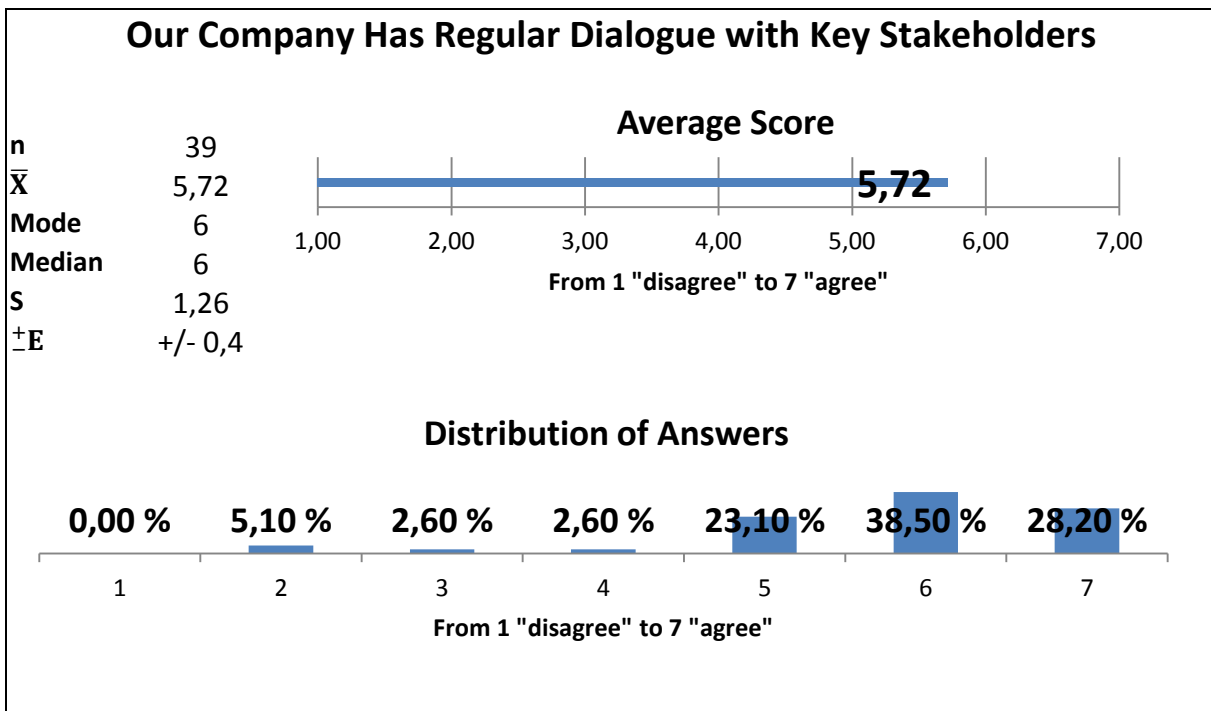
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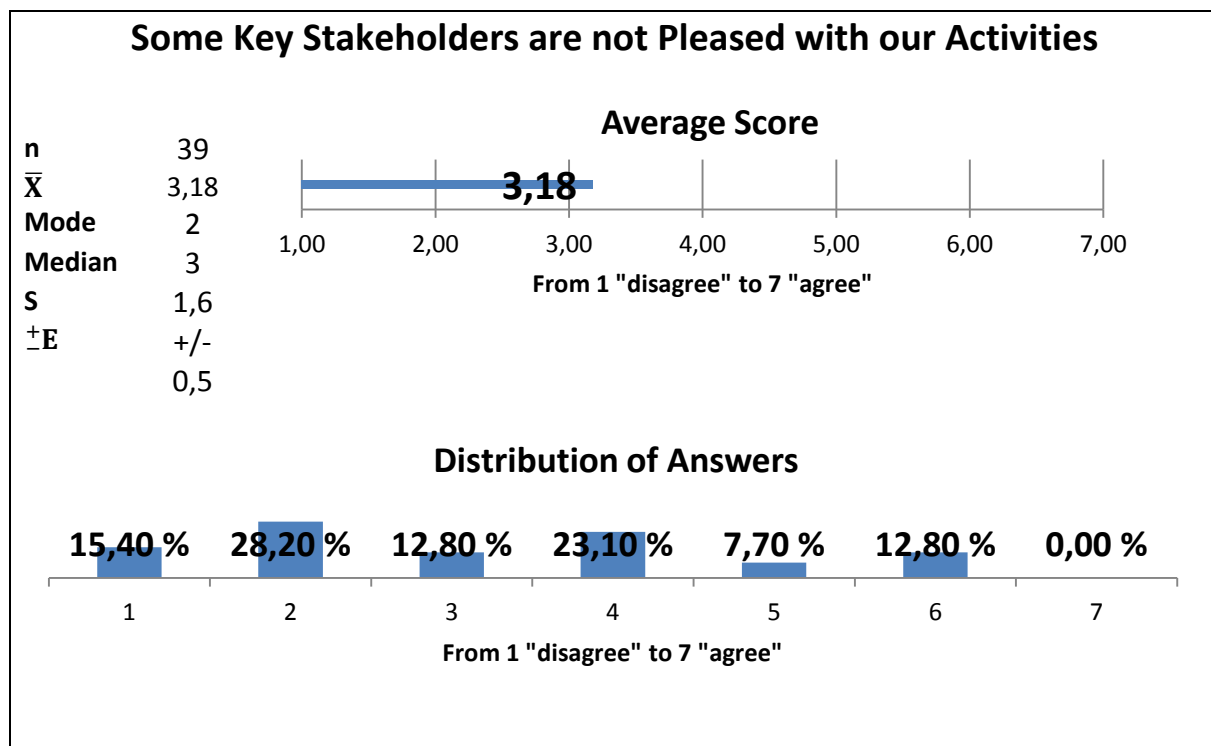
Q8 - Summary

From 1 "Disagree" to 7 "Agree"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Our company has a regular dialogue with key stakeholders	5,72	6	6	1,26	39	0,40
Some key stakeholders are not pleased with our activities	3,18	2	3	1,60	39	0,50
We have few conflicts with our key stakeholders	5,72	6	6	1,36	39	0,43
A company should contribute to society beyond making profits	5,41	7	6	1,35	39	0,42
I'm not aware of who the specific stakeholders of my company are	1,77	1	1	1,12	39	0,35

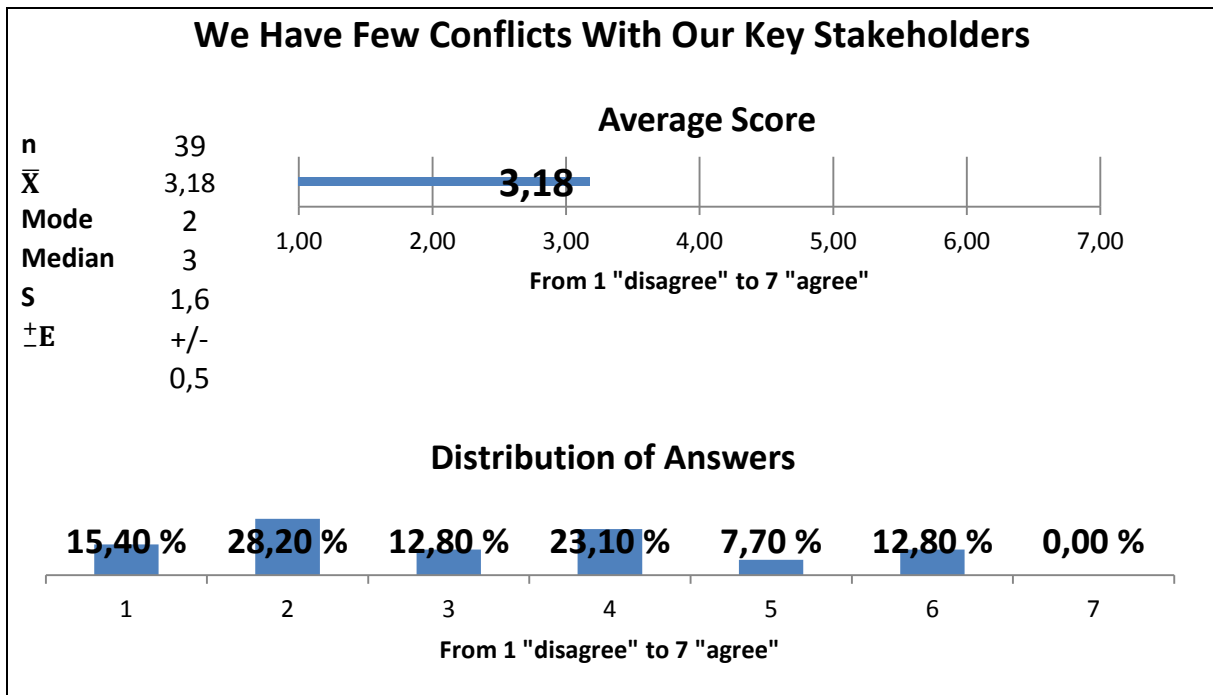
Q8.1



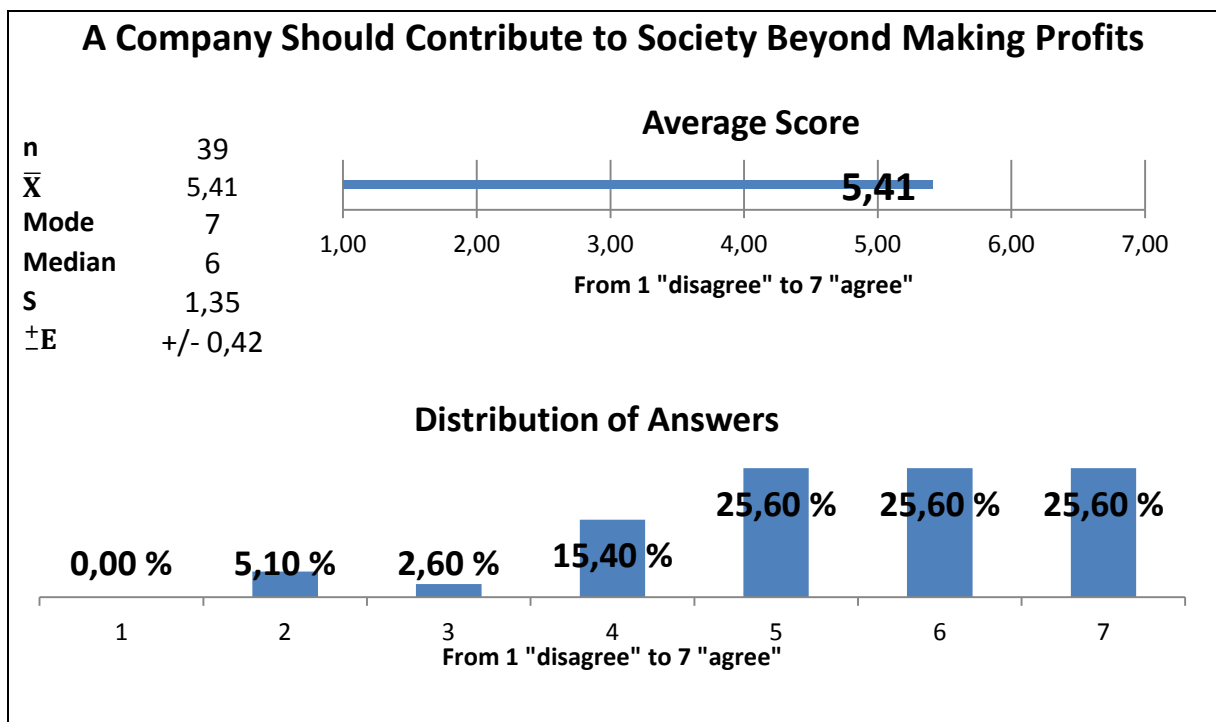
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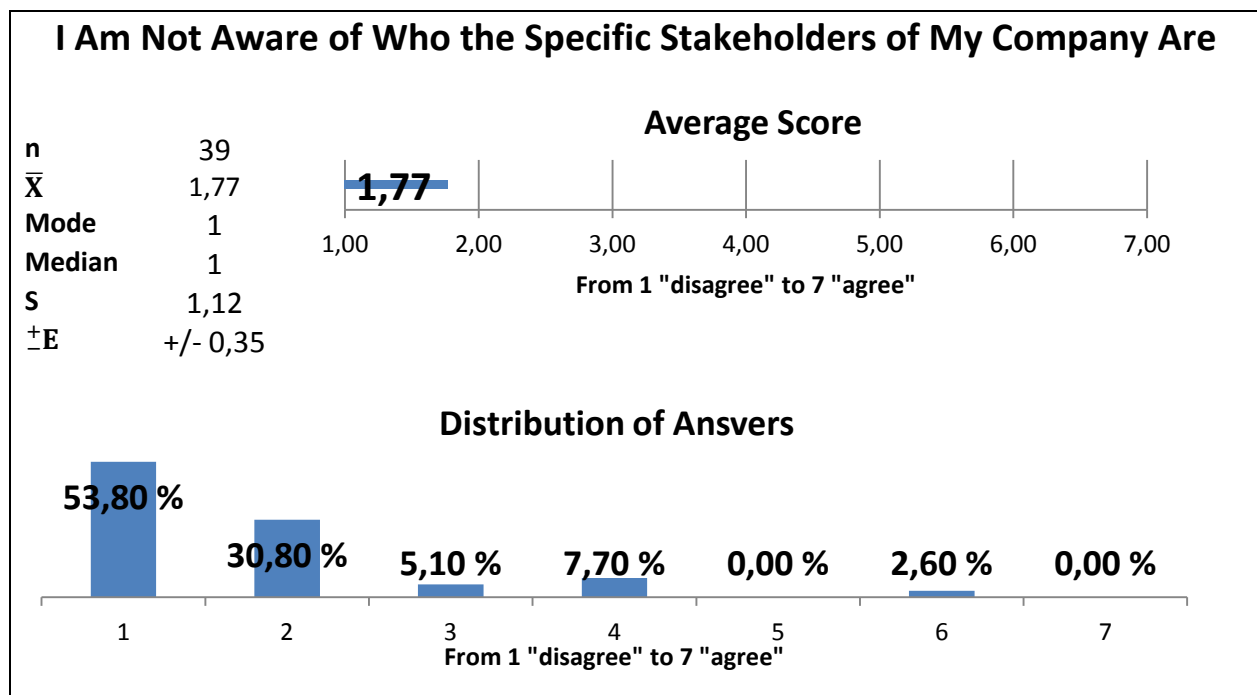
Q8.3



Q8.4



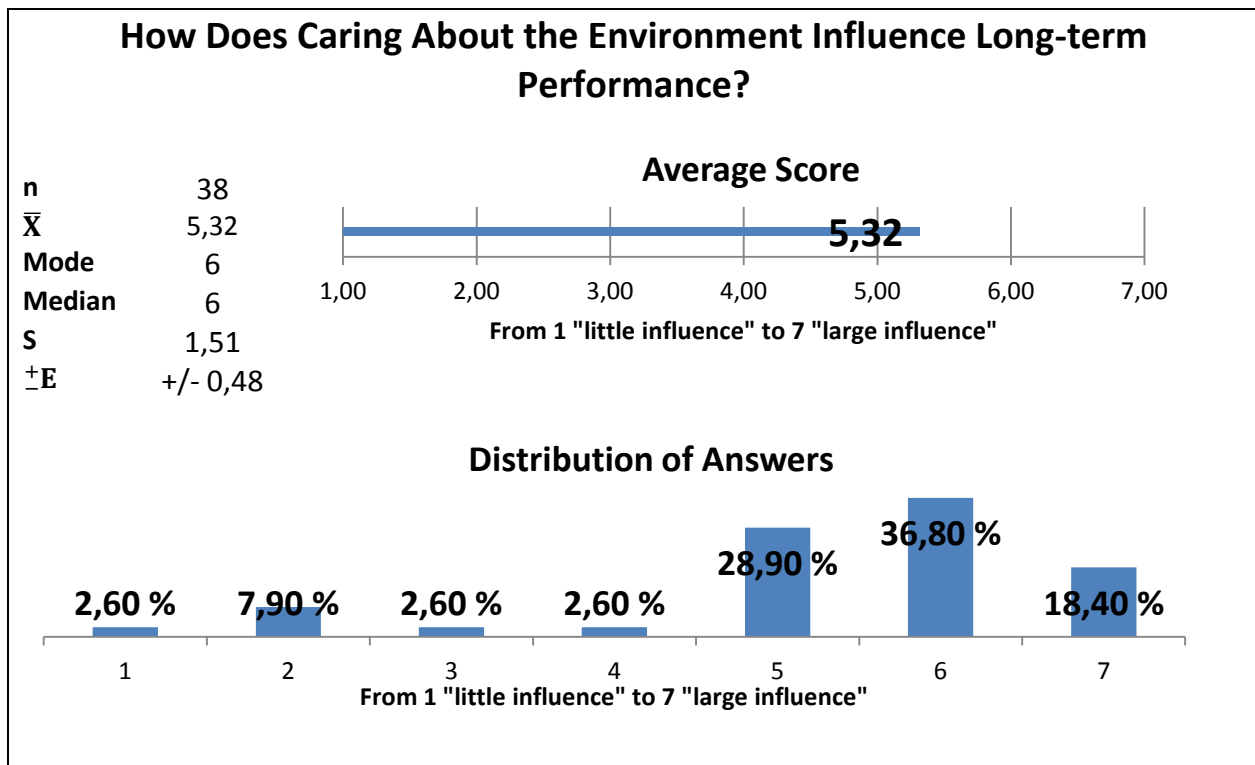
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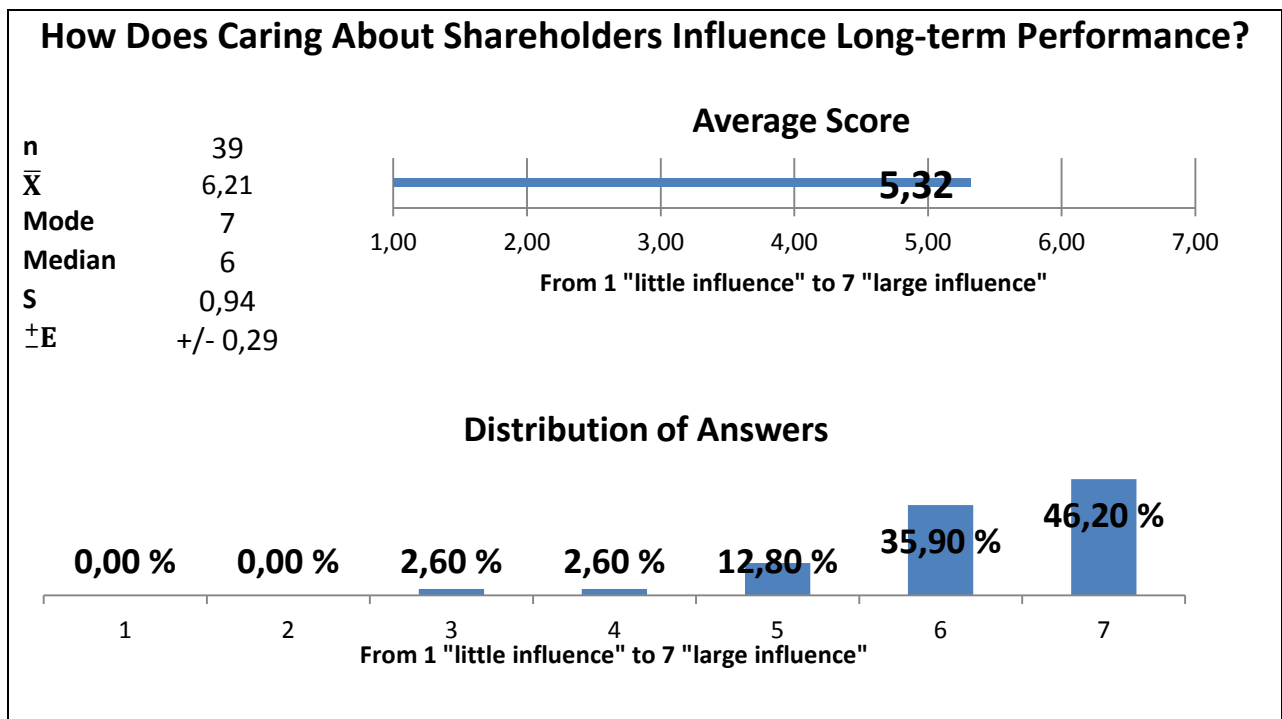
Q9 – Summary

From 1 "little influence" to 7 "large influence"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Caring about the environment	5,32	6	6	1,51	38	0,48
Caring about shareholders	6,21	7	6	0,94	39	0,29
Caring about employees	6,59	7	7	0,54	39	0,17
Contributing to local community activities and society	4,41	5	5	1,46	39	0,46
Caring about customers	6,51	7	7	0,75	39	0,23
Caring about partners and suppliers	5,38	6	6	1,17	39	0,37

Q9.1

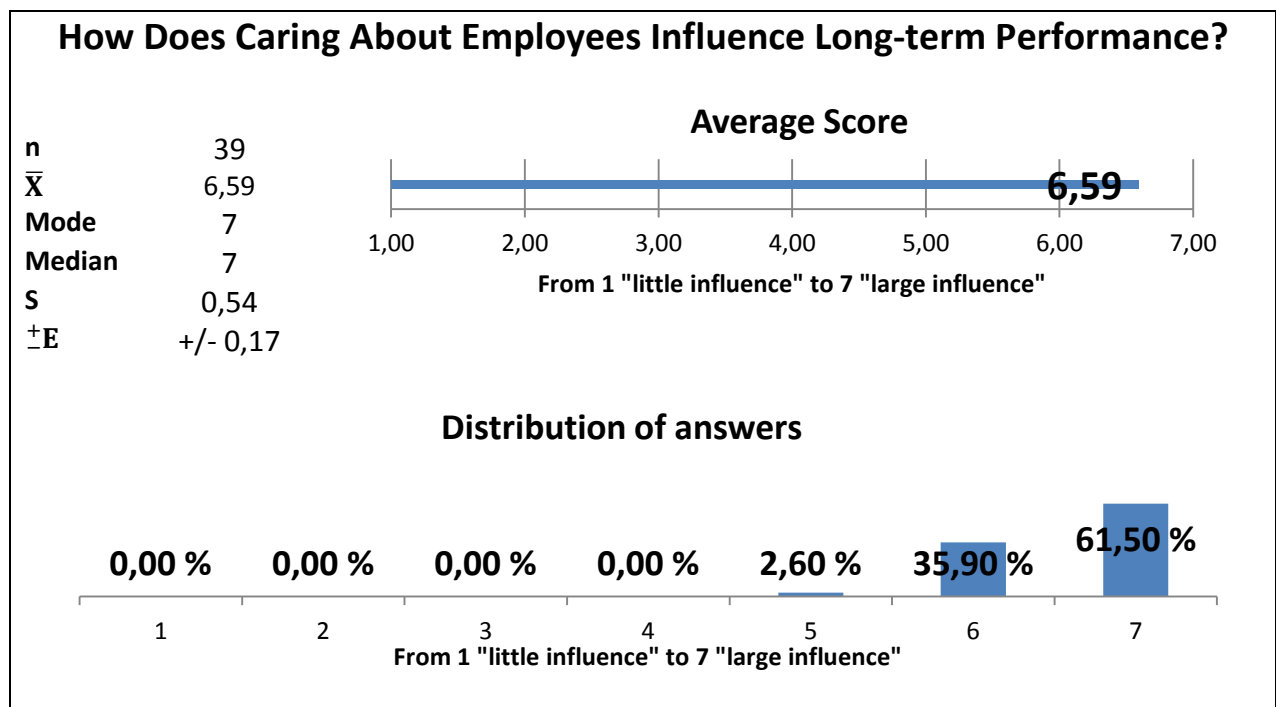


Q9.2

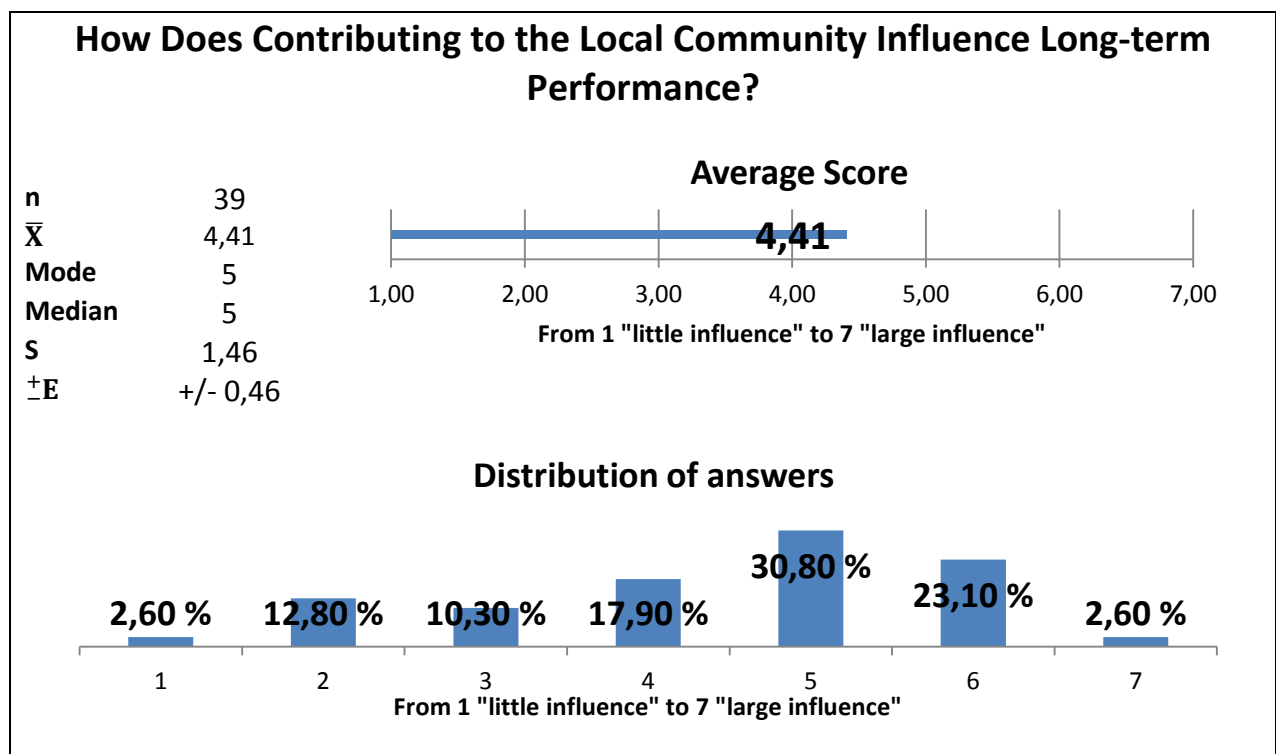




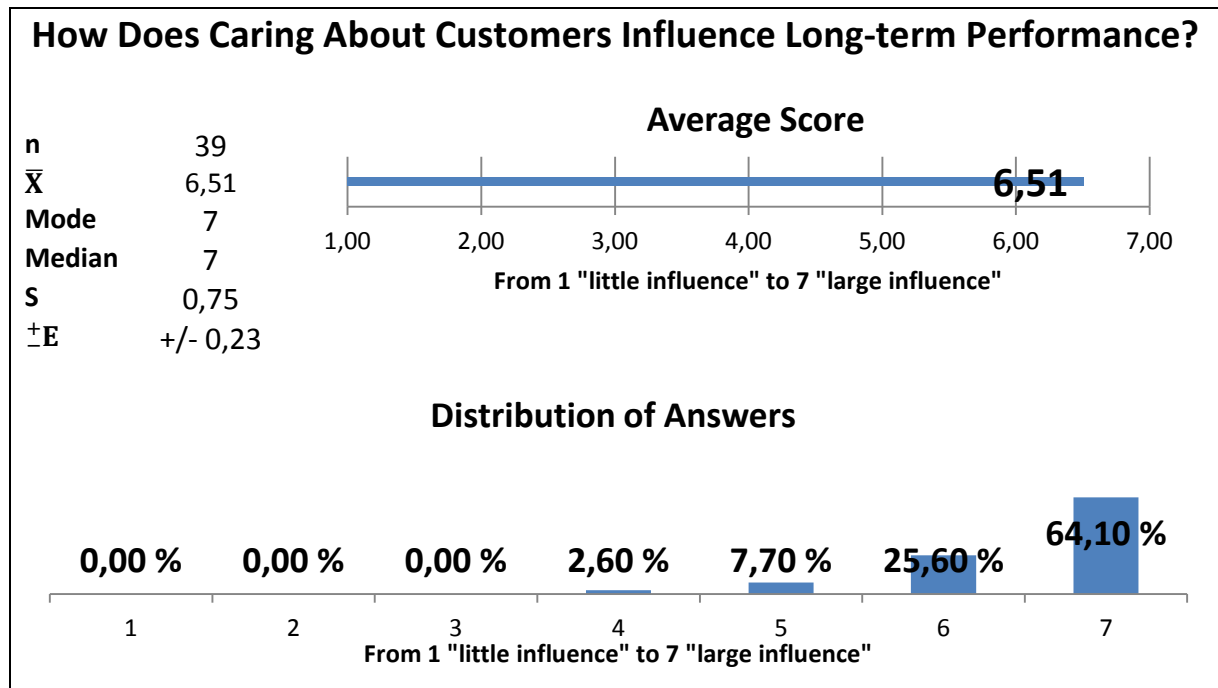
Q9.3



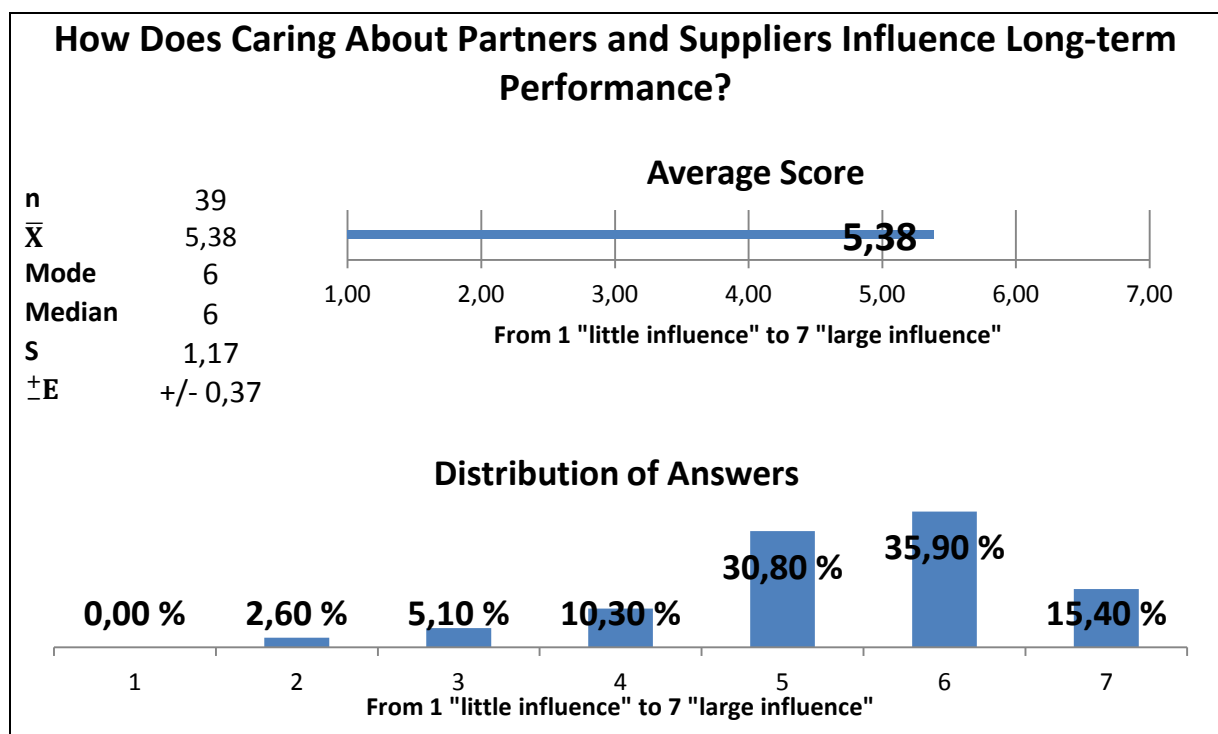
Q9.4



Q9.5



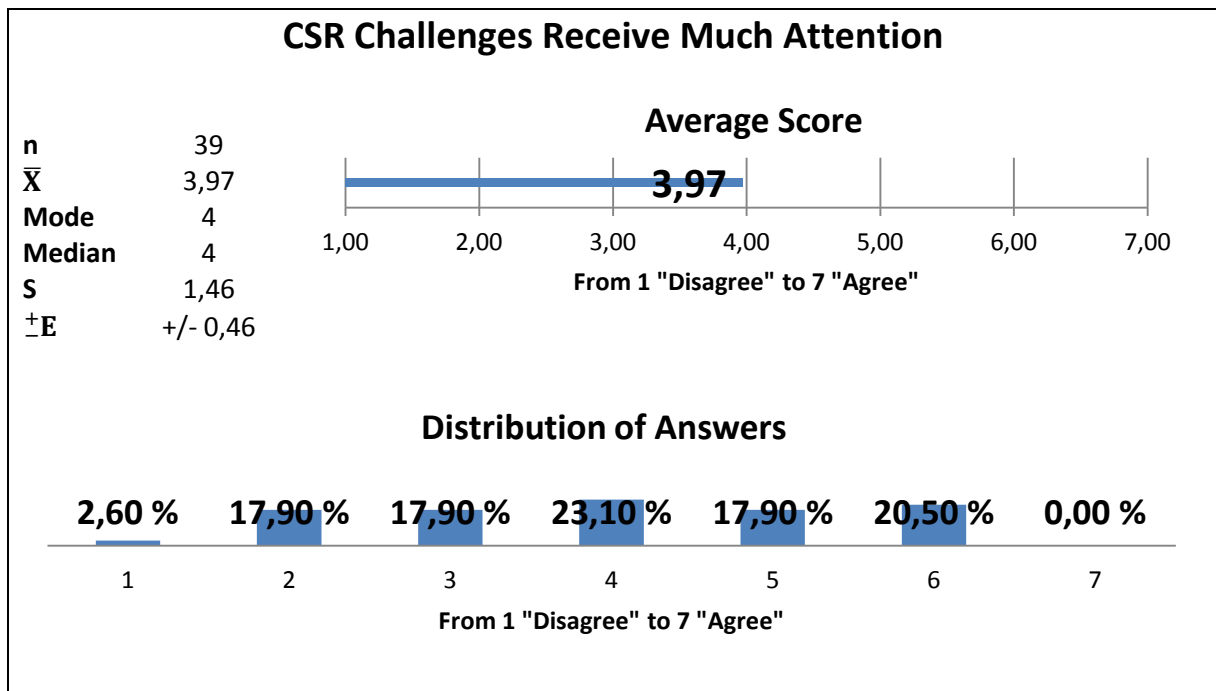
Q9.6



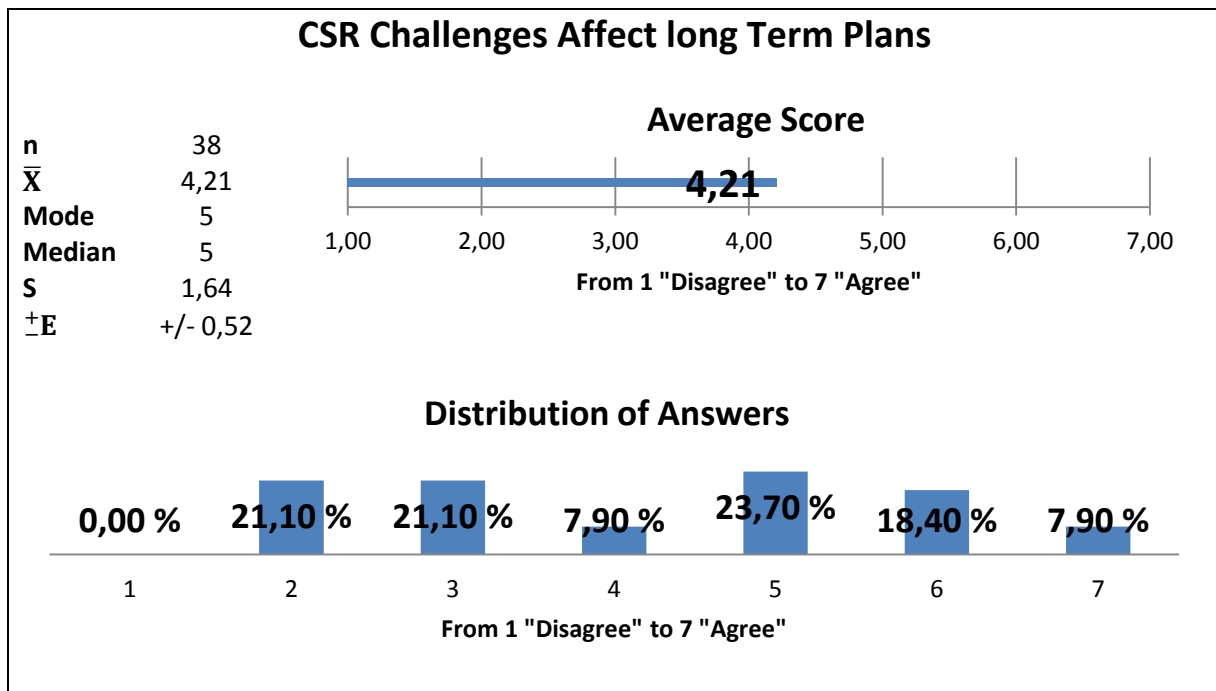
Q10 – Summary

From 1 "Disagree" to 7 "Agree"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Receive much attention	3,97	4	4	1,46	39	0,46
Affect long term plans	4,21	5	5	1,64	38	0,52
Have an impact on product design	3,87	4	4	1,80	39	0,56
Impact everyday business decisions	3,90	3	4	1,71	39	0,54
Affect R&D	3,79	5	4	1,73	38	0,55

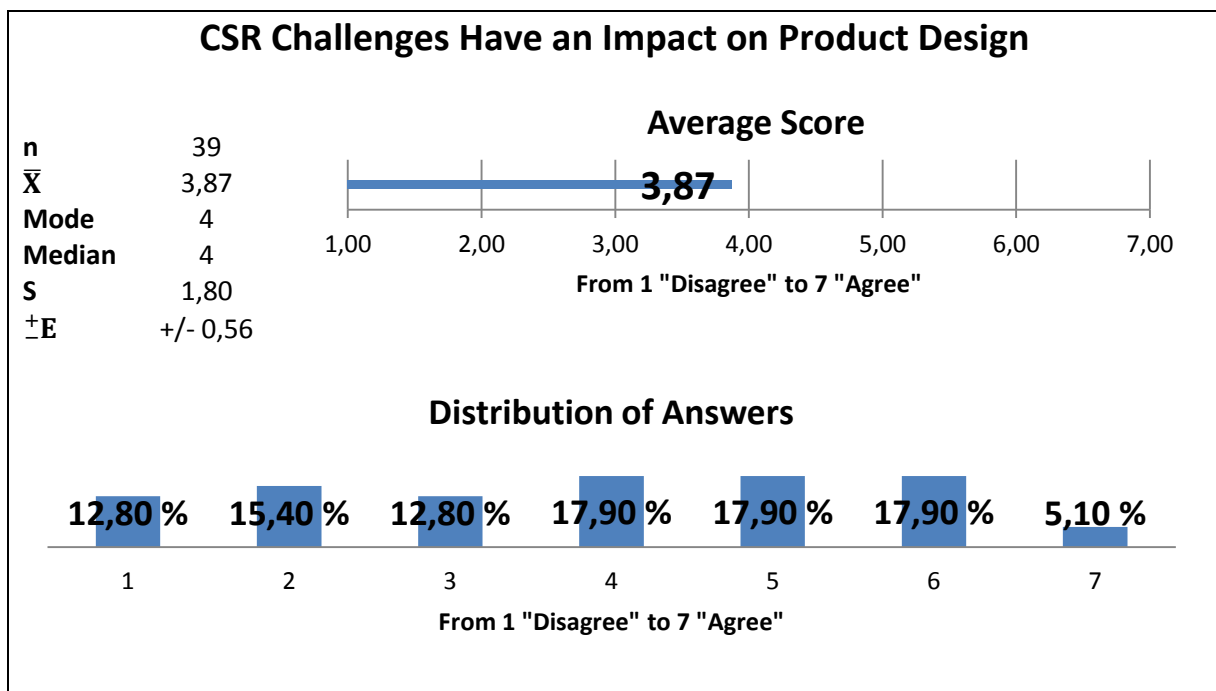
Q10.1



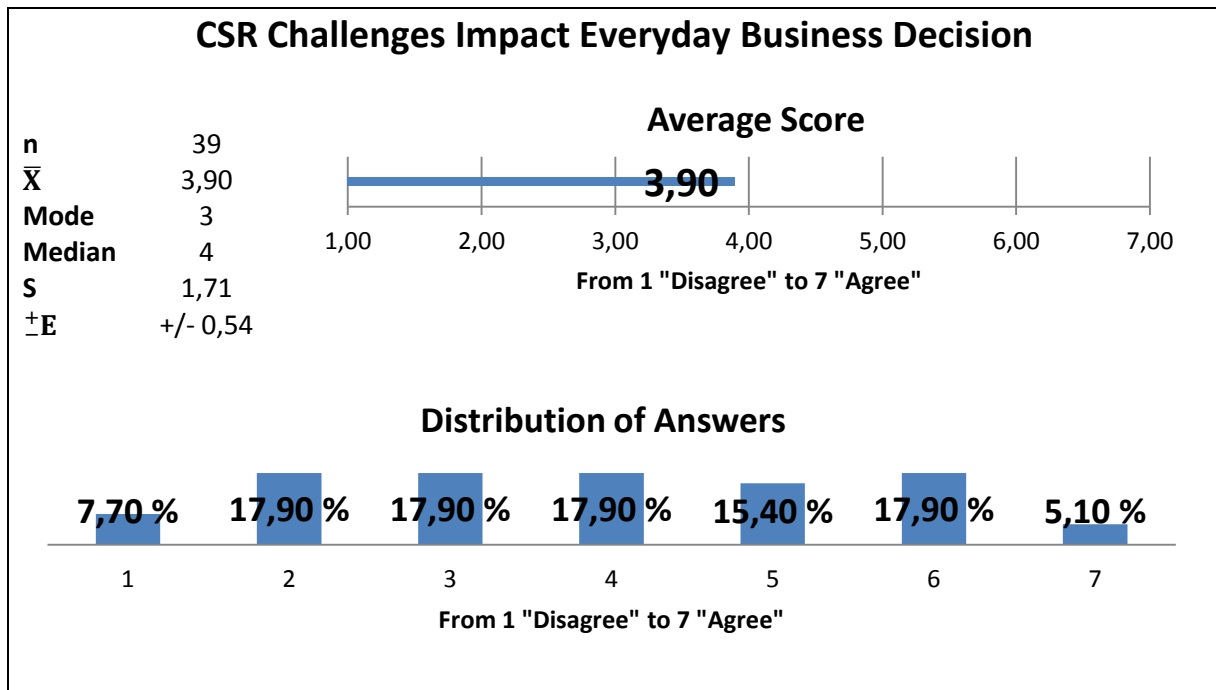
Q10.2



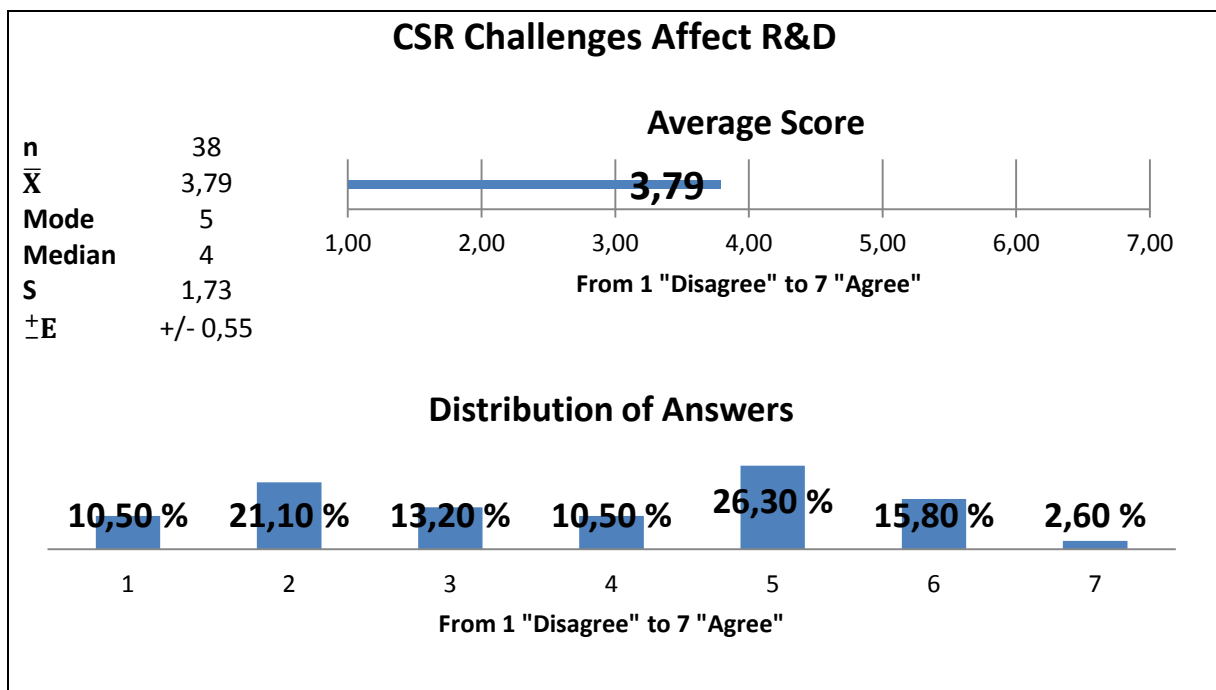
Q10.3



Q10.4



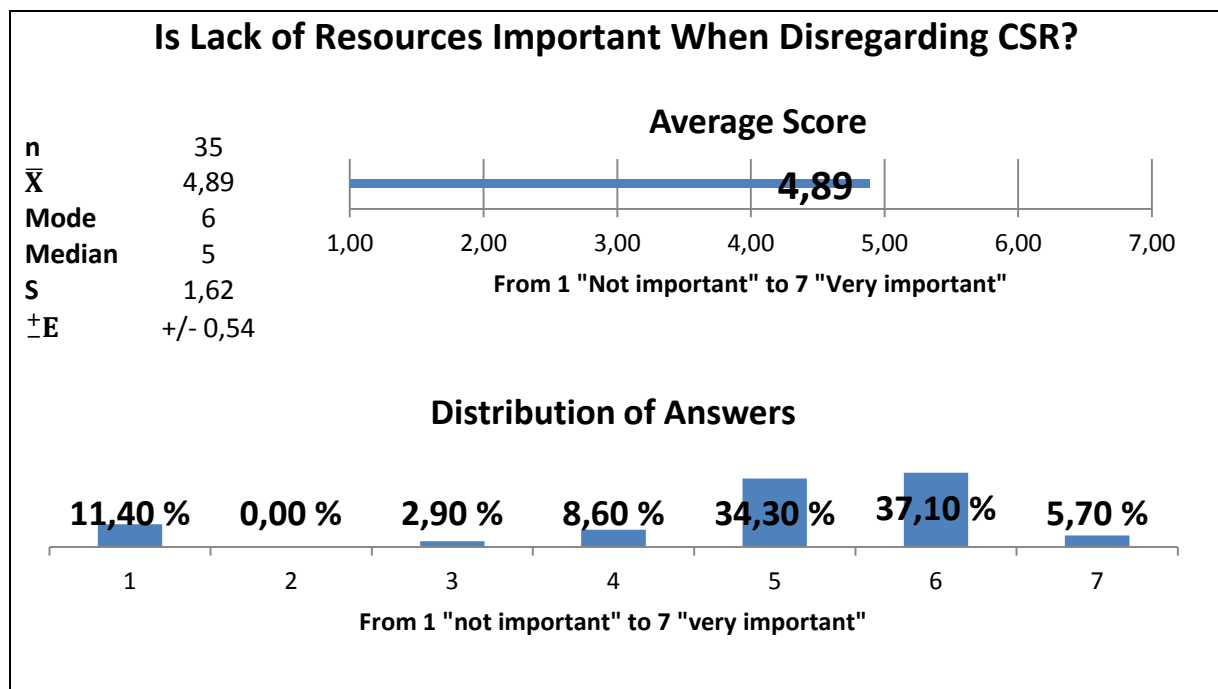
Q10.5



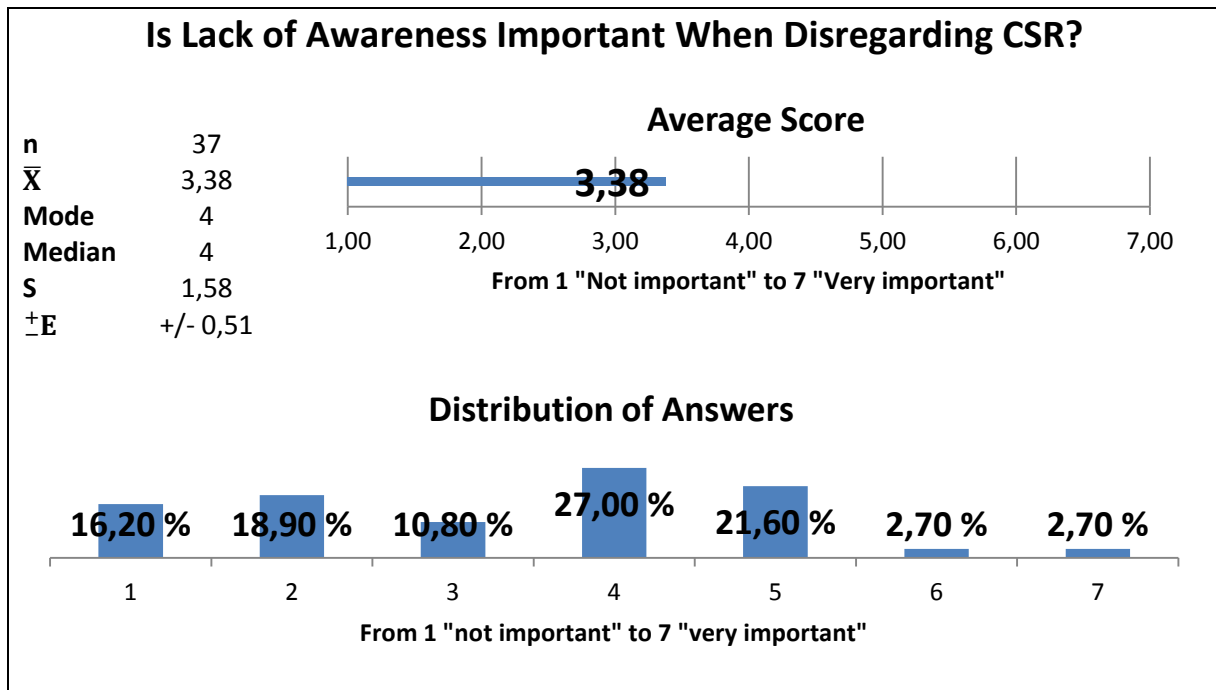
Q11 – Summary

From 1 “Not important” to 7 “Very important”	$\bar{X}$	Mode	Median	S	n	$\pm E$
Lack of resources (money, people, time, etc)	4,89	6	5	1,62	35	0,54
Lack of awareness about this issue	3,38	4	4	1,58	37	0,51
We don’t believe it’s worth doing	3,00	2	2	1,66	35	0,55
We feel that laws and regulations are sufficient	4,19	5	4	1,75	36	0,57
We do not understand how these actions will help our cause	3,47	2	4	1,57	36	0,51
It is not an obligatory measure	3,50	1	4	1,77	36	0,58

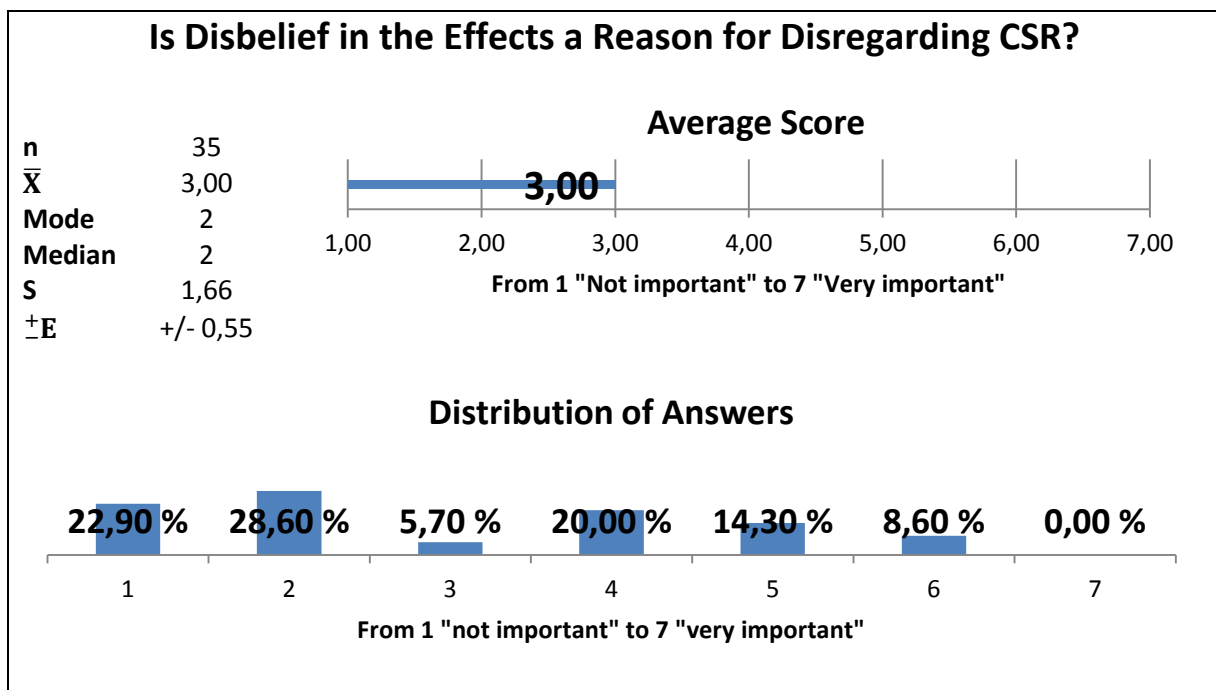
Q11.1



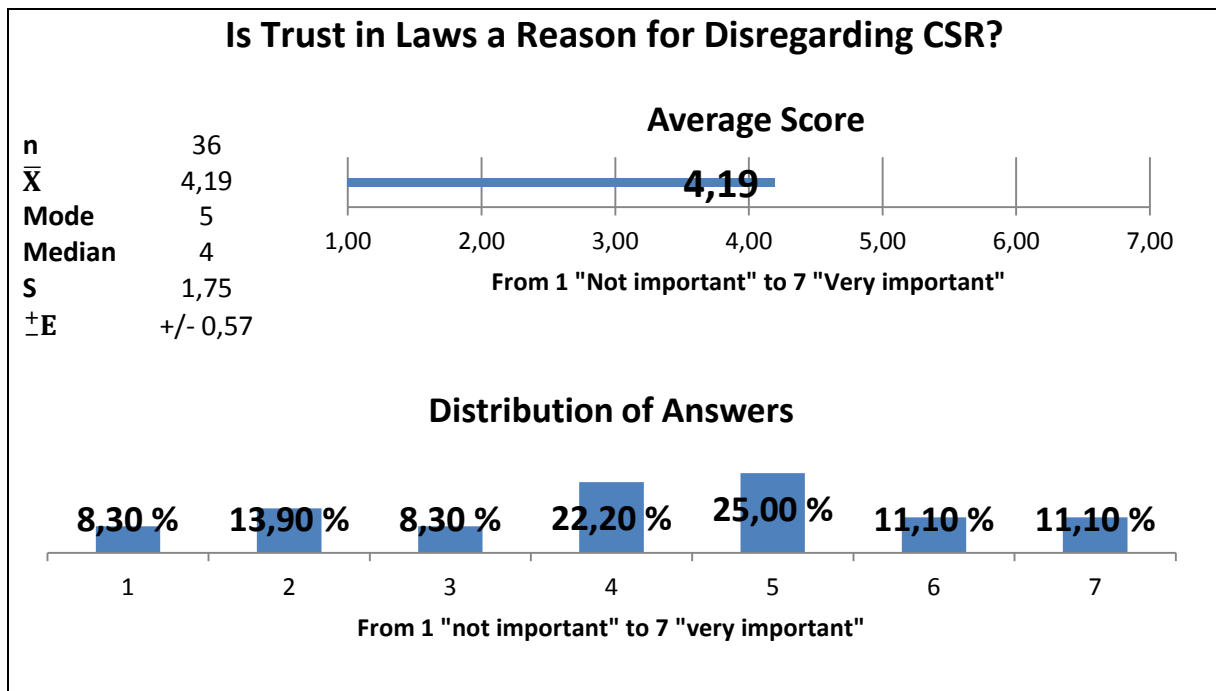
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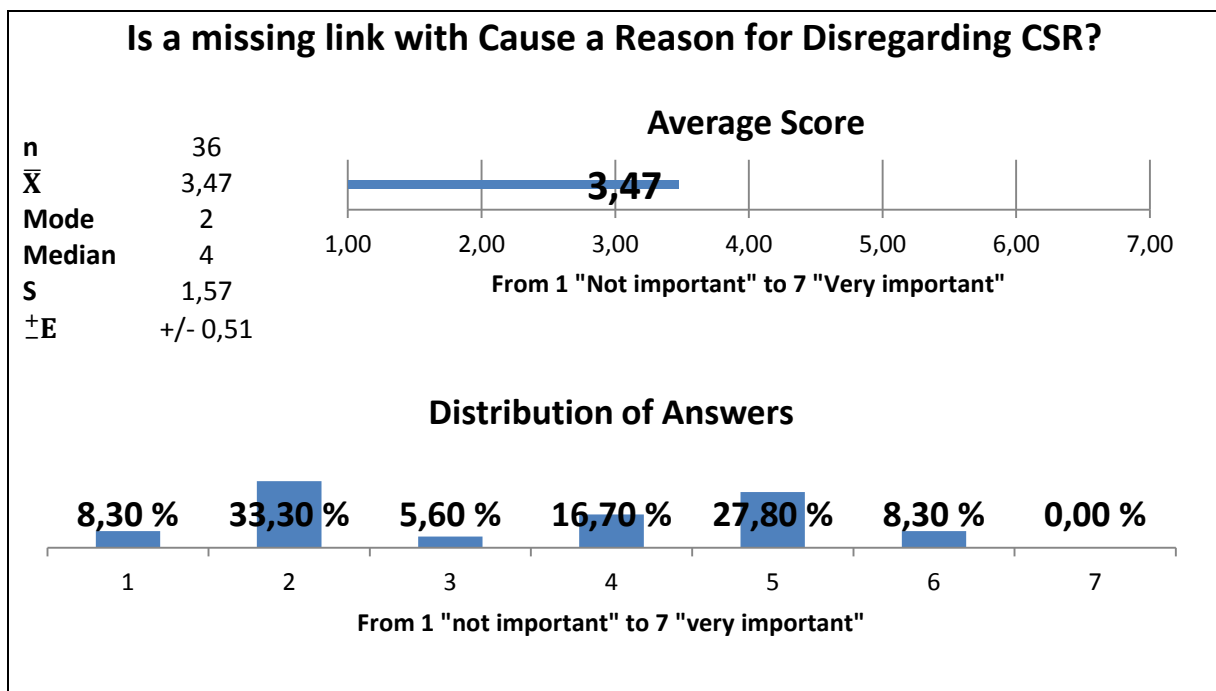
Q11.3



Q11.4

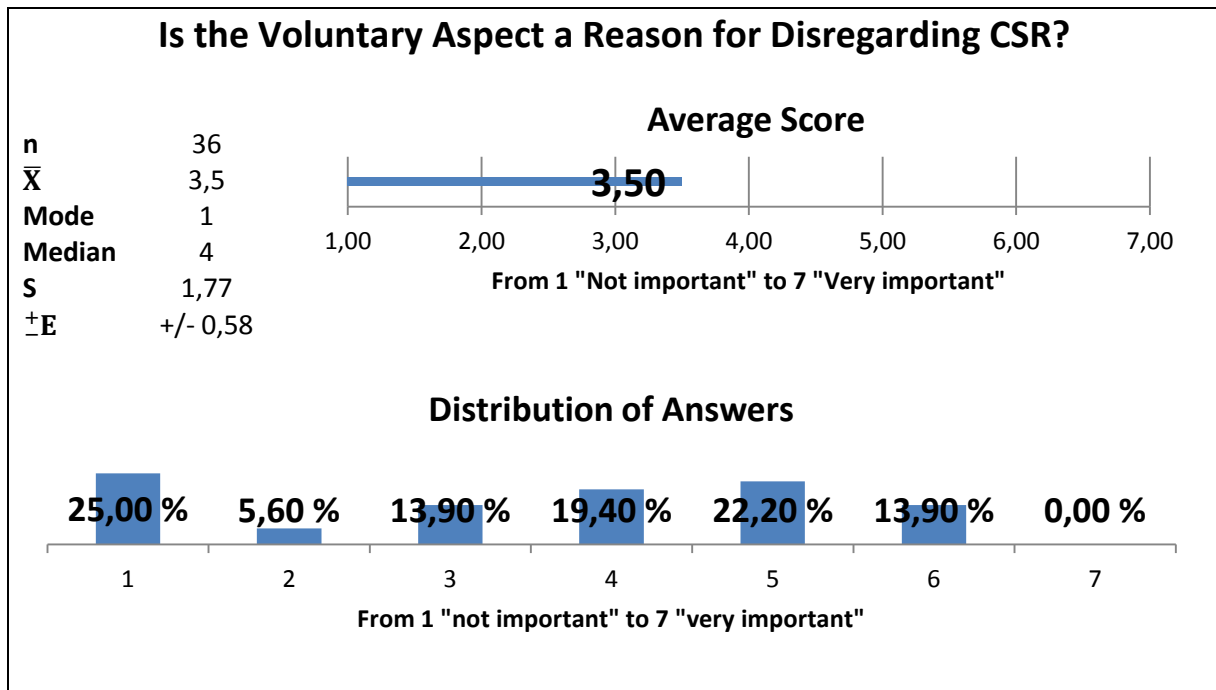


Q11.5





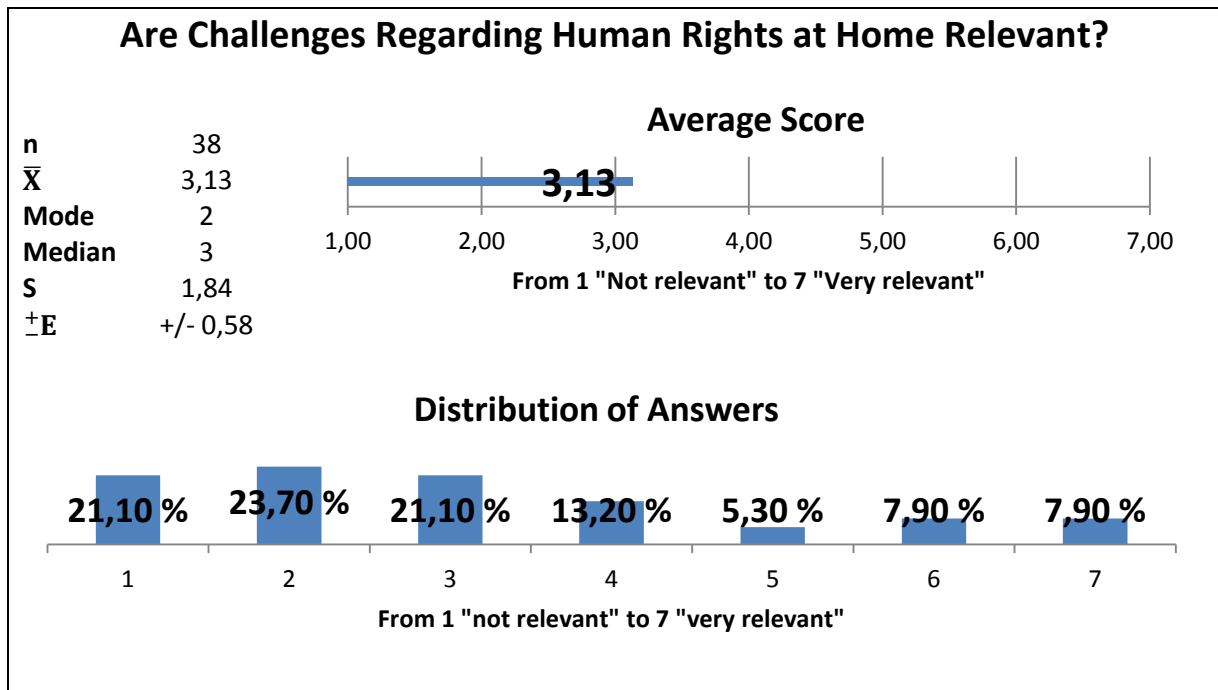
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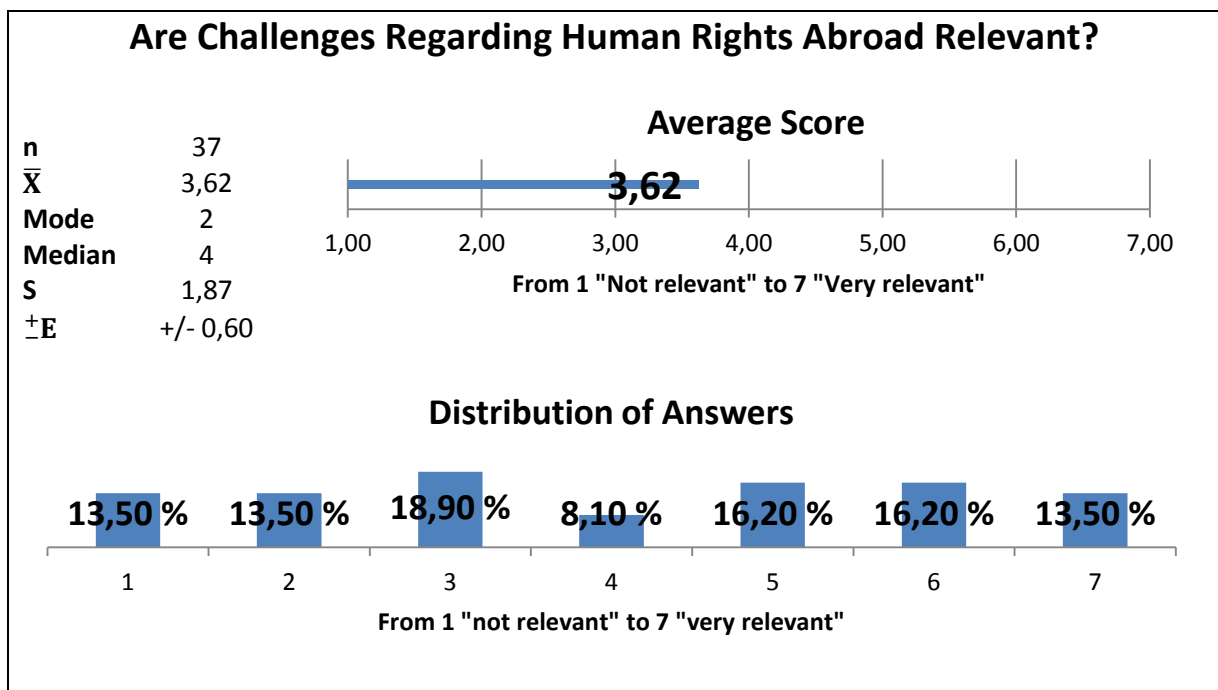
Q12 – Summary

From 1 "Not relevant" to 7 "Very relevant"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Human rights at home	3,13	2	3	1,84	38	0,58
Human rights in countries of suppliers	3,62	2	4	1,87	37	0,60
Labor standards at home	4,03	3	4	1,99	37	0,64
Labor standards in other countries	3,95	5	5	1,94	37	0,63
Pollution	4,81	6	5	1,90	36	0,62
Effects of pollution	4,89	5	5	1,84	37	0,59
Resource depletion	4,03	4	4	1,66	35	0,55
Cultures of corruption	4,55	6	5	1,96	38	0,62
Missed chances due to adherence of anti - corruption	3,58	2	3	1,89	36	0,62

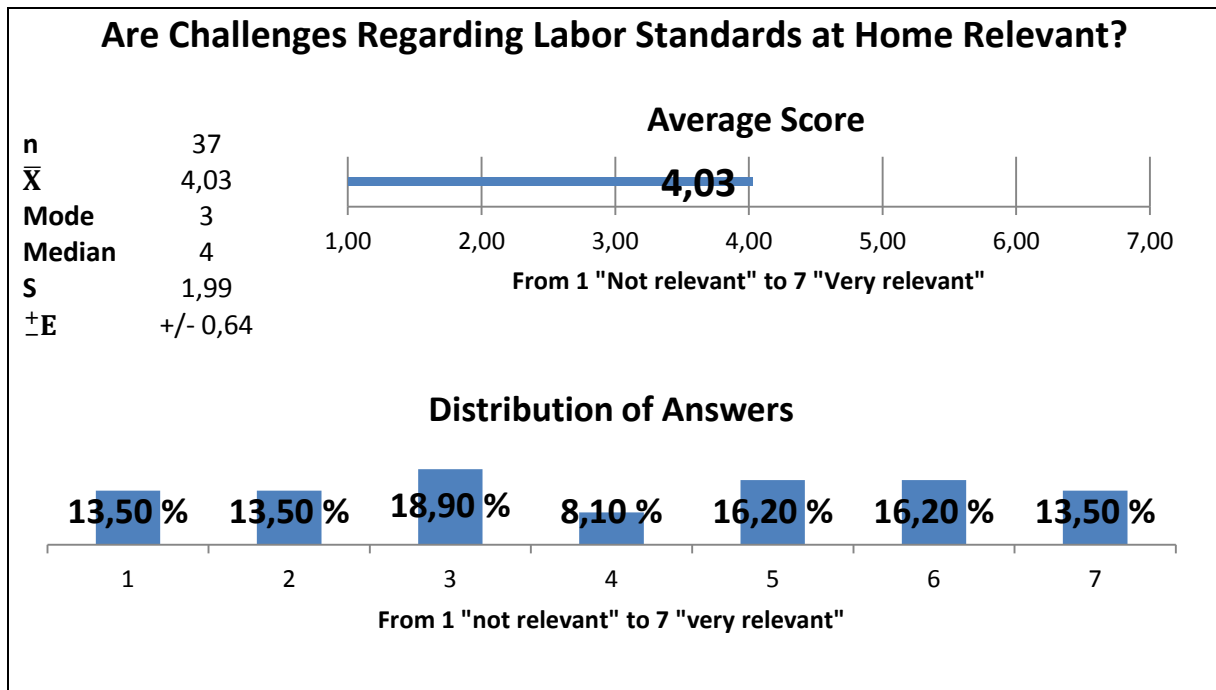
Q12.1



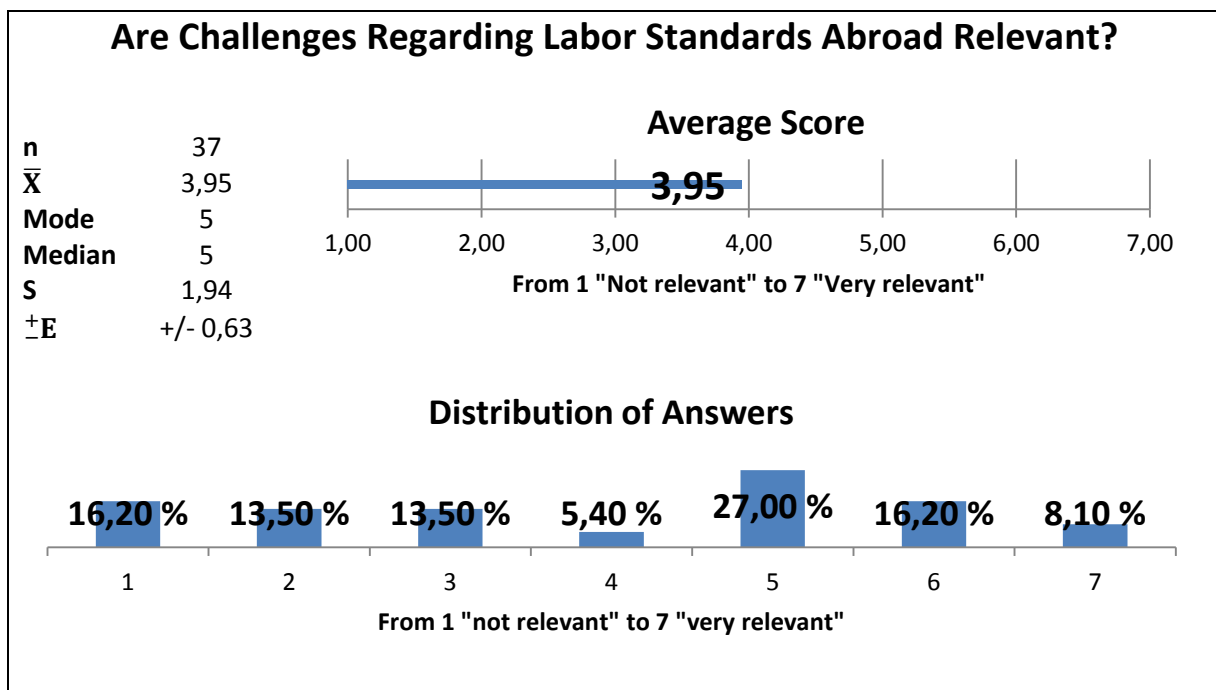
Q12.2



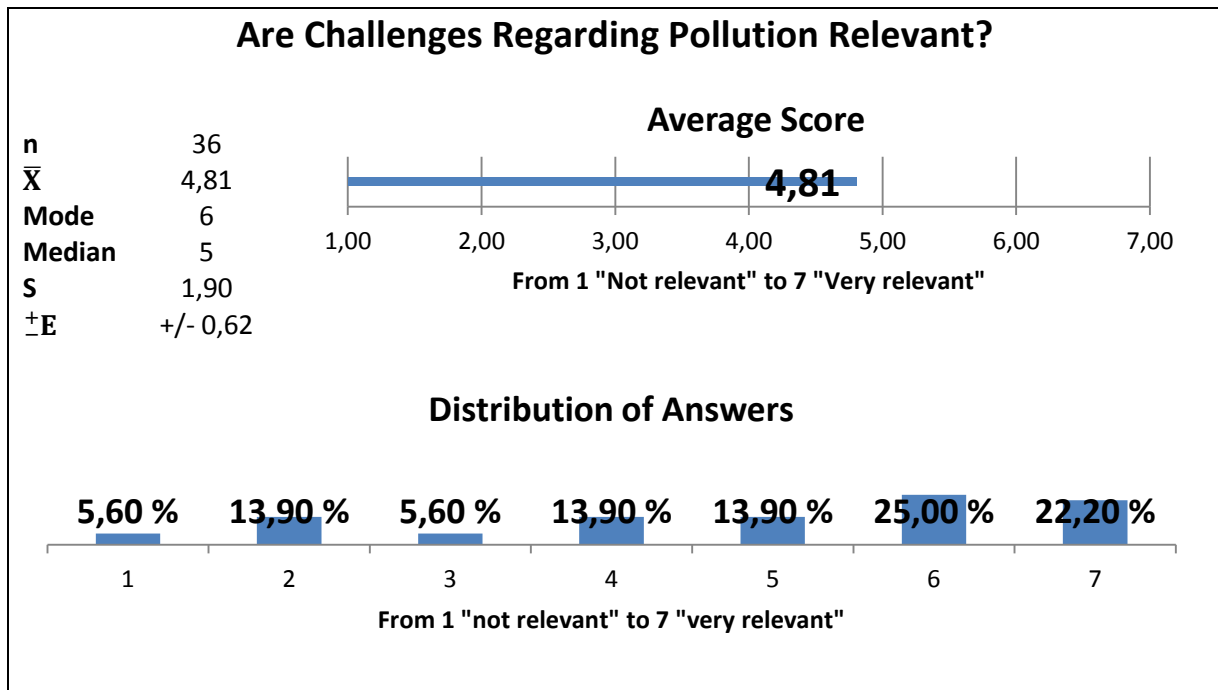
Q12.3



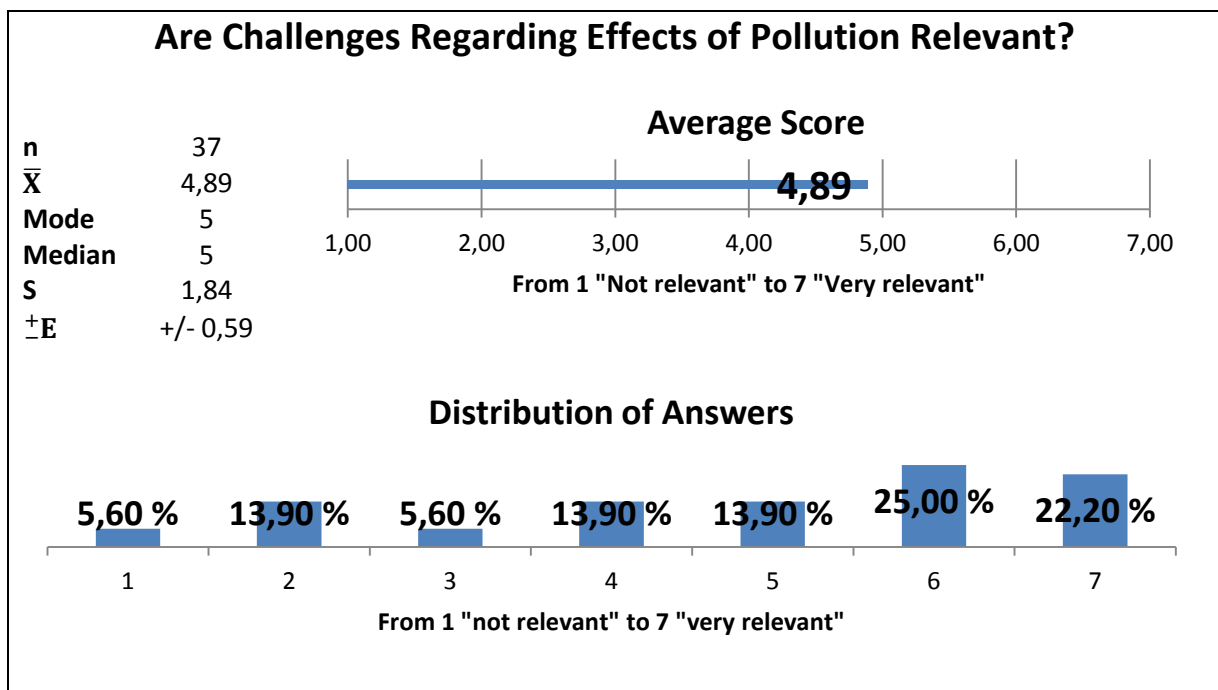
Q12.4



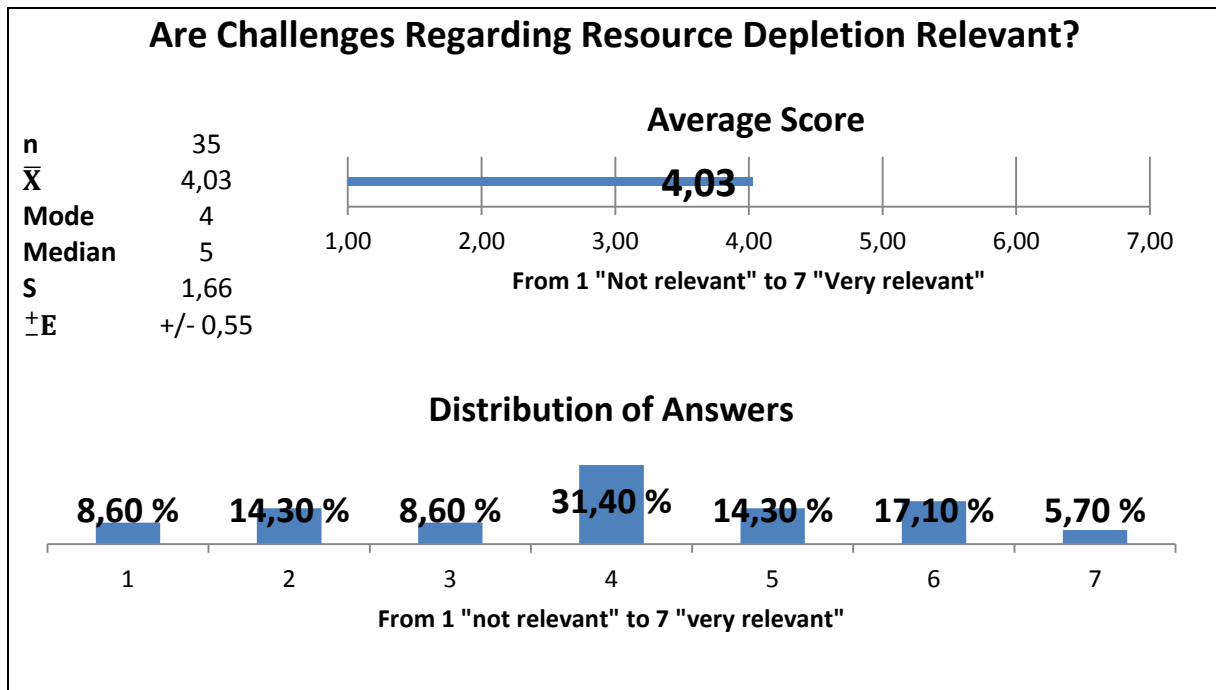
Q12.5



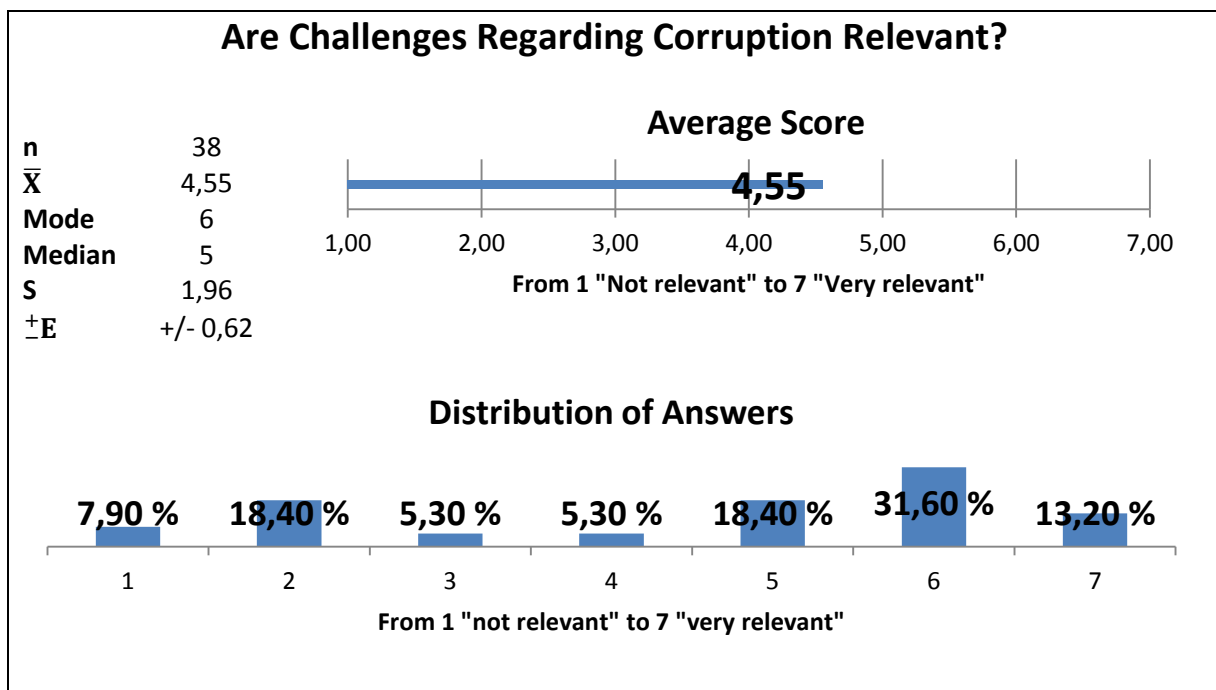
Q12.6



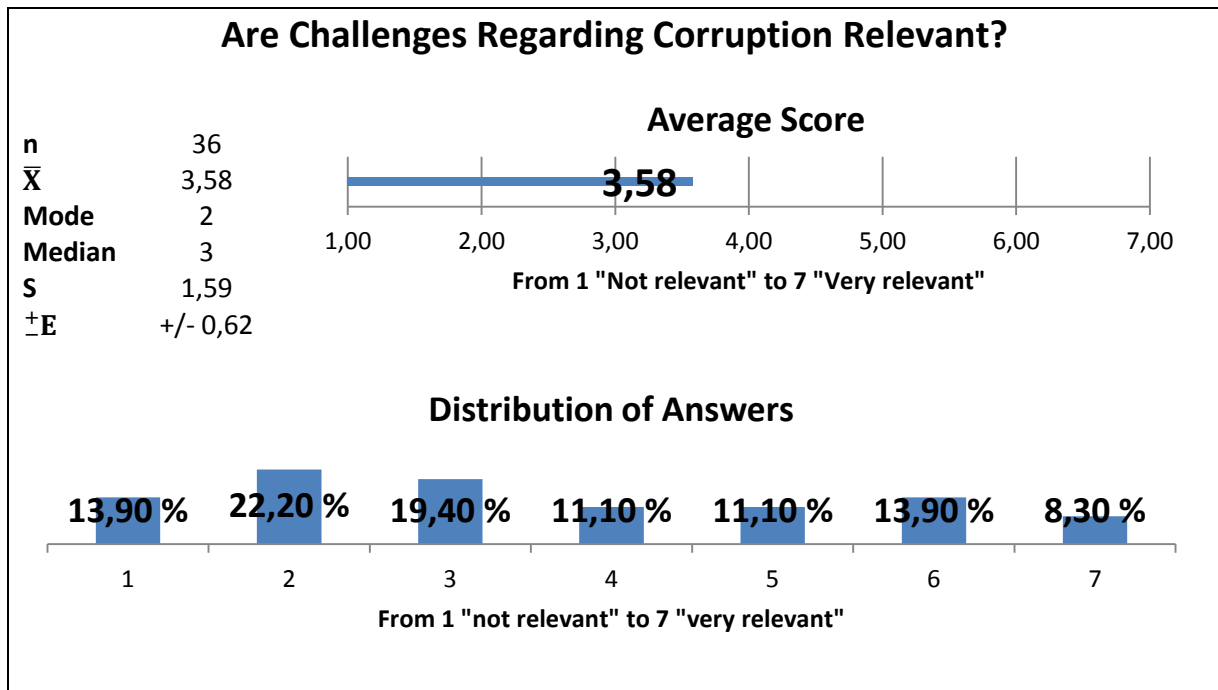
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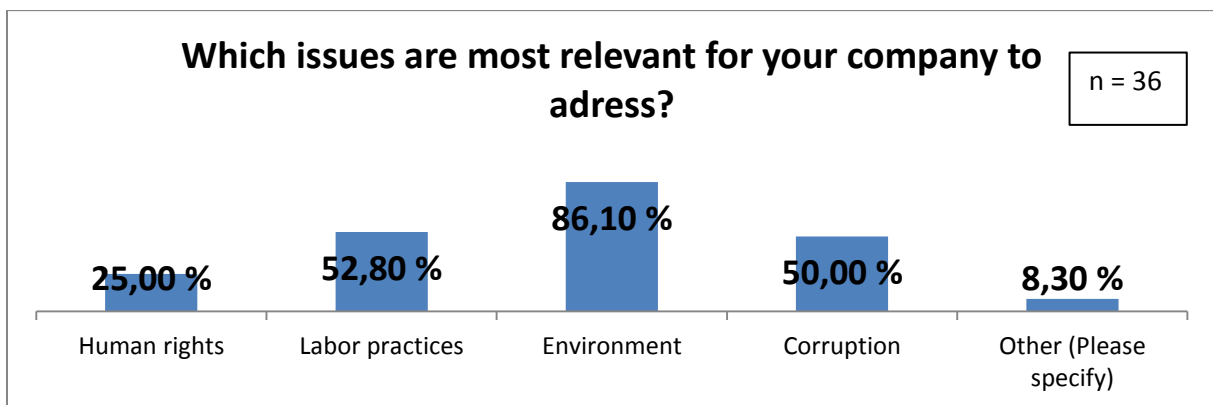
Q12.8



Q12.9



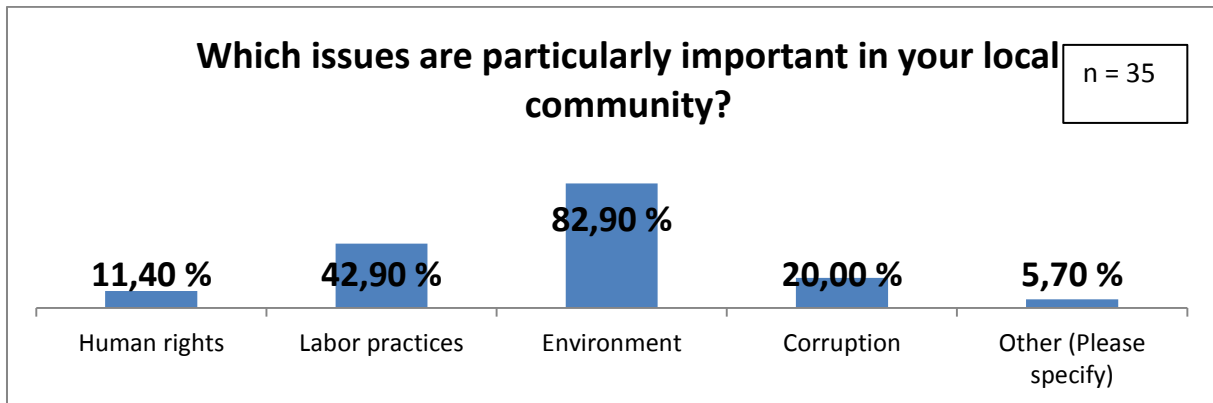
Q13a



Q13b

Other:
Green IT
technology development
Community

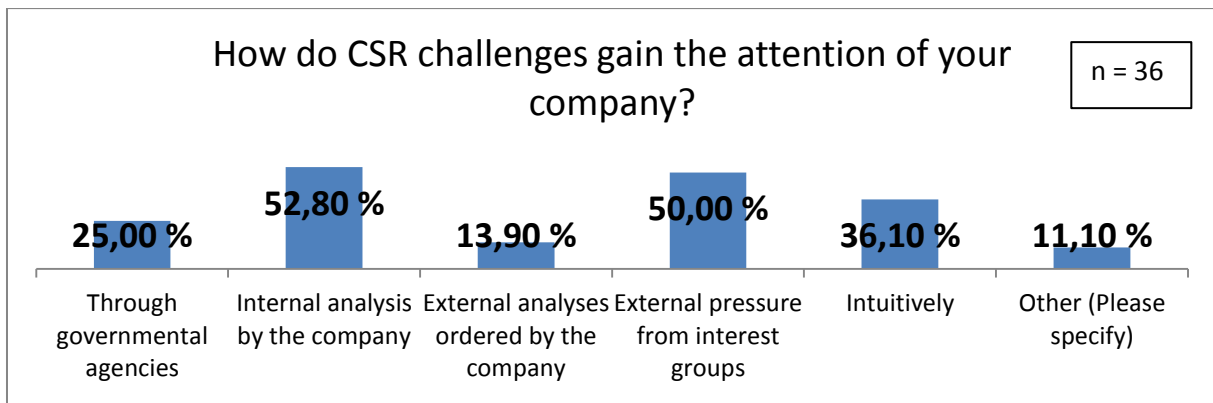
Q14a



Q14b

Other:
Quality of urban space / "placemaking"
HSE

Q15a



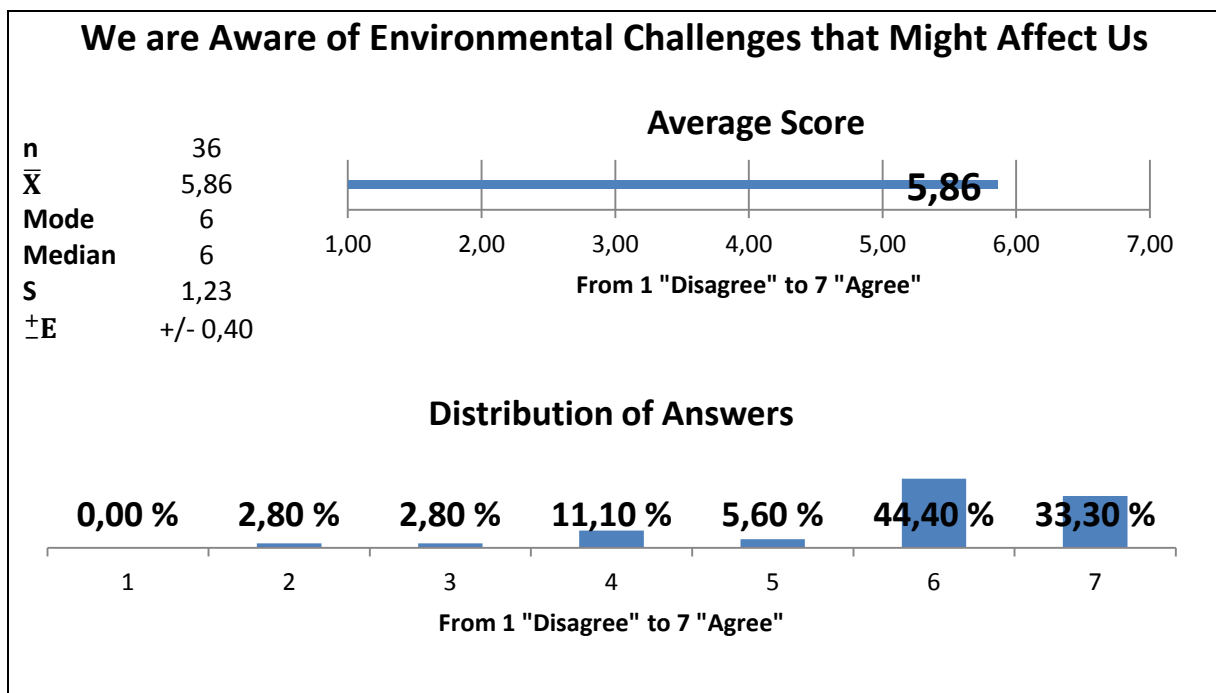
Q15b

Other:
Pressure from employees
Clients
Investors and other stakeholders
Stakeholder dialogue

Q16 – Summary

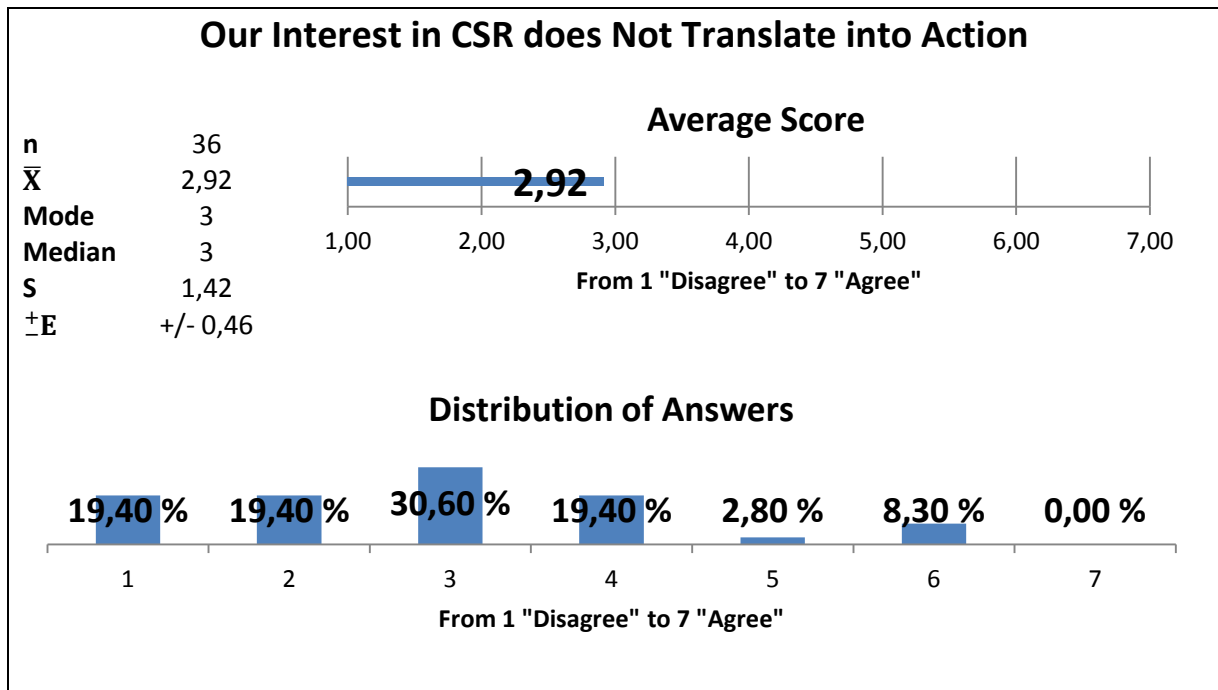
From 1 “Disagree” to 7 “Agree”	$\bar{X}$	Mode	Median	S	n	$\pm E$
We are aware of environmental challenges that impact our company, or might do so in the future	5,86	6	6	1,23	36	0,40
Our company's interest in CSR does not translate into action	2,92	3	3	1,42	36	0,46
Our company have the appropriate procedures to explore CSR challenges	4,28	5	4	1,52	36	0,50
We invite representatives of NGOs (WWF, Bellona, etc.) to provide a more informed understanding of social responsibility	3,03	1	2	1,89	36	0,62
Challenges regarding sustainability and CSR are ethical issues	5,06	6	5	1,37	35	0,45
Our CSR initiatives can be documented	4,81	6	5	1,73	36	0,56

Q16.1

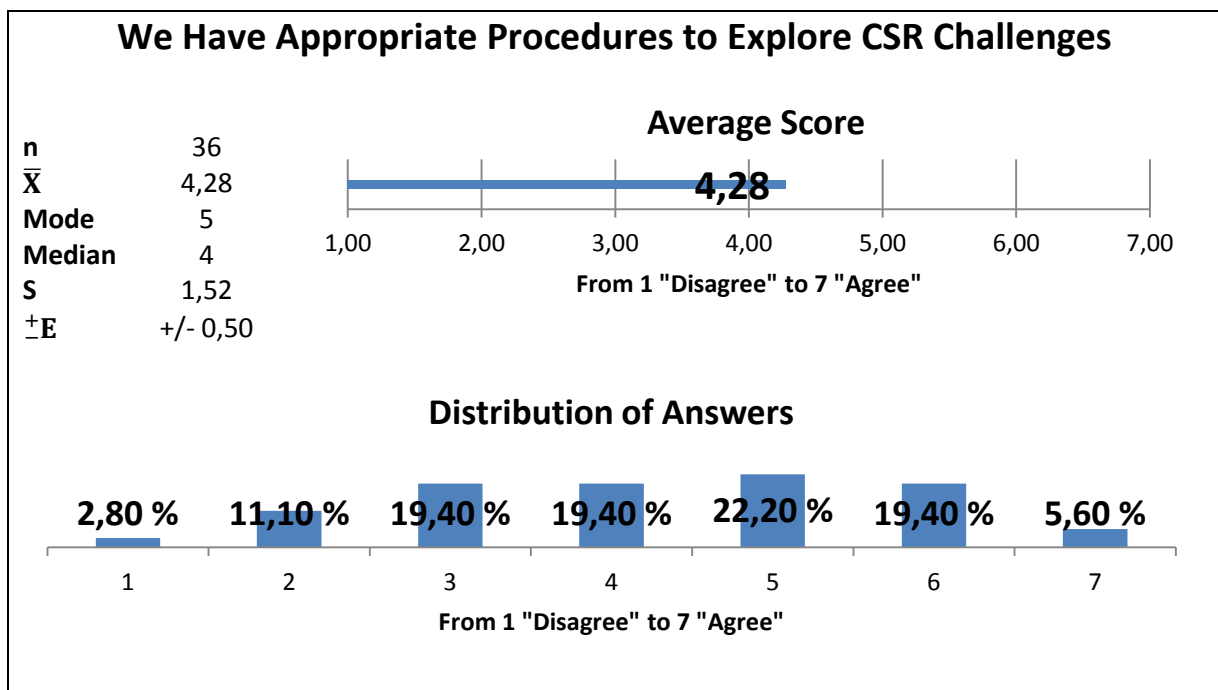




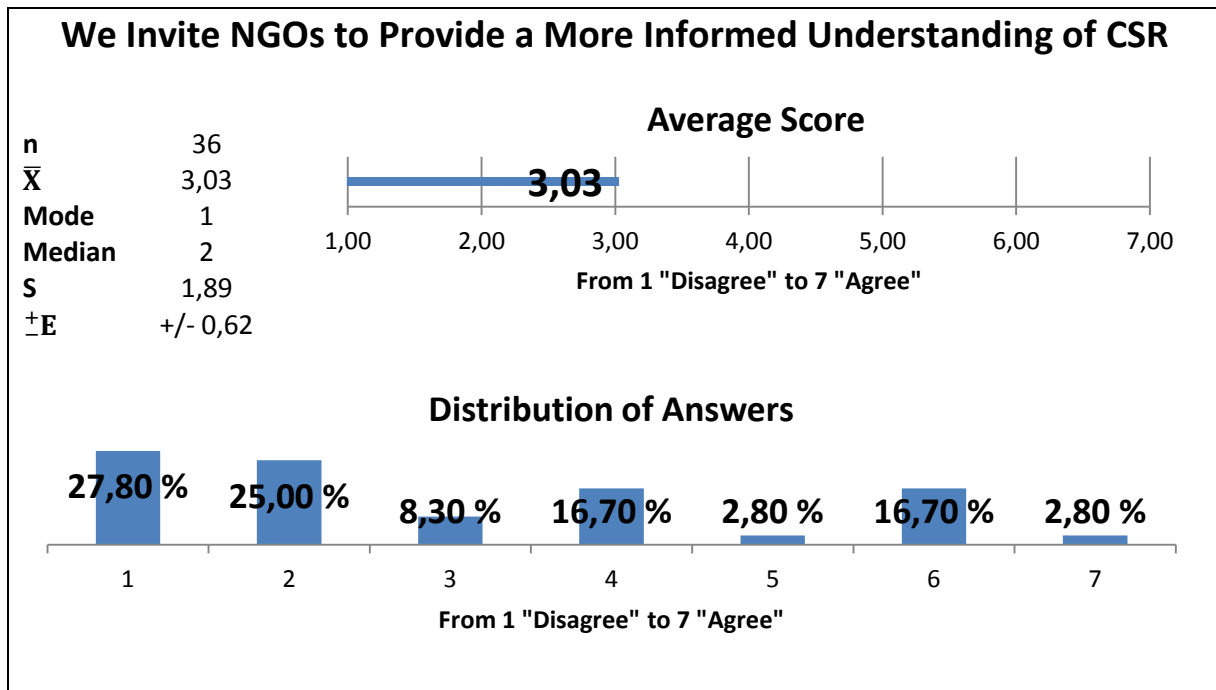
Q16.2



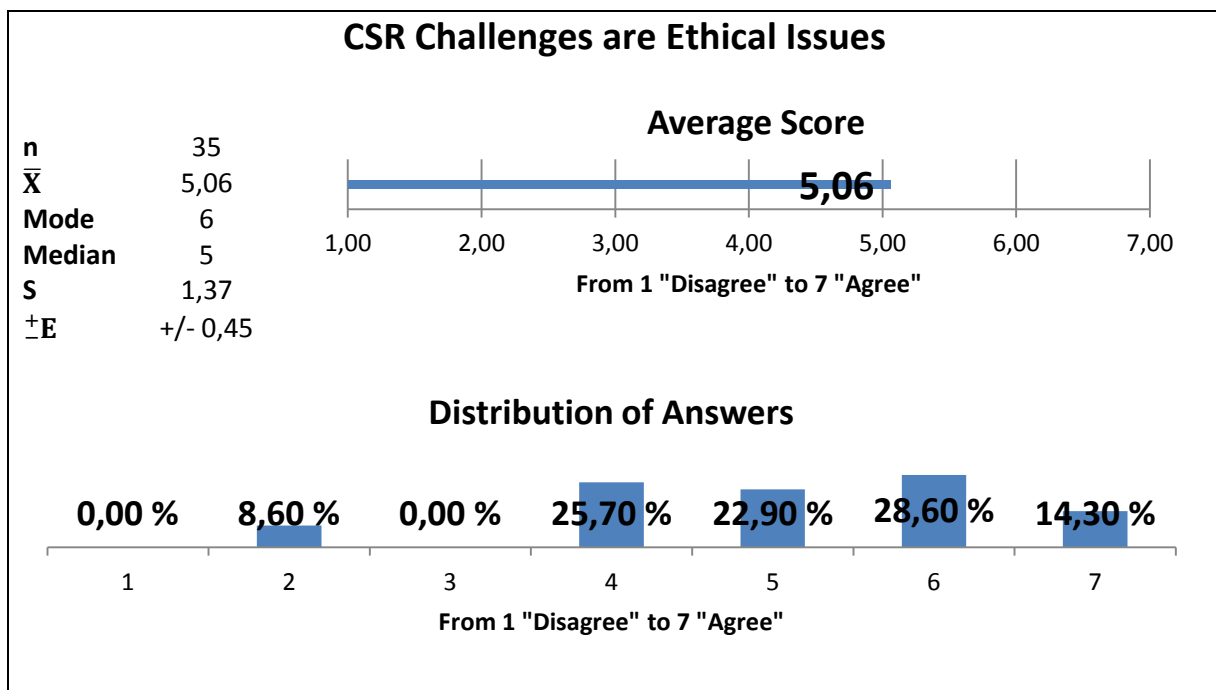
Q16.3



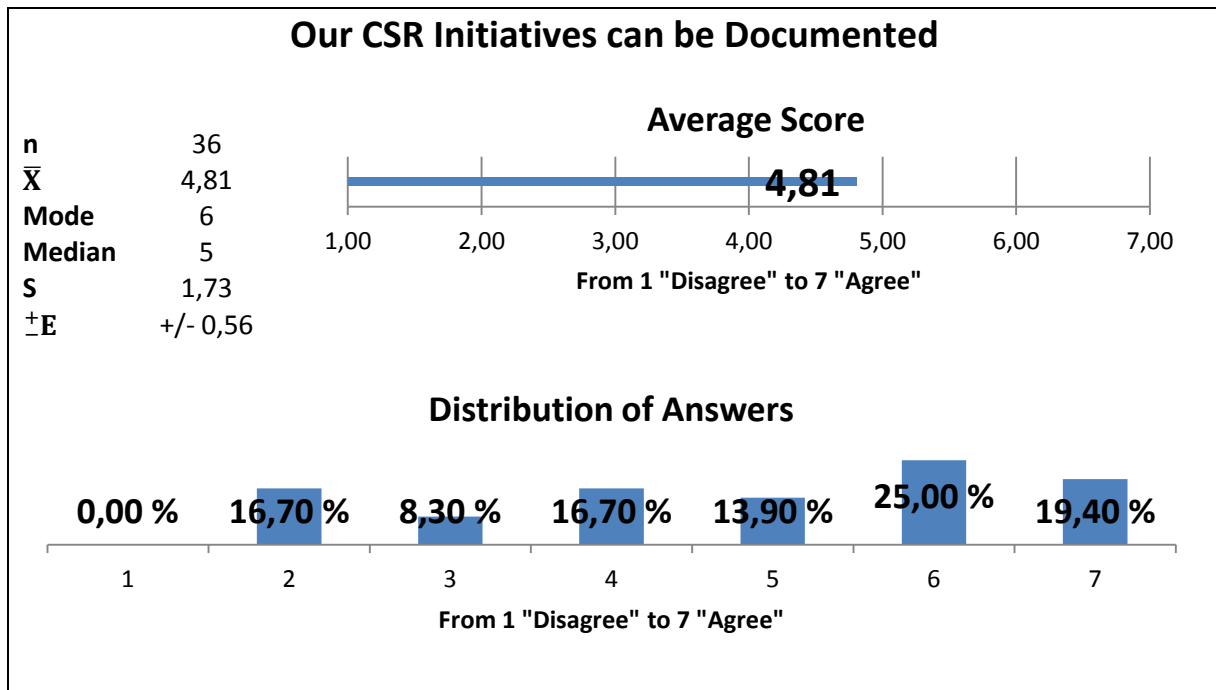
Q16.4



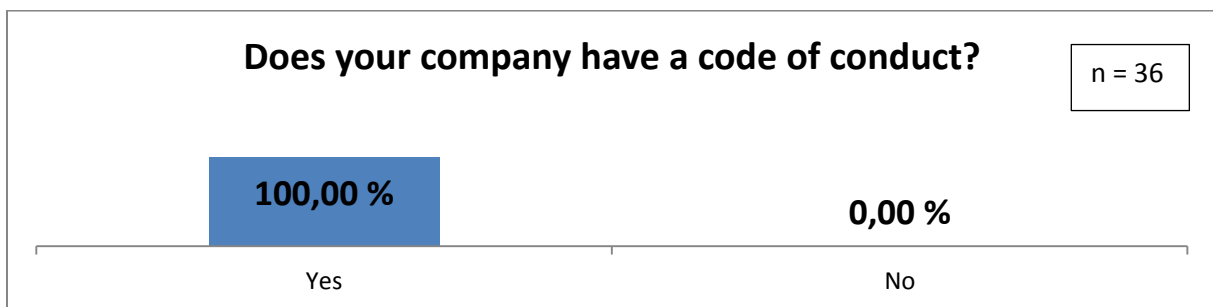
Q16.5



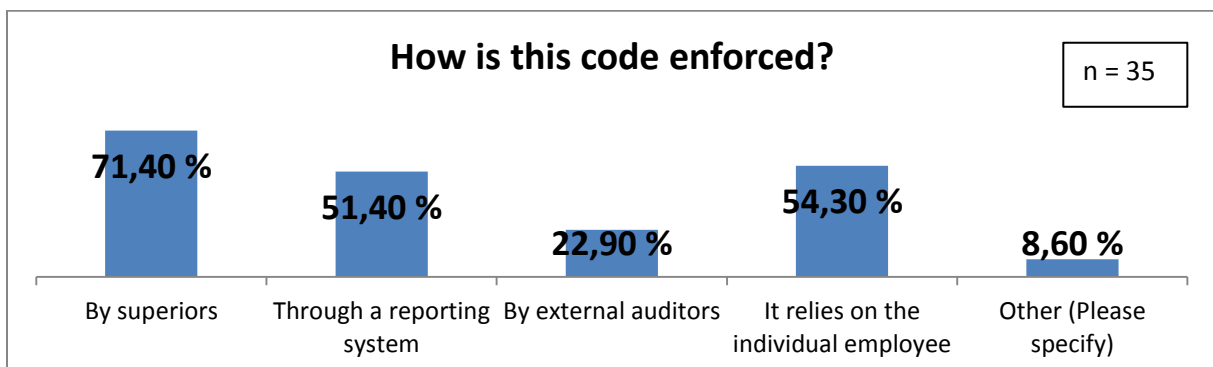
Q16.6



Q17



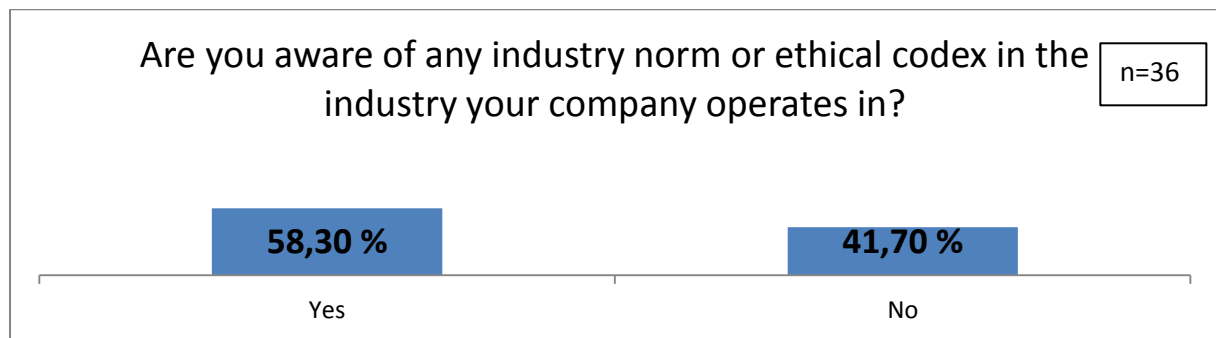
Q18a



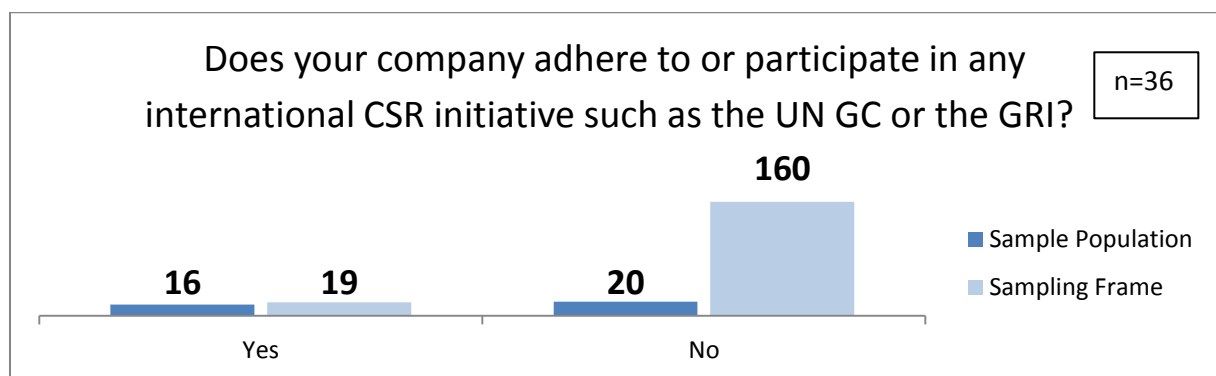
Q18b

Other:
By LOR's
Compliance officer

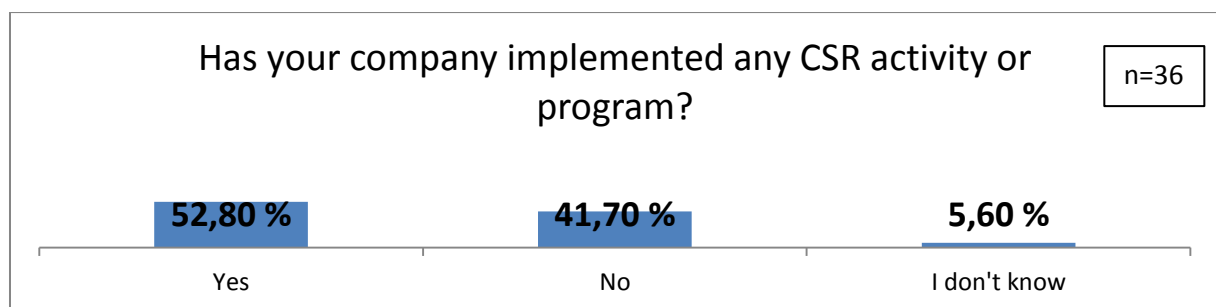
Q19



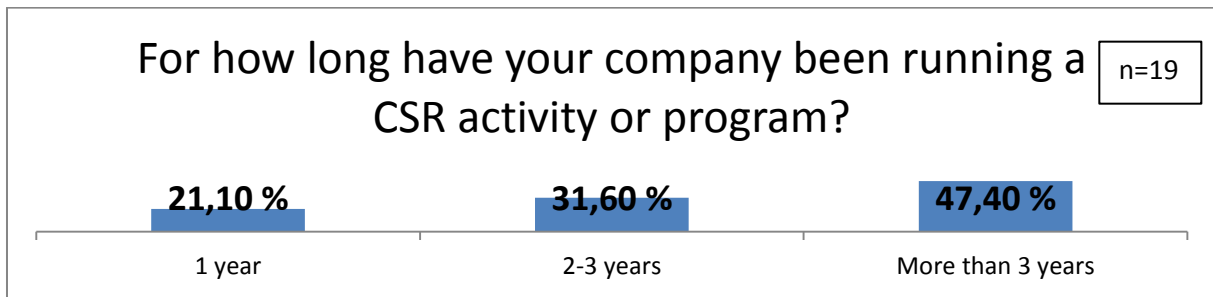
Q20



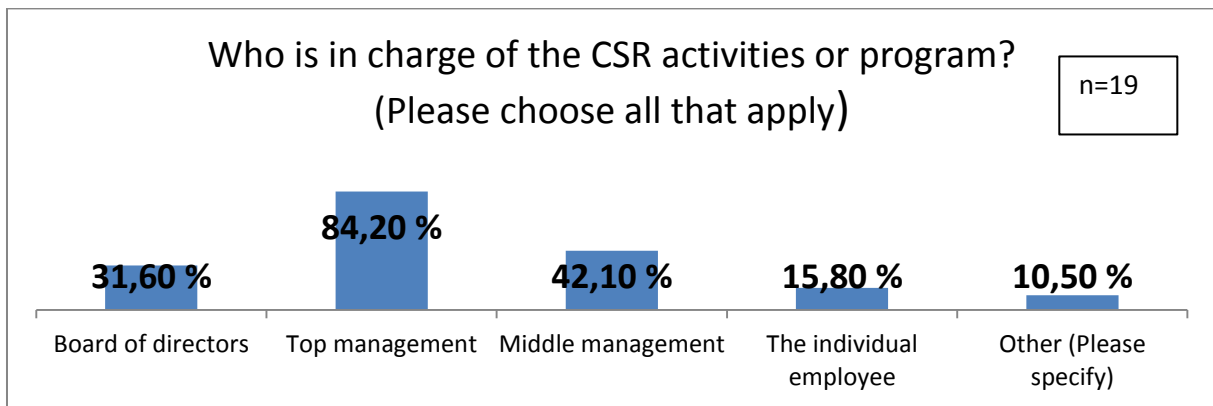
Q21



Q22



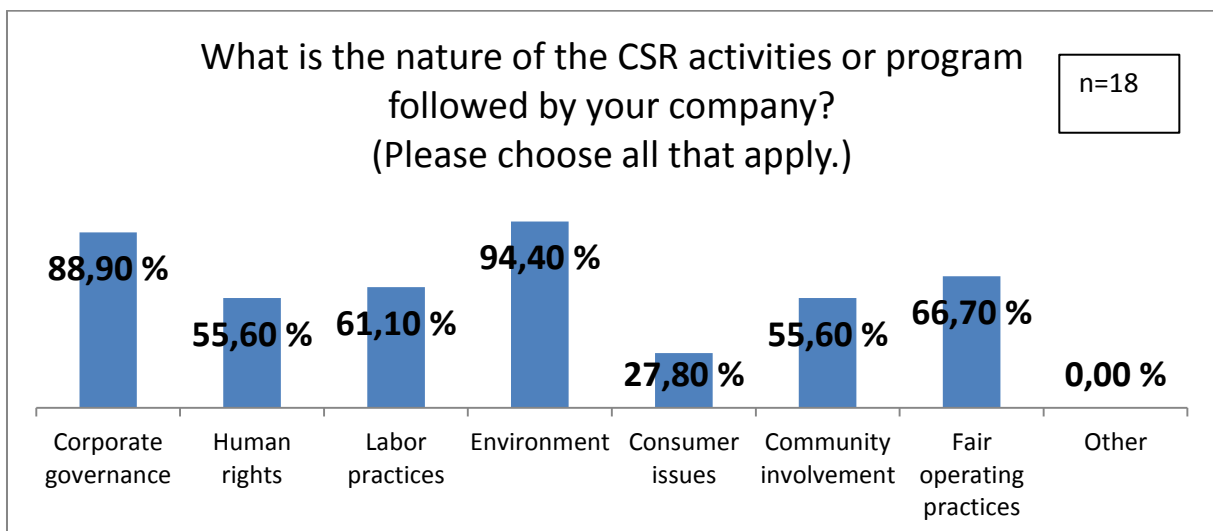
Q23a



Q23b

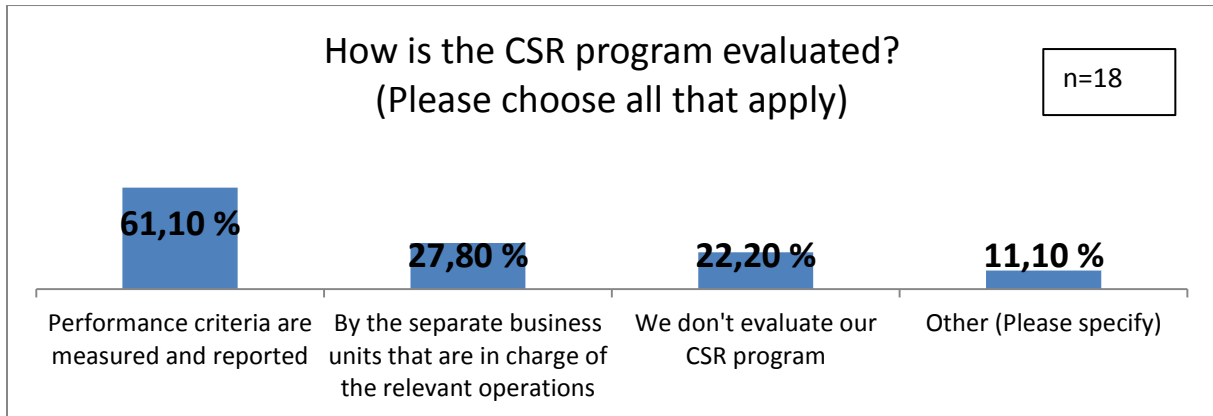
Other:
Enterprise Risk Manager
Corp comms, HR etc

Q24a



Q24b

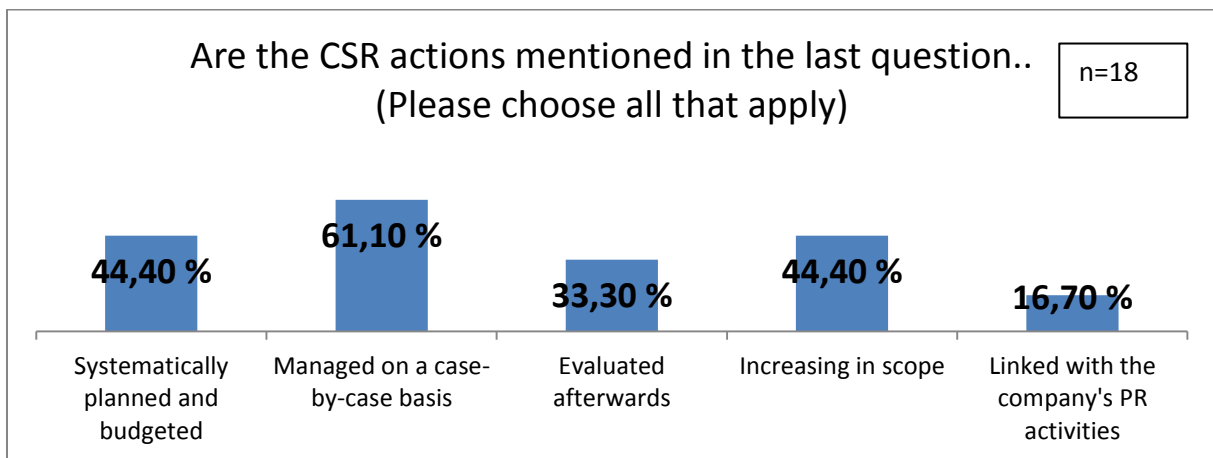
Q25a



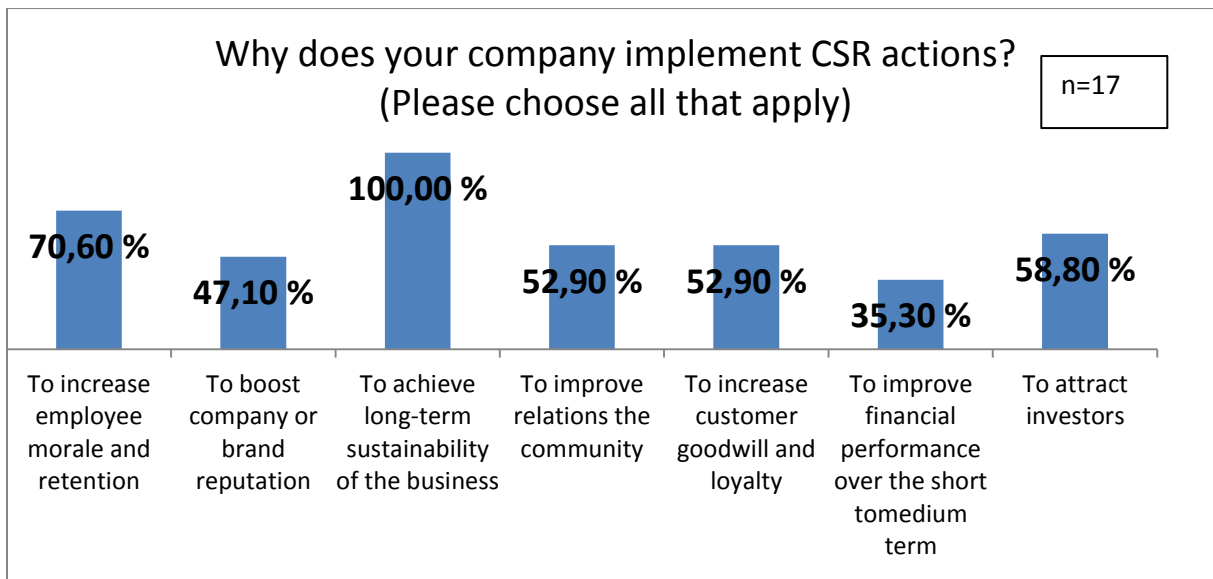
Q25b

Other:
internal assessment
it is not yet implemented

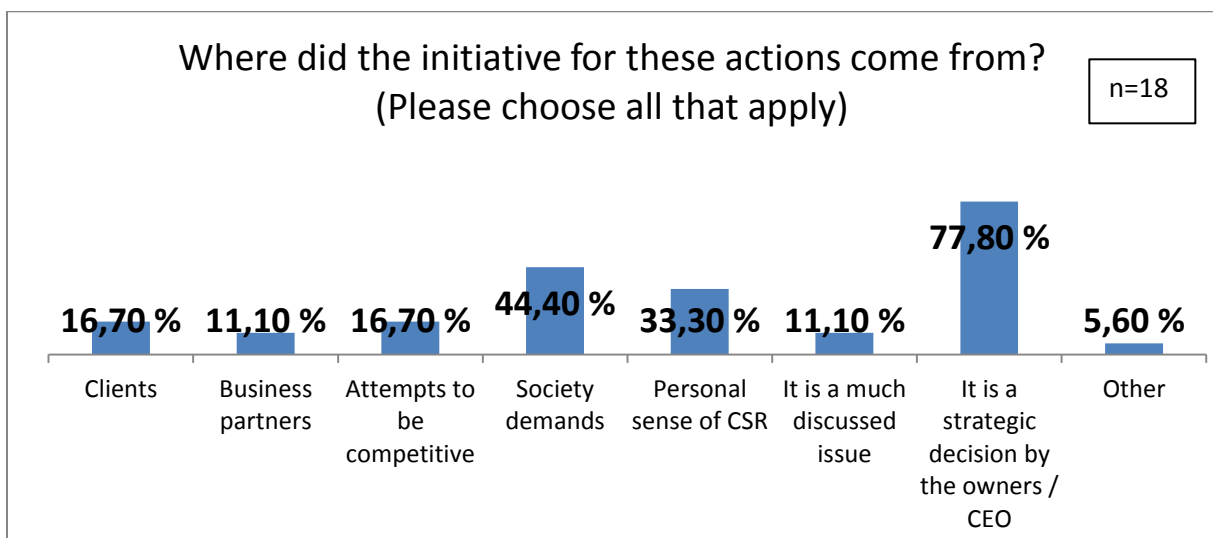
Q26



Q27

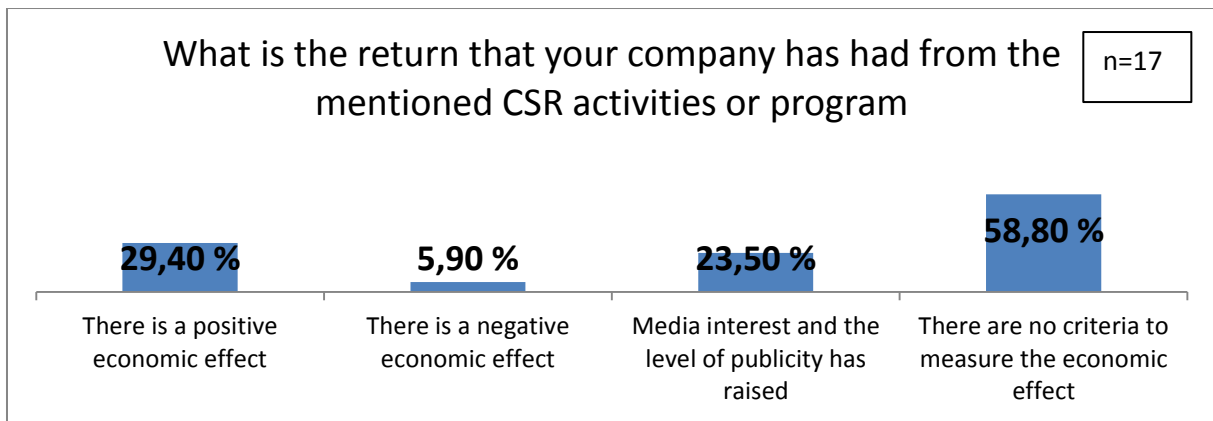


Q28a

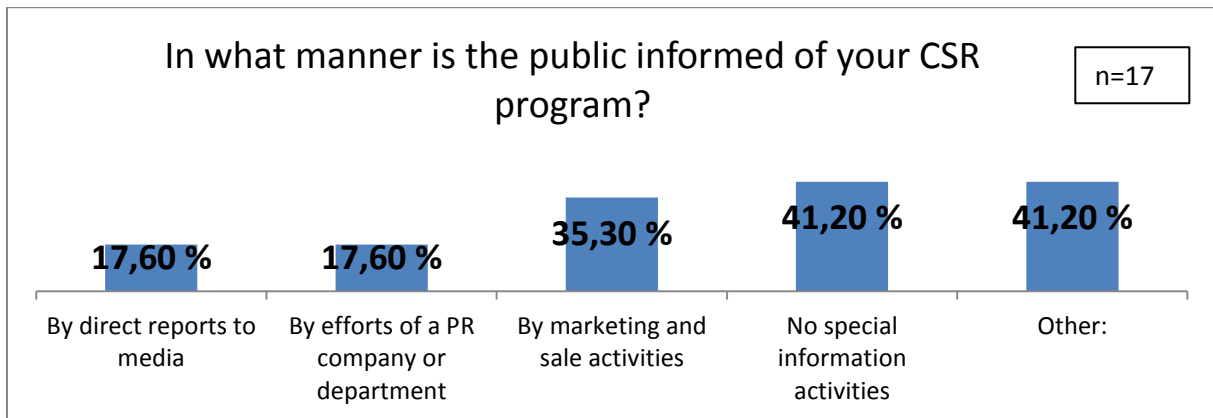


Q28b

Q29



Q30a

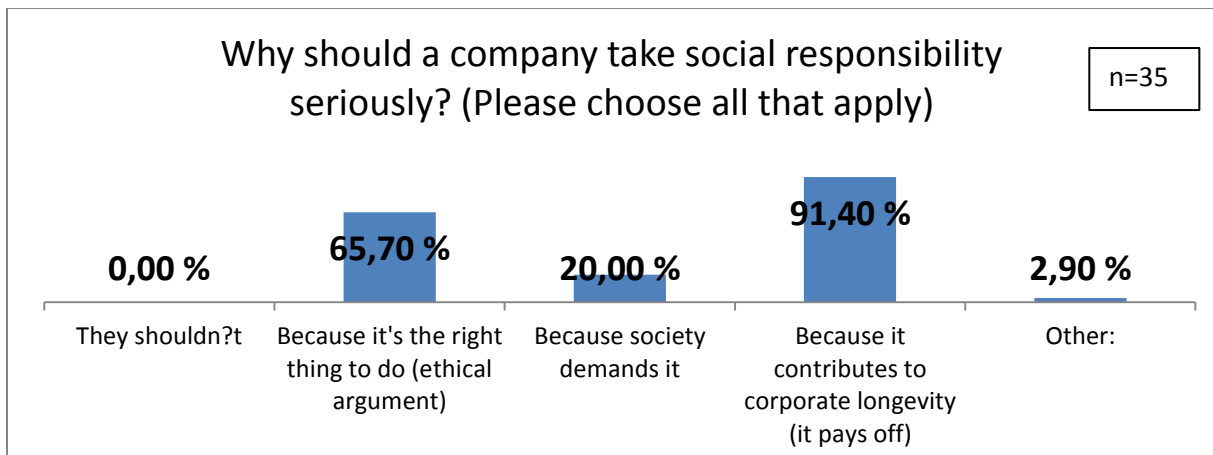


Q30b

Other:
Annual reports
Yearly report
webpage and company magazine
Annual report
to be implemented
Annual Report
The CSR programme is not yet implemented
Website and Annual Report



Q31a



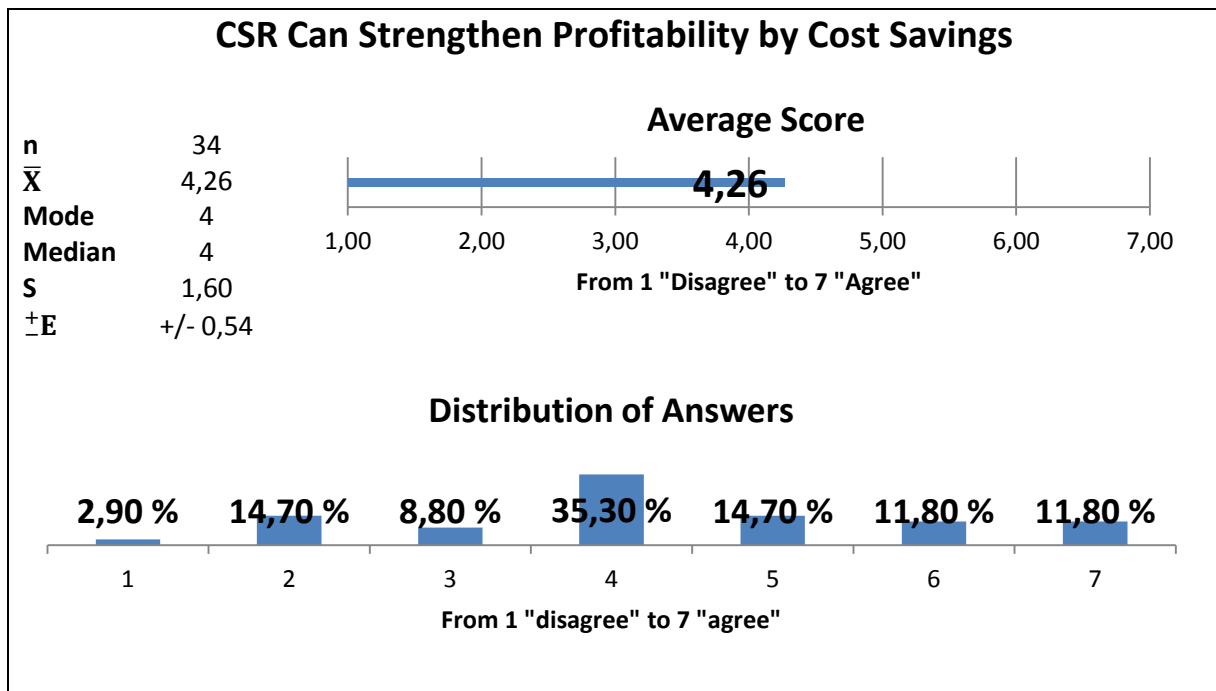
Q31b

Other:
To make the employees and other stakeholders aware of that they care

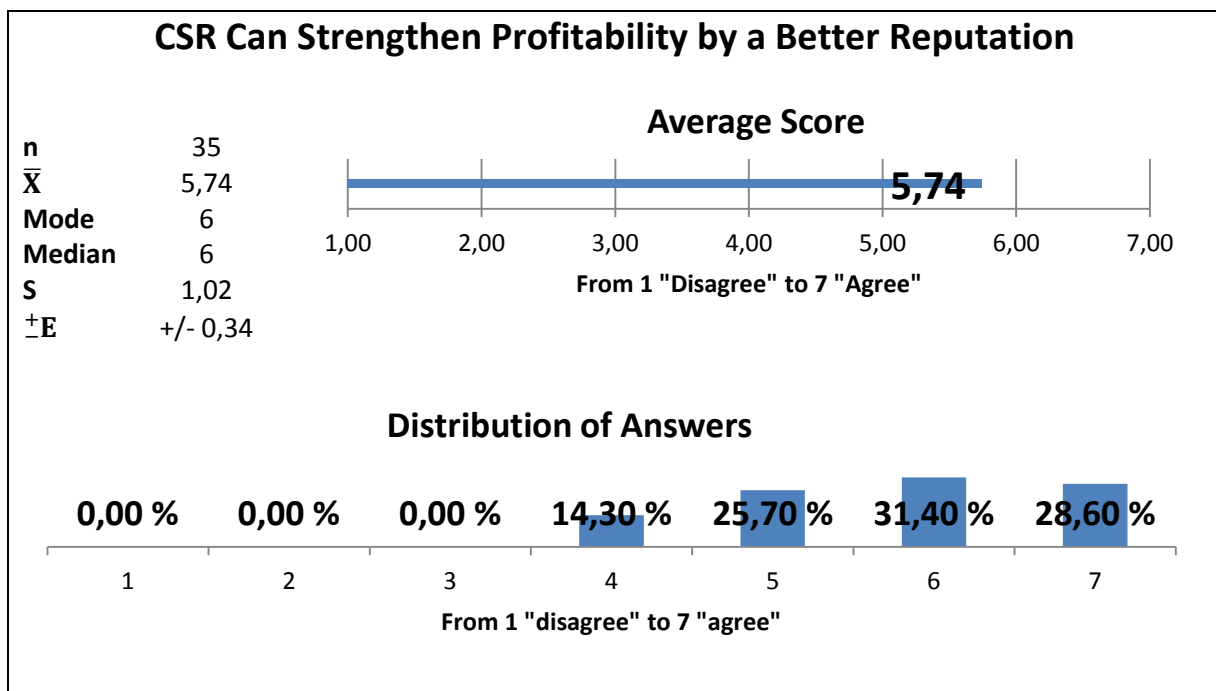
Q32 – Summary

From 1 “Disagree” to 7 “Agree”	$\bar{X}$	Mode	Median	S	n	$\pm E$
By cost savings (less resources used)?	4,26	4	4	1,60	34	0,54
By a better reputation?	5,74	6	6	1,02	35	0,34
By making products that better fit societal needs?	4,32	5	4	1,55	34	0,52
By allowing for co-creation of the regulatory environment?	4,56	4	4	1,30	32	0,45
By better employee satisfaction?	5,44	6	6	1,14	34	0,38
By anticipating change?	4,65	4	5	1,30	34	0,44
CSR cannot strengthen profitability of a company?	3,24	4	3	1,60	33	0,54

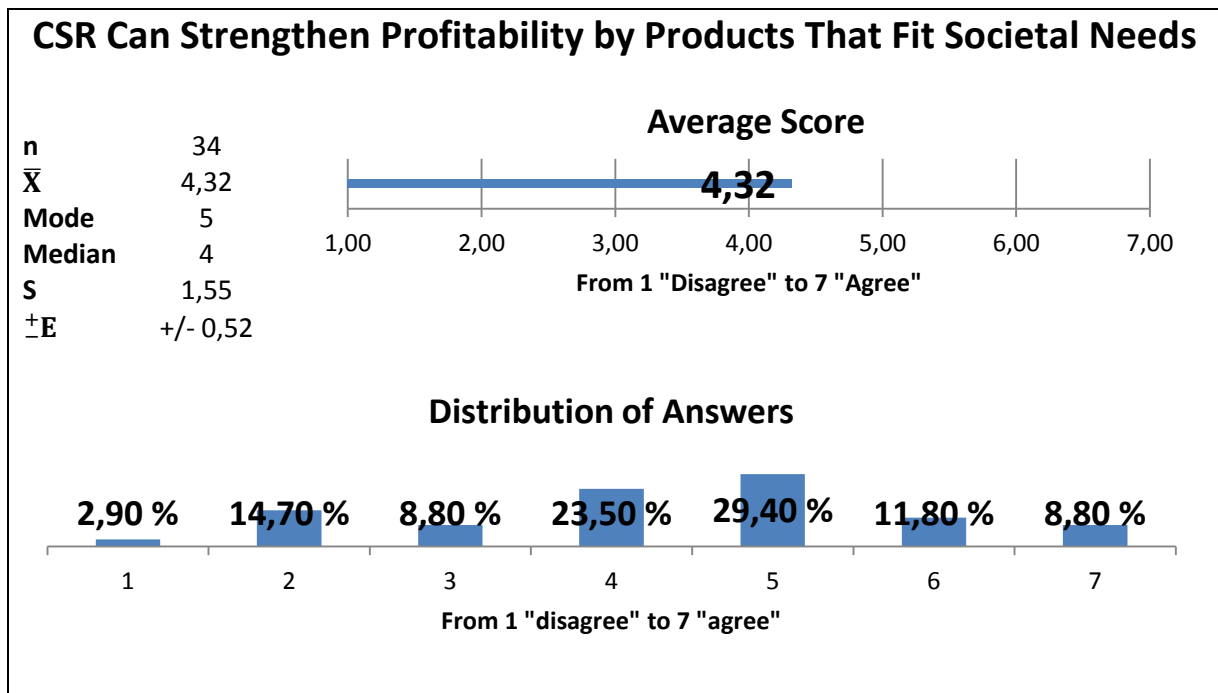
Q32.1



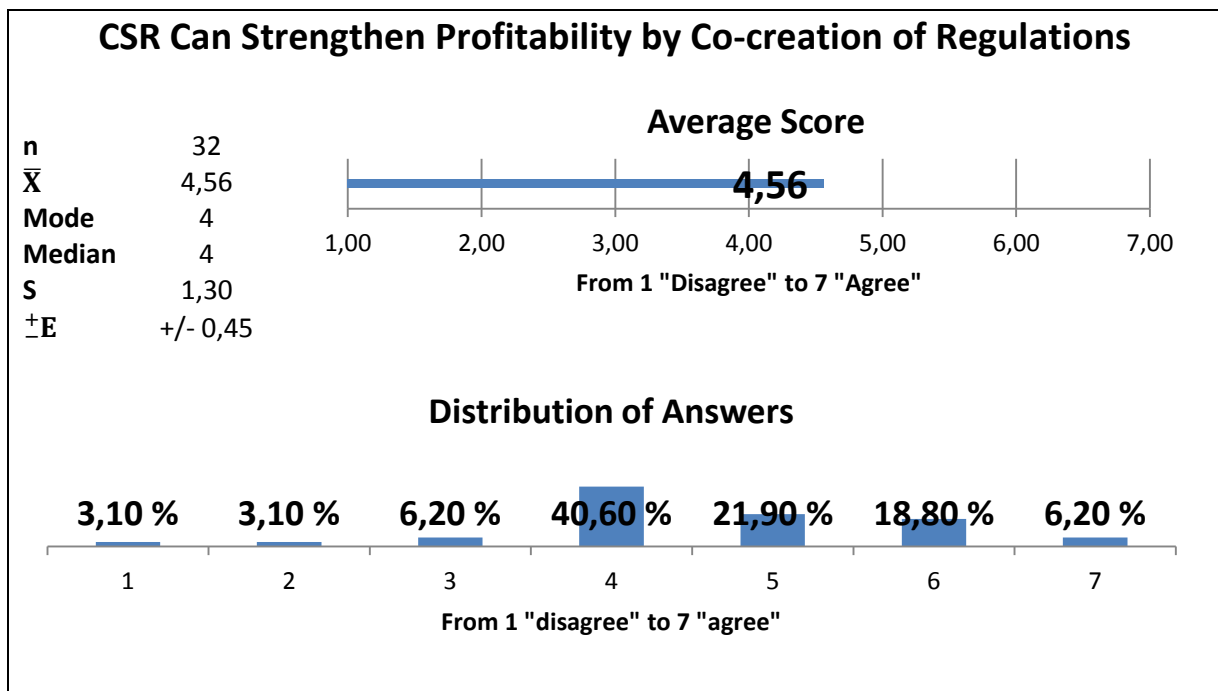
Q32.2



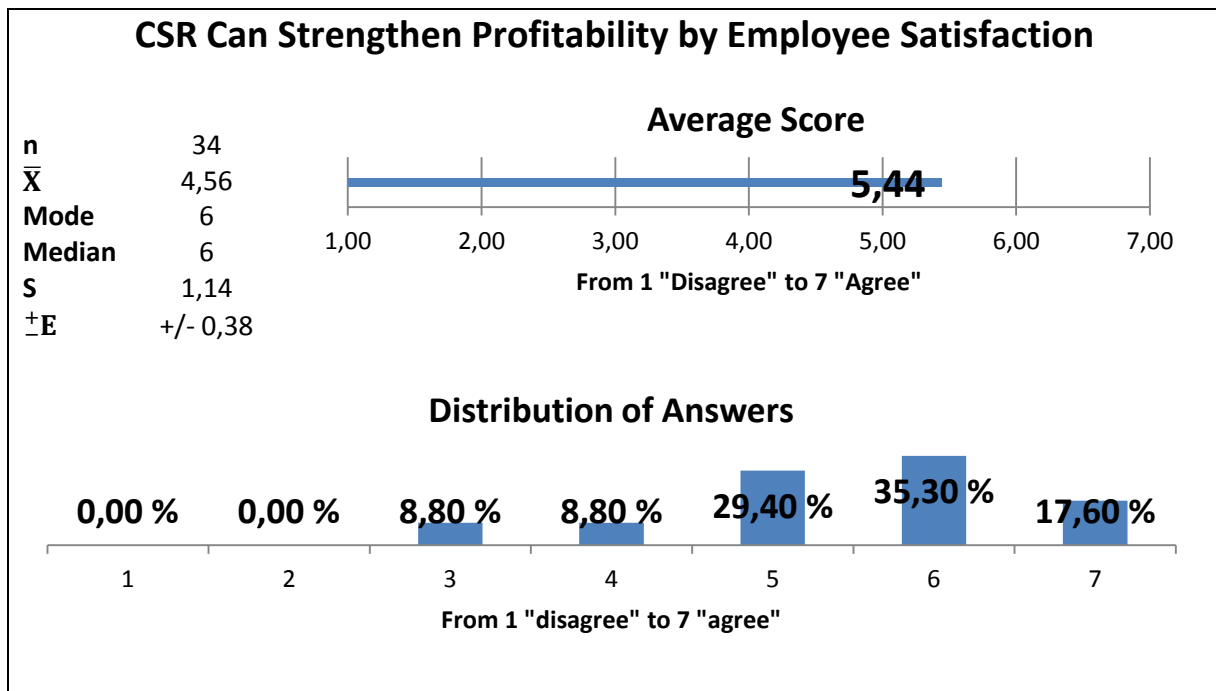
Q32.3



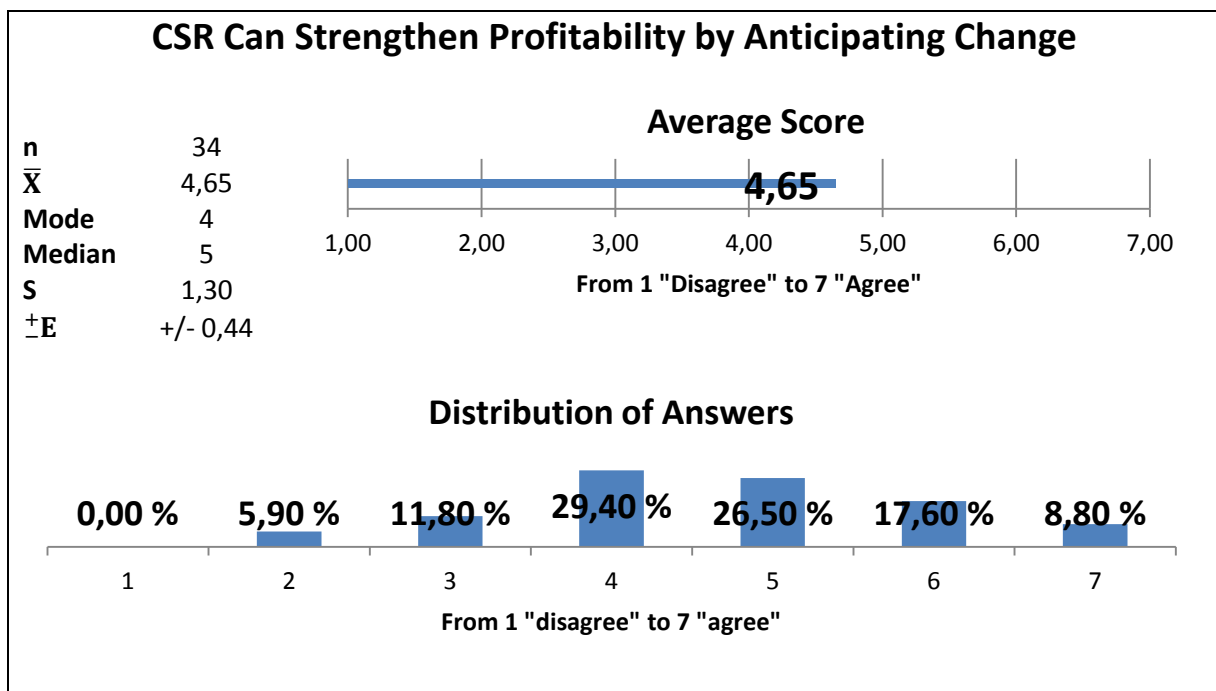
Q32.4



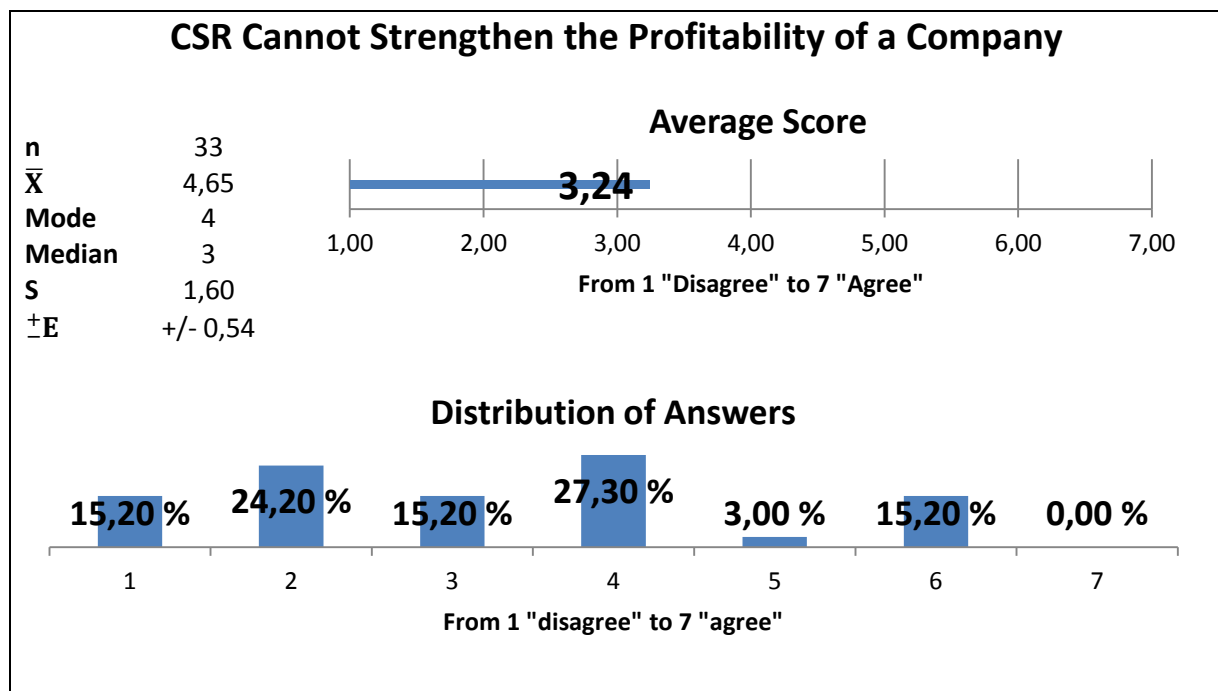
Q32.5



Q32.6



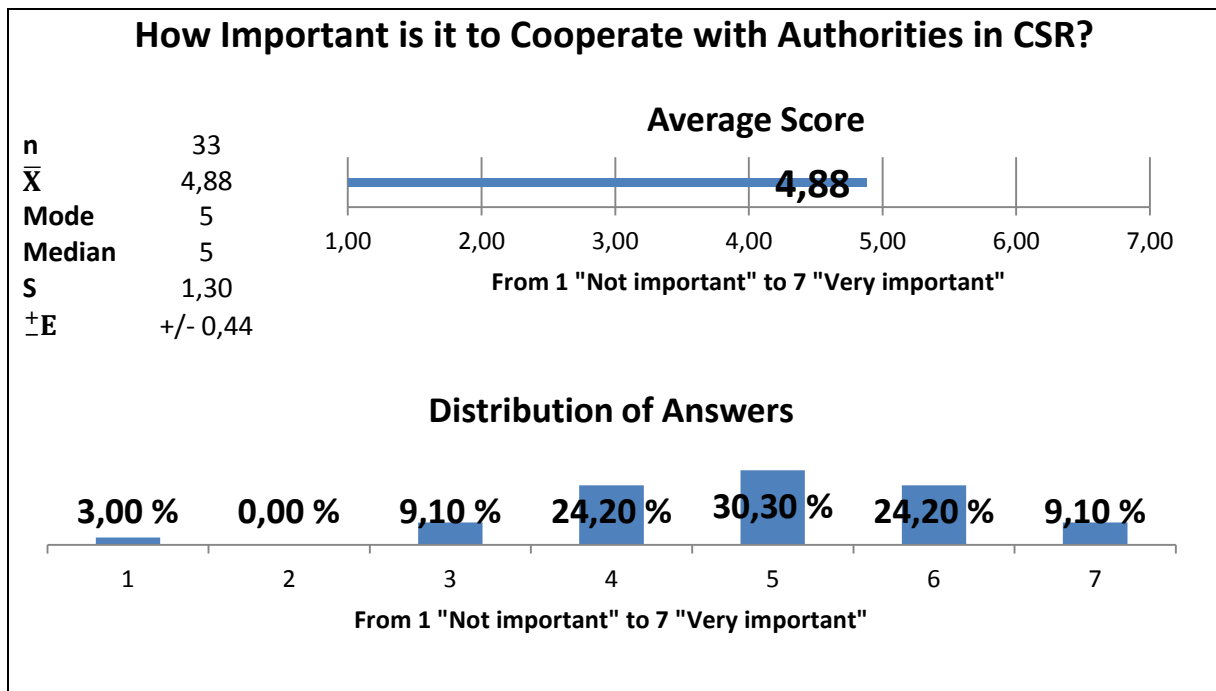
Q32.7



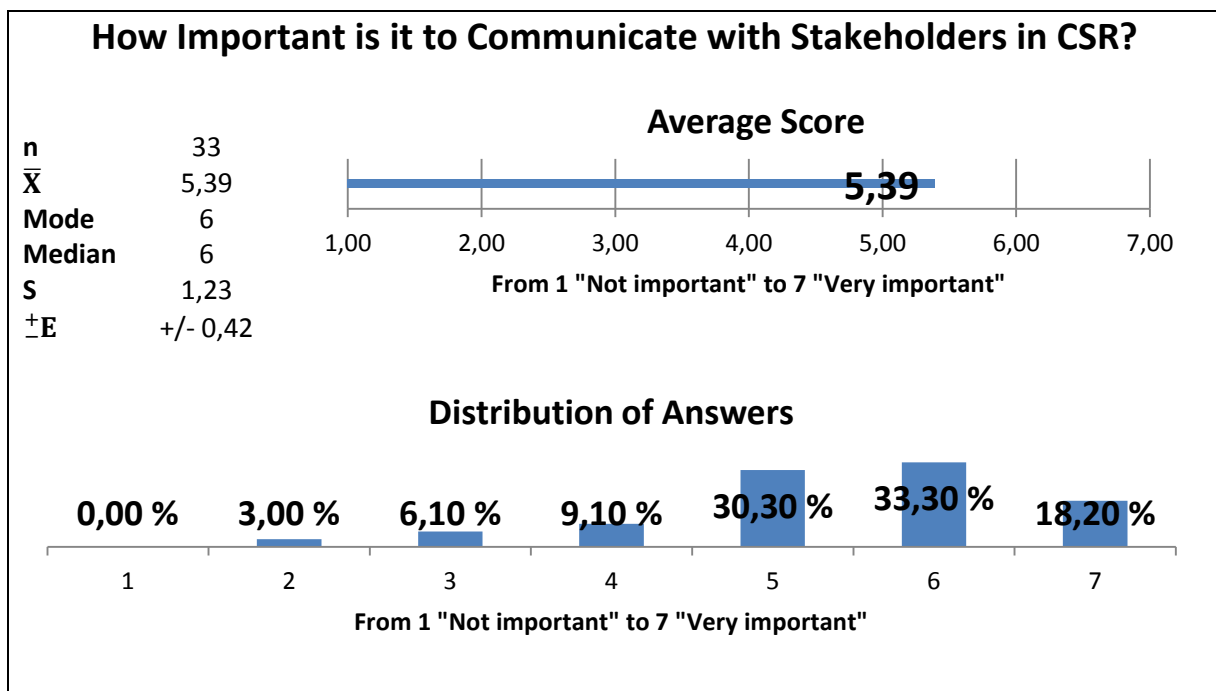
Q33 – Summary

From 1 "Not important" to 7 "Very important"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Cooperate with authorities?	4,88	5	5	1,30	33	0,44
Communicate with stakeholders?	5,39	6	6	1,23	33	0,42
Involve employees?	6,18	6	6	0,82	34	0,28
Achieve fit between CSR activities and the company?	5,42	6	6	1,33	33	0,45
Have a continuous process?	5,79	6	6	1,11	34	0,37
Make partnership in the value chain to improve CSR?	5,00	6	5	1,63	34	0,55
Report on progress?	5,48	6	6	1,21	33	0,41

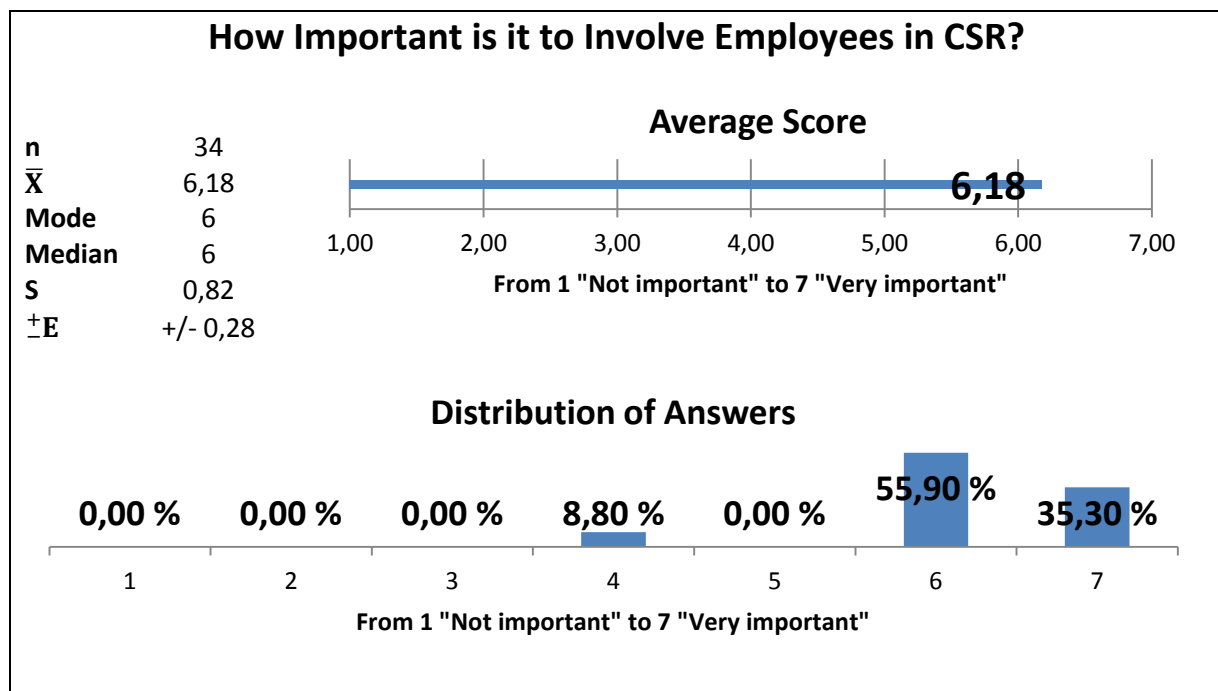
Q33.1



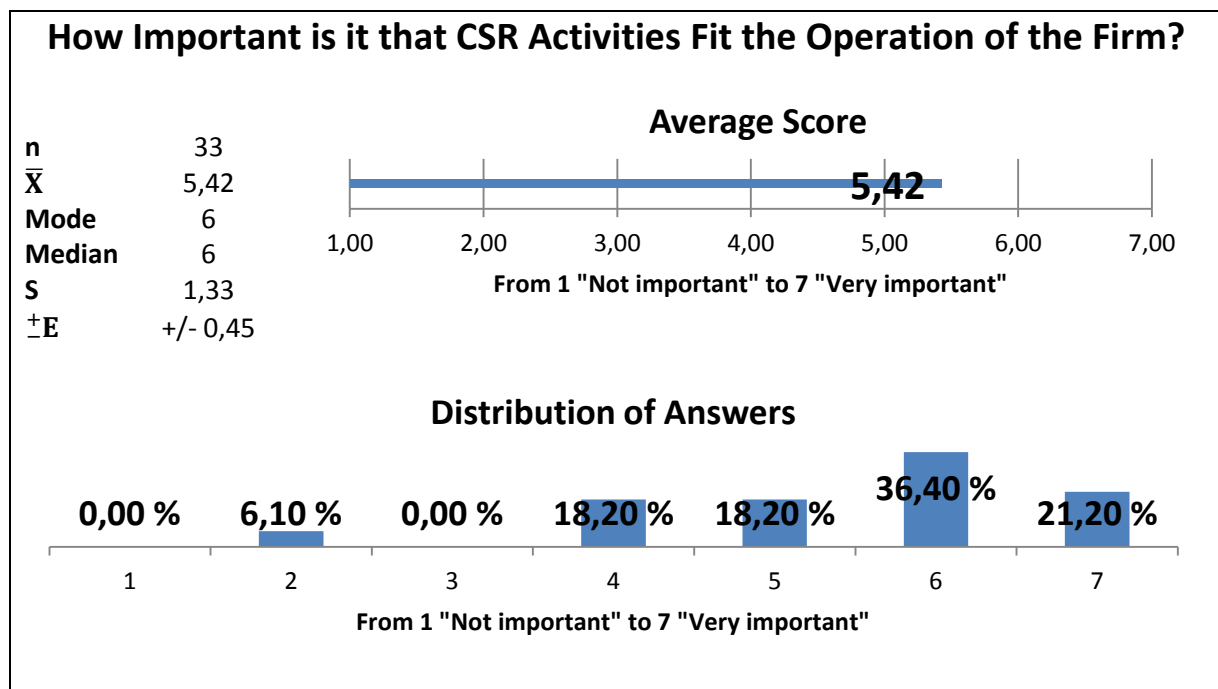
Q33.2



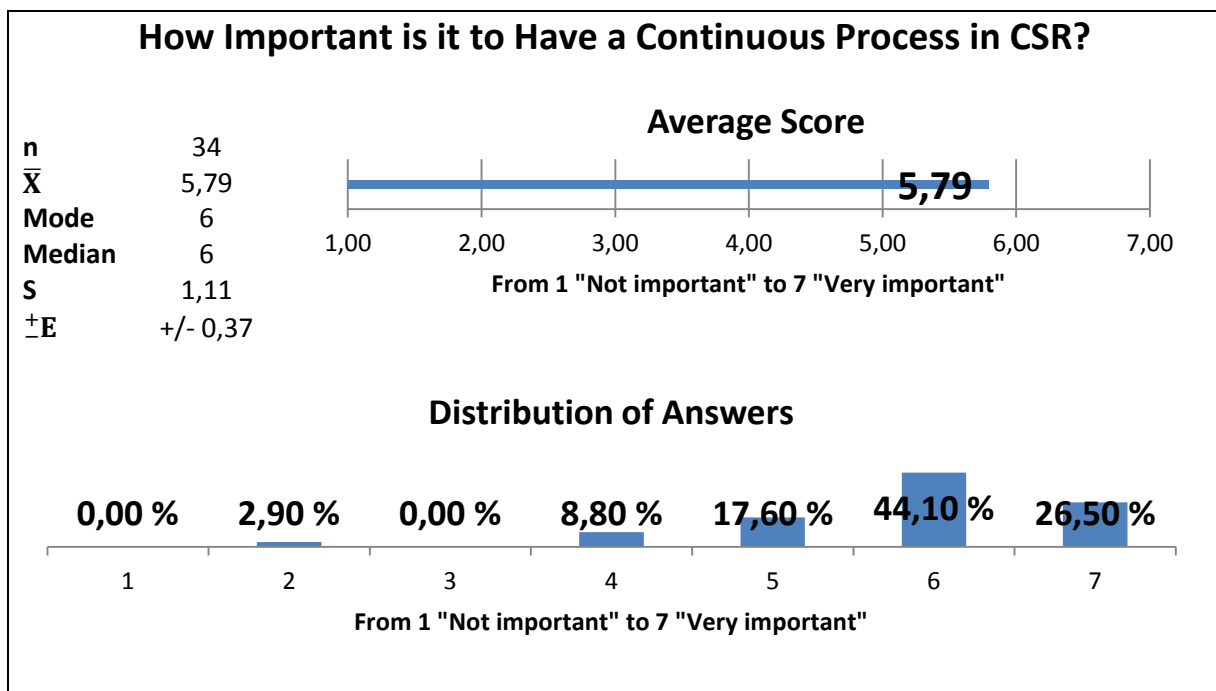
Q33.3



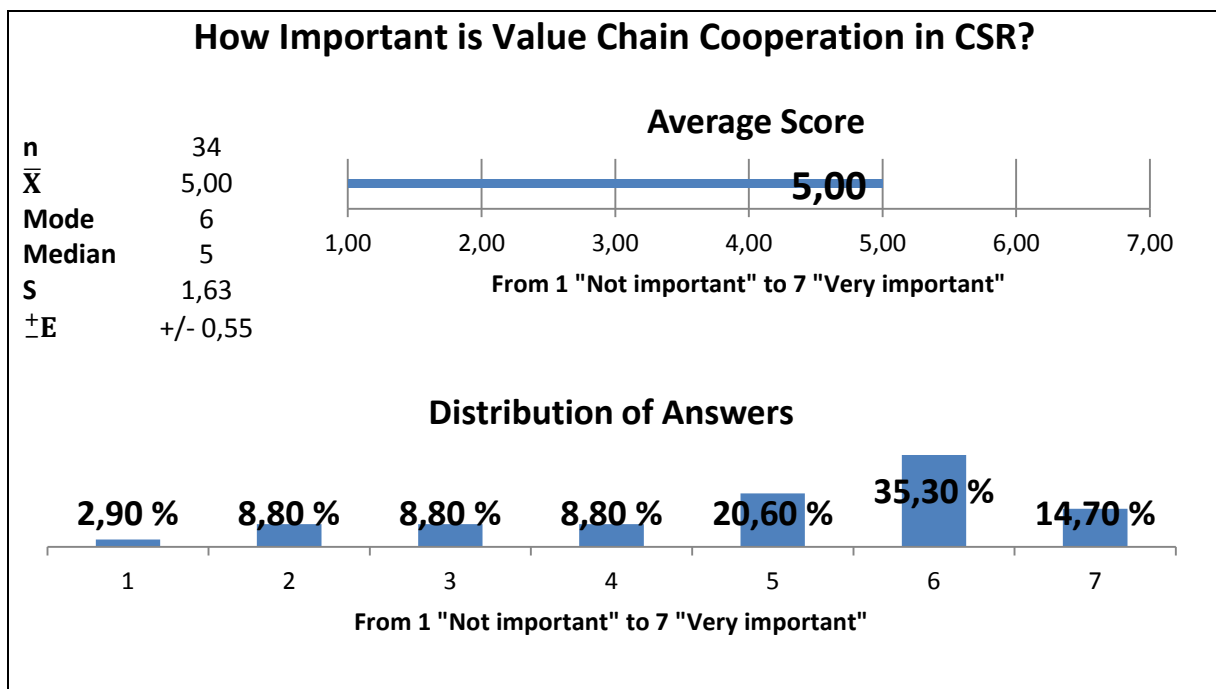
Q33.4



Q33.5

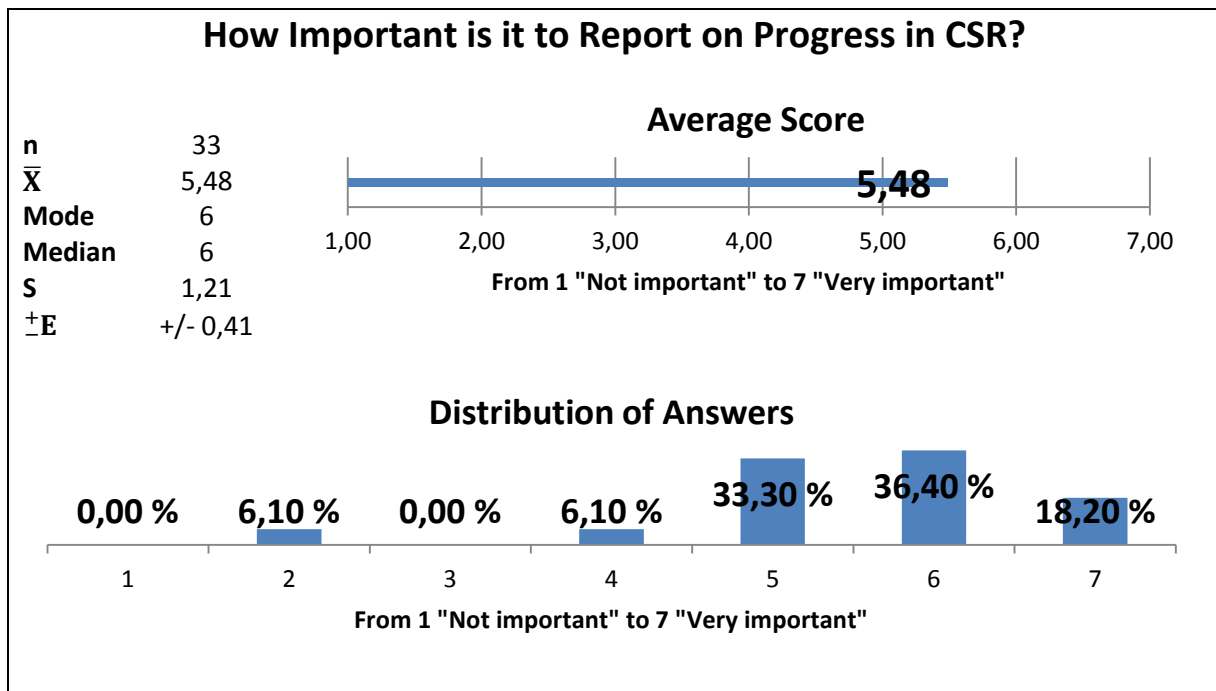


Q33.6





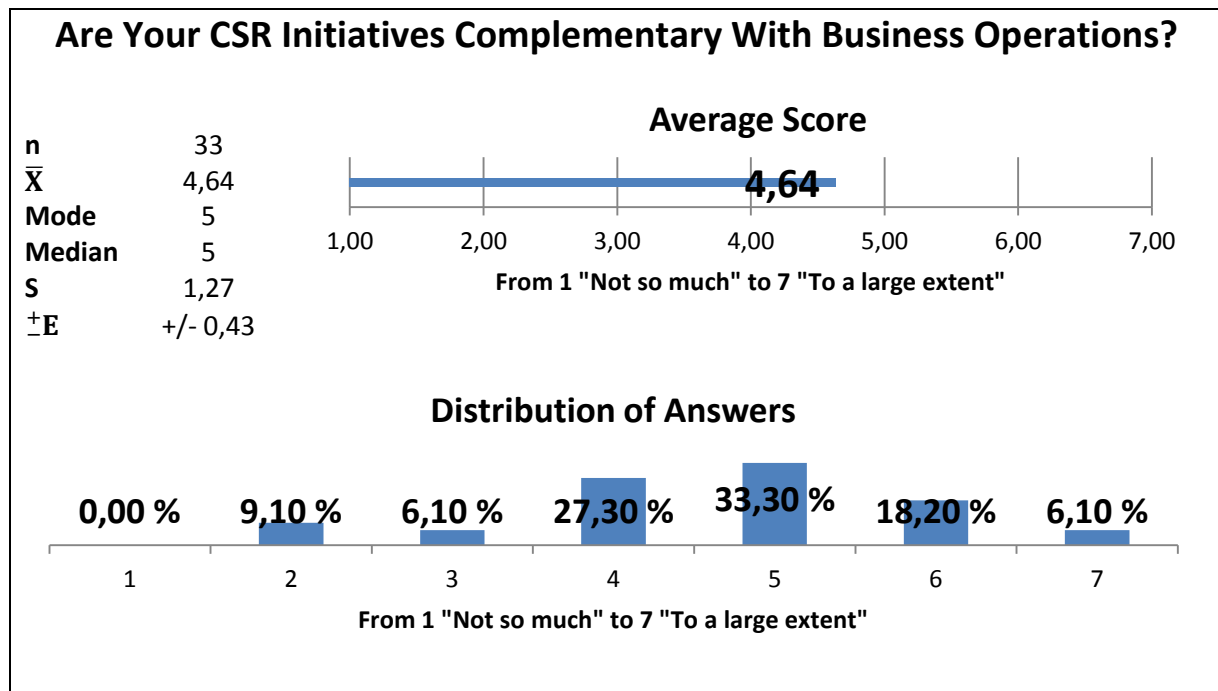
Q33.7



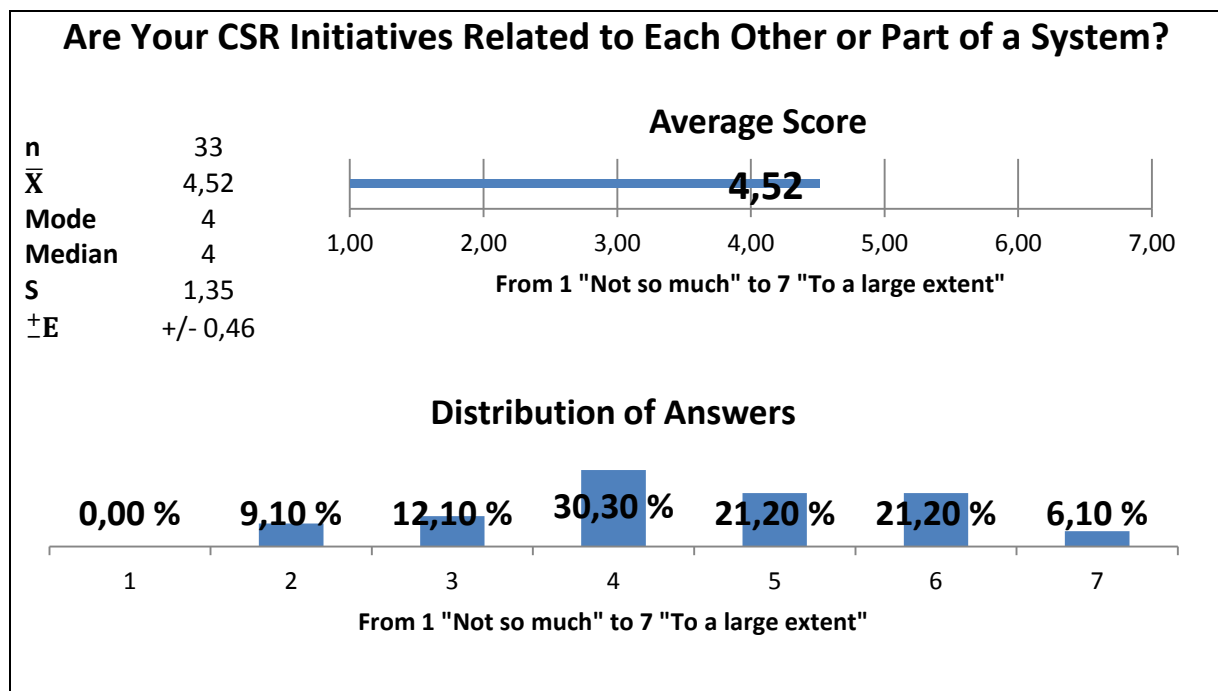
Q34 – Summary

From 1 "Not so much" to 7 "To a large extent"	$\bar{X}$	Mode	Median	S	n	$\pm E$
Are complementary with the daily business of your firm?	4,64	5	5	1,27	33	0,43
Are related to each other or part of a system?	4,52	4	4	1,35	33	0,46
Coincide with the interests of various stakeholders	4,52	6	5	1,28	33	0,44

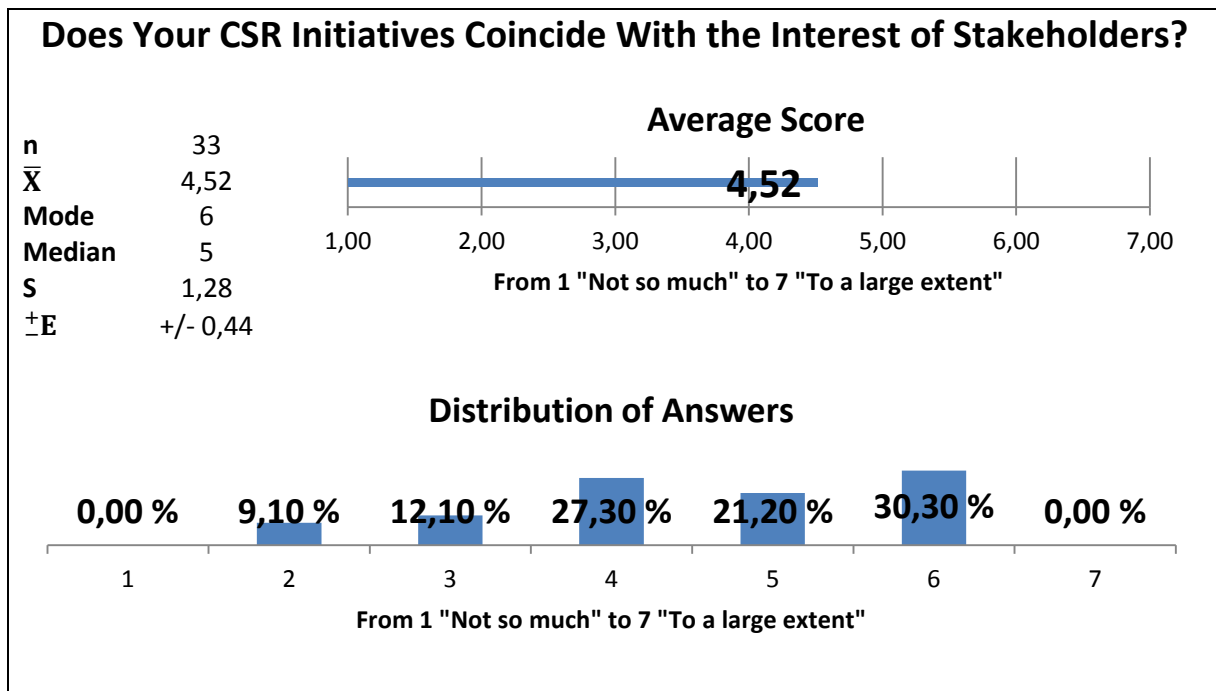
Q34.1



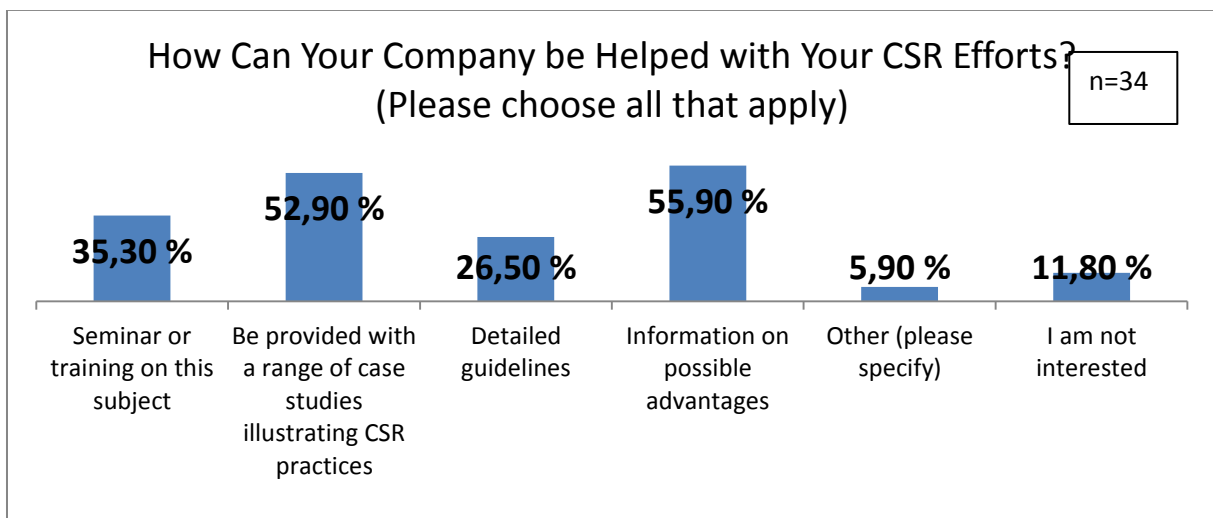
Q34.2



Q34.3



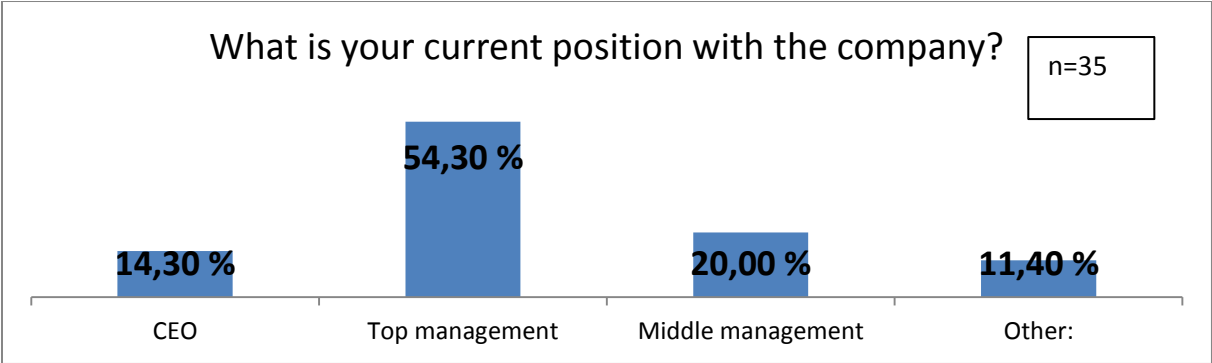
Q35a



Q35b

Other:
International laws that are properly enforced
Quantitative data showing the monetary effects of CSR news

Q36a



Q36b

Other:
corporate secretary
Responsible CSR
Enterprise Risk Manager
Compliance Officer

Question nr.	Question/Statement
Q1	What was the approximate sales of your company in 2010 (Million NOK)?
Q2	How many employees did your company approximately have in 2010?
Q3.1	The most important markets for your company are? - Norway – Please rate the markets from 1 (not important) to 7 (very important)
Q3.2	The most important markets for your company are? - Scandinavia -
Q3.3	The most important markets for your company are? - Europe -
Q3.4	The most important markets for your company are? - North America -
Q3.5	The most important markets for your company are? - Asia -
Q3.6	The most important markets for your company are? - Africa -
Q3.7	The most important markets for your company are? - Other -
Q4.1	Our company strives to? - Achieve superior financial results – Please rank these goals from 1 (least important) to 8 (most important)
Q4.2	Our company ...- Maintain a good reputation -
Q4.3	Our company ...- Reduce environmental impact -
Q4.4	Our company ...- Make sure our employees flourish -
Q4.5	Our company ...- Conduct business in a fair manner -
Q4.6	Our company ...- Facilitate a good relationship with the local community -
Q4.7	Our company ...- Obey laws and regulations -
Q4.8	Our company ...- Gain a reputation for products of high quality -
Q5.1	One approach to corporate social responsibility is to divide responsibilities into the economic, legal, ethical and philanthropic. Which type of responsibilities do you deem relevant towards the different stakeholders of the company you work for?(Please choose all that apply) - Owners
Q5.2	One approach to corporate social responsibility ... - Customers
Q5.3	One approach to corporate social responsibility ... - Employees
Q5.4	One approach to corporate social responsibility ... - Community
Q5.5	One approach to corporate social responsibility ... - Competitors
Q5.6	One approach to corporate social responsibility ... - Suppliers
Q5.7	One approach to corporate social responsibility ... - Social activists
Q5.8	One approach to corporate social responsibility ... - Media
Q5.9	One approach to corporate social responsibility ... - Government
Q5.10	One approach to corporate social responsibility ... - Public at large
Q5.11	One approach to corporate social responsibility ... - Financial institutions
Q6.1	Please consider the relationship between your company and different stakeholders. - Suppliers - Please rank from 1 (least important) to 11 (most important) the stakeholders according to HOW THEY INFLUENCE YOUR COMPANY
Q6.2	Please consider the relationship between your company and different stakeholders. - Suppliers - Please rank from 1 (least impact) to 11 (most impact) the stakeholders according to HOW THEY ARE INFLUENCED BY YOUR COMPANY'S ACTIONS
Q6.3	- Social activists - HOW THEY INFLUENCE YOUR COMPANY
Q6.4	- Social activists - HOW THEY ARE INFLUENCED ...
Q6.5	- Media - HOW THEY INFLUENCE YOUR COMPANY
Q6.6	- Media - HOW THEY ARE INFLUENCED ...
Q6.7	- Government - HOW THEY INFLUENCE YOUR COMPANY
Q6.8	- Government - HOW THEY ARE INFLUENCED...
Q6.9	- Public at large - HOW THEY INFLUENCE YOUR COMPANY

Q6.10	- Public at large - HOW THEY ARE INFLUENCED...
Q6.11	- Financial institutions - HOW THEY INFLUENCE YOUR COMPANY
Q6.12	- Financial institutions - HOW THEY ARE INFLUENCED...
Q6.13	- Employees - HOW THEY INFLUENCE YOUR COMPANY
Q6.14	- Employees - HOW THEY ARE INFLUENCED ...
Q6.15	- Owners - HOW THEY INFLUENCE YOUR COMPANY
Q6.16	- Owners - HOW THEY ARE INFLUENCED ...
Q6.17	- Community - HOW THEY INFLUENCE YOUR COMPANY
Q6.18	- Community - HOW THEY ARE INFLUENCED ...
Q6.19	- Competitors - HOW THEY INFLUENCE YOUR COMPANY
Q6.20	- Competitors - HOW THEY ARE INFLUENCED ...
Q6.21	- Customers - HOW THEY INFLUENCE YOUR COMPANY
Q6.22	- Customers - HOW THEY ARE INFLUENCED...
Q7.1	Which of the following areas do you consider important for companies to be involved in? - Waste reduction - Please rate from 1 (not important) to 7 (very important)
Q7.2	Which... - Cleaner environment -
Q7.3	Which... - Different kinds of donations and support -
Q7.4	Which... - Improving the work environment, training, work time flexibility -
Q7.5	Which... - Being active in the local community -
Q8.1	To what extent do you agree with the following statements? - Our company has a regular dialogue with key stakeholders - Please rate the statements from 1 (disagree) to 7 (agree)
Q8.2	... - Some key stakeholders are not pleased with our activities -
Q8.3	... - We have few conflicts with our key stakeholders -
Q8.4	... - A company should contribute to society beyond making profits -
Q8.5	... - I am not aware of who the specific stakeholders of my company are -
Q9.1	To what extent do you believe that the following influence long term performance of a company? - Caring about the environment - Please rate from 1 (little influence) to 7 (large influence)
Q9.2	To what extent... - Caring about shareholders -
Q9.3	To what extent... - Caring about employees -
Q9.4	To what extent... - Contributing to local community activities and society -
Q9.5	To what extent... - Caring about customers -
Q9.6	To what extent... - Caring about partners and suppliers -
Q10.1	In the company you work for, challenges regarding social responsibilities.. - Receive much attention - Please rate the statements from 1 (disagree) to 7 (agree)
Q10.2	In the company you work for... - Affect long term plans -
Q10.3	In the company you work for... - Have an impact on product design -
Q10.4	In the company you work for... - Impact everyday business decisions -
Q10.5	In the company you work for... - Affect R&D -
Q11.1	What would be the main reasons for your company NOT to take on any CSR activity or actions? - Lack of resources (money, people, time, etc) - Please rate the different reasons from 1 (not important) to 7 (very important)
Q11.2	... - Lack of awareness about this issue -
Q11.3	... - We don't believe it's worth doing -
Q11.4	... - We feel that laws and regulations are sufficient -
Q11.5	... - We do not understand how these actions will help our cause -

Q11.6	... - It is not an obligatory measure -
Q12.1	The UN Global Compact recognizes 4 areas of social responsibility; human rights, labor, environment and anti-corruption. How relevant to your company are challenges regarding.. - Human rights at home - Please rate the different challenges from 1 (not relevant) to 7 (very relevant)
Q12.2	The UN GC... - Human rights in countries of suppliers -
Q12.3	The UN GC... - Labor standards at home -
Q12.4	The UN GC... - Labor standards in other countries -
Q12.5	The UN GC... - Pollution -
Q12.6	The UN GC... - Effects of pollution -
Q12.7	The UN GC... - Resource depletion -
Q12.8	The UN GC... - Cultures of corruption -
Q12.9	The UN GC... - Missed opportunities due to adherence of anti-corruption -
Q13a	Which issues or challenges are most relevant for your company to address? (Please choose all that apply)
Q13b	Which issues or challenges are most relevant...(Other)
Q14a	Which issues or challenges are particularly important in your local community? (Please choose all that apply)
Q14b	Which issues or challenges are particularly important...(Other)
Q15a	How do CSR challenges gain the attention of your company? (Please choose all that apply)
Q15b	How do CSR challenges gain the attention of your company?...(Other)
Q16.1	To what extent do you agree with the following statements? - We are aware of environmental challenges that impact our company, or might do so in the future - Please rate the statements from 1 (disagree) to 7 (agree)
Q16.2	..- Our company's interest in CSR does not translate into action -
Q16.3	..- Our company have the appropriate procedures to explore CSR challenges-
Q16.4	.. - We invite representatives of NGOs (WWF, Bellona, etc.) to provide a more informed understanding of social responsibility -
Q16.5	.. - Challenges regarding sustainability and CSR are ethical issues -
Q16.6	.. - Our CSR initiatives can be documented -
Q17	Does your company have a code of conduct, ethical guidelines or something similar?
Q18a	How is this code enforced? (Please choose all that apply)
Q18b	How is this code enforced? (Other)
Q19	Are you aware of any industry norm or ethical codex in the industry your company operates in?
Q20	Does your company adhere to or participate in any international CSR initiative such as the United Nations Global Compact or the Global Reporting Initiative?
Q21	Has your company implemented any CSR activity or program?
Q22	For how long have your company been running a CSR activity or program?
Q23a	Who is in charge of the CSR activities or program? (Please choose all that apply)
Q23b	Who is in charge of the CSR activities or program? - Other (Please specify)
Q24a	What is the nature of the CSR activities or program followed by your company?(Please choose all that apply.)
Q24b	What is the nature of the CSR activities or program..- Other (Please specify)
Q25a	How is the CSR program evaluated? (Please choose all that apply)

Q25b	How is the CSR program evaluated? - Other (Please specify)
Q26	Are the CSR actions mentioned in the last question..(Please choose all that apply)
Q27	Why does your company implement CSR actions?(Please choose all that apply)
Q28a	Where did the initiative for these actions come from?(Please choose all that apply)
Q28b	Where did the initiative for these actions come from?– Other (Please specify)
Q29	What do you consider is the return that your company has had from the mentioned CSR activities or program, indicated by the metrics and indicators used by your company?
Q30a	In what manner is the public informed of your CSR program?(Please choose all that apply)
Q30b	In what manner is the public informed... - Other (Please specify)
Q31a	Why should a company take social responsibility seriously?(Please choose all that apply)
Q31b	Why should a company... - Other (Please specify)
Q32.1	To what extent do you agree that corporate social responsibility can strengthen the profitability of a company.. - By cost savings (less resources used)? - Please rate the different statements from 1 (disagree) to 7 (agree)
Q32.2	To... - By a better reputation? -
Q32.3	To... - By making products that better fit societal needs? -
Q32.4	To... - By allowing for co-creation of the regulatory environment? -
Q32.5	To... - By better employee satisfaction? -
Q32.6	To... - By anticipating change? -
Q32.7	To... - CSR cannot strengthen profitability of a company? -
Q33.1	In your opinion, when working on a CSR program, how important is it to.. - Cooperate with authorities? - Please rate the different aspects from 1 (not important) to 7 (very important)
Q33.2	In your opinion... - Communicate with stakeholders? -
Q33.3	In your opinion... - Involve employees? -
Q33.4	In your opinion... - Achieve fit between CSR activities and the company? -
Q33.5	In your opinion... - Have a continuous process? -
Q33.6	In your opinion... - Make partnership in the value chain to improve CSR? -
Q33.7	In your opinion... - Report on progress? -
Q34.1	Please assess to what extent the CSR initiatives your company take on.. - Are complementary with the daily business of your firm? - Please rate from 1 (not so much) to 7 (to a large extent)
Q34.2	Please assess...- Are related to each other or part of a system? -
Q34.3	Please assess...- Coincide with the interests of various stakeholders -
Q35a	One of the purposes of this project is to investigate how CSR can be used to benefit both the company and society.Which of the following would be most helpful to you and your company? (Please choose all that apply)
Q35b	One of the purposes of this project is to... - Other (please specify)
Q36a	What is your current position with the company?
Q36b	What is your current position with the company? - Other:



Respondent nr	Q1	Q2	Q3.1	Q3.2	Q3.3	Q3.4	Q3.5	Q3.6	Q3.7
1	6000	2000	7	6	4	1	2	1	1
2	2900	1600	5	4	7	6			3
3	600	550	2	5	7	5	5	1	4
4	16500000	6000	7	2	1	1	1	2	1
5	Approx. 2,8 billion USD	14 000	5	4	1	1	1	3	
6	2000	1600	7	7	7	2	1	2	1
7	3200	1100	6	5	5	5	7	1	
8	389	125	7	5	5	1	1	1	1
9	NOK 2985 million	970	7	7	1	1	1	1	
10	15000	1000	7	4	2	1	1	1	1
11	700	600	7	6	5	2	3	1	
12	140	30	5	5	7	1	1	1	1
13	1000	500	1	1	4	4	4	1	1
14	1	22	4	4	7	7	2	1	
15		14000	7	6	6	6	5	2	4
16	620	230	7	7	7	1	1	1	1
17	1,6 mrd. NOK in company result	2200	7	7					
18	9991	3500			1	2	4		3
19	600	11	4		5		6		7
20	12 000 000 000	10 000	7	7	3	2	1		
21	15 mrd	3900	1	1					
22	4300	1900	7	7	7	6	4	1	
23	152	14	7	2	4	2	3	4	6
24	3000	325	4	3	2	2	6		5
25	0	300	6	4	4	7	7	4	
26	8000	7500	6	7	7	5	5	4	
27	1.000	1050	7		5		6	4	5
28	430	370	7	7					
29	6000	10000	1	4	7	7	6	1	1
30	9000	2200	6	6	7	5	6	3	3
31	500	440	7	6	5	1	1	1	1
32	250	20		7	6				
33	600	250	2	2	5	3	2	1	1
34	1103	800	7	7	3	2	3	1	1
35	1300	400	7	6	5	1	1	1	1
36	1060	550	7	6	4	4	4	1	
37	1800	1050	1						
38	2431	430	7	3	7	3	4	3	7
39	4600 MNOK	3000	7	6	3	2	2	1	5
40	40730	2100			6	4	7	5	3
41	105	45	7	2	5	5	3	5	
42	1025	35	7						
43	650	250	6	6	6	3	4	3	
44	3894	400	7	1	4	1	6	5	1
45	2000	1600	7	6	2	2	3	3	3
46	1500	500	1	1	6		2	2	7
47									
48	2309400	15	1	2	3	7	3		4
49	46000	22000	1	4	5	1	2	2	2
50	6928	3796	1	1	7	7	7	5	7
51	18.900.000.000	4800	5	5	7	5	3	2	6
52	1000	530	6	3	3	3	4	2	
53	520	400	7	1	1	1	1	1	1
54	3500	500		3	2		3		
55	0	30	7	6	1	1	3	7	2
56	57	25	7						
57		80						7	
58	2084	4500	6	3	4	6	7	4	6

R. nr	Q4.1	Q4.2	Q4.3	Q4.4	Q4.5	Q4.6	Q4.7	Q4.8
1	6	5	4	3	7	1	8	2
2	8	4	1	2	5	3	6	7
3	6	8	3	7	7	5	8	8
4	3	4	2	6	7	1	8	5
5	5	4	2	3	6	1	7	8
6	3	7	2	4	5	1	8	6
7	8	6	2	5	4	1	3	7
8	7	3	2	4	6	1	8	5
9	8	7	7	7	7	7	7	7
10	8	2	7	5	6	3	1	4
11	3	5	1	6	7	2	8	4
12	6	6	6	6	8	6	8	8
13	7	6	7	6	7	7	7	1
14	7	4	1	5	6	2	8	3
15	8	4	1	3	5	2	7	6
16	8	8	8	7	5	5	8	7
17	8							
18	4	5	1	6	2	7	3	8
19	8	8	5	8	8	6	8	5
20	8	6	2	5	3	1	7	4
21	8	3	1	7	6	2	5	4
22	8	8	8	8	8	8	8	8
23	6	7	3	4	1	2	5	8
24	5	7	2	4	6	1	3	8
25	8	7	7	6	6	7	7	7
26	8	7	6	6	6	7	8	8
27	2	6	3	4	8	7	1	5
28	8	8	5	7	8	5	8	8
29	5	3	2	6	4	1	7	8
30	8	8	7	7	8	8	8	8
31								8
32	8	7	3	2	4	1	5	6
33	8	6	4	5	5	2	8	7
34	7	4	6	8	2	1	3	5
35	8	6	1	7	5	2	4	3
36	5	3	2	7	4	1	8	6
37	7	7	6	7	7	6	8	7
38	6	4	2	3	7	1	8	5
39	7	3	2	4	5	1	8	6
40	7	5			8			6
41	4	6	5	8	1	3	7	2
42	7	8	4	6	2	3	1	5
43	6	7	6	6	6	5	6	6
44	8	6	2	5	3	1	4	7
45	1	3	6	7	5	8	2	4
46	7	8	8	8	8	7	8	8
47								
48	1	2	7	5	3	8	4	6
49	8	5	4	6	6	4	7	6
50	8	8	8	8	8	8	8	8
51	8	6	7	5	6	5	7	8
52	6	8	4	7	7	6	7	8
53	7	7	6	8	7	3	7	6
54	7	6	7	6	8	6	8	7
55	7	6	2	7	7	3	7	6
56	6	8	2	8	8	6	8	6
57	8	4	8	5	7	7	7	7
58	7	7	6	6	8	7	8	7

<b>R. nr</b>	<b>Q5.1</b>	<b>Q5.2</b>
1	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
2	Economic / Legal	Legal / Ethical / Philanthropic
3		
4	Economic	Economic
5	Economic / Legal / Ethical	Economic / Legal / Ethical
6	Economic / Legal / Ethical / Philanthropic	Legal / Ethical
7	Economic / Legal / Ethical	Economic / Legal / Ethical
8	Economic / Ethical	
9	Economic	Economic / Legal / Ethical
10	Economic / Legal / Ethical	Economic / Legal / Ethical
11	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
12	Economic	Legal / Ethical
13	Economic / Legal / Ethical	Legal / Ethical
14	Economic / Legal	Economic / Ethical
15	Economic	Economic / Legal / Ethical
16		
17	Economic / Legal / Ethical	Economic / Legal / Ethical
18	Economic / Legal / Ethical	Economic / Legal / Ethical
19	Economic	Economic / Legal / Ethical
20	Economic / Legal / Ethical	Economic / Legal
21	Economic / Legal / Ethical	Economic / Ethical
22	Economic / Legal	Legal / Ethical / Philanthropic
23	Economic / Ethical	Economic / Legal / Ethical
24	Economic	Ethical
25	Economic	Philanthropic
26		
27	Economic / Legal / Ethical	Economic / Legal / Ethical
28		
29	Economic / Legal / Ethical	Economic / Legal / Ethical
30	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
31		
32	Economic / Legal / Ethical	Economic / Legal / Ethical
33	Economic / Legal / Ethical	Economic / Legal / Ethical
34		
35	Legal	Ethical
36	Economic / Legal / Ethical	Economic / Legal / Ethical
37		
38	Economic / Legal / Ethical	Legal / Ethical
39	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
40		
41	Economic / Legal / Ethical	Economic / Ethical
42	Economic / Legal / Ethical	Economic / Legal / Ethical
43	Economic	Economic / Legal
44	Economic / Ethical	Economic / Legal / Ethical
45	Economic	Economic
46	Economic	Economic
47		
48	Economic	Legal
49	Economic / Legal / Ethical	Economic / Legal / Ethical
50	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
51	Economic / Legal	Economic / Legal / Ethical
52		
53		
54	Economic / Legal	Legal / Ethical
55	Economic / Legal	Economic / Ethical
56	Economic	Economic / Ethical
57	Legal	Economic
58	Economic / Legal / Ethical	Economic / Legal / Ethical / Philanthropic

<b>R. nr</b>	<b>Q5.3</b>	<b>Q5.4</b>
1	Economic / Legal / Ethical / Philanthropic	Legal
2	Economic / Ethical / Philanthropic	Legal / Ethical
3		
4	Economic	Philanthropic
5	Economic / Legal / Ethical	Legal / Ethical
6	Economic / Legal / Ethical / Philanthropic	Legal / Ethical
7	Economic / Legal / Ethical	Ethical
8		Ethical
9	Economic / Ethical	Ethical
10	Economic / Legal / Ethical	Economic / Legal / Ethical / Philanthropic
11	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
12	Economic / Ethical	Legal
13	Economic / Legal / Ethical	Legal / Ethical
14	Economic / Legal / Ethical / Philanthropic	Ethical
15	Economic / Legal / Ethical	Economic / Philanthropic
16		
17	Economic / Ethical	Ethical
18	Economic / Legal / Ethical	Legal / Ethical / Philanthropic
19	Economic / Legal / Ethical	Ethical
20	Economic / Ethical / Philanthropic	Philanthropic
21	Legal / Ethical	Legal / Ethical
22	Economic / Legal / Ethical	Legal / Ethical / Philanthropic
23	Economic / Legal / Ethical	Economic / Legal / Ethical
24	Ethical	Ethical
25	Economic / Ethical	Legal / Ethical
26		
27	Economic / Legal / Ethical	Economic / Legal / Ethical
28		
29	Economic / Legal / Ethical	Ethical
30	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
31		
32	Economic / Legal / Ethical	Legal / Ethical / Philanthropic
33	Economic / Legal / Ethical / Philanthropic	Ethical / Philanthropic
34		
35	Ethical	Ethical
36	Economic / Legal / Ethical	Legal / Ethical
37		
38	Economic / Legal / Ethical	Legal / Ethical / Philanthropic
39	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
40	Economic / Legal / Ethical / Philanthropic	
41	Economic / Ethical	Ethical
42	Economic / Legal / Ethical / Philanthropic	Ethical / Philanthropic
43	Ethical	Economic / Ethical
44	Economic / Legal / Ethical / Philanthropic	Legal / Ethical
45	Ethical	Ethical
46	Legal / Ethical	Ethical
47		
48	Ethical	Ethical
49	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
50	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
51	Economic / Legal / Ethical	Legal / Ethical / Philanthropic
52		
53		
54	Legal / Ethical	Legal / Ethical / Philanthropic
55	Economic / Ethical	Economic / Philanthropic
56	Economic / Ethical	Economic / Ethical
57	Economic	Philanthropic
58	Economic / Legal / Ethical / Philanthropic	Ethical / Philanthropic

<b>R. nr</b>	<b>Q5.5</b>	<b>Q5.6</b>
1	Ethical	Economic / Legal / Ethical / Philanthropic
2	Ethical / Philanthropic	Economic / Legal
3	Economic	
4	Ethical	Economic
5	Legal / Ethical	Economic / Legal / Ethical
6	Legal / Ethical	Legal / Ethical
7	Ethical	Ethical
8		Economic / Legal / Ethical
9	Economic	Economic / Legal
10	Legal / Ethical	Economic / Legal / Ethical
11	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
12	Economic / Legal	Economic / Legal
13	Economic / Legal	Economic / Legal / Ethical
14	Economic / Legal / Ethical	Economic / Legal
15	Legal / Ethical	Economic / Legal / Ethical
16		
17	Ethical	Economic / Legal / Ethical
18	Economic / Legal / Ethical	Economic / Legal
19	Economic / Legal	Economic / Legal / Ethical
20	Economic / Legal	Economic
21	Economic / Ethical	Economic / Legal / Ethical
22	Economic / Legal	Legal / Ethical
23	Economic	Economic
24	Economic	Ethical
25	Economic / Legal / Ethical	Economic
26		
27	Legal / Philanthropic	Economic / Legal / Ethical
28		
29	Ethical	Economic / Legal / Ethical
30	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
31		
32	Economic / Legal / Ethical	Economic / Legal / Ethical
33	Economic / Legal / Ethical	Economic / Legal / Ethical
34		
35	Ethical	Legal
36	Legal / Ethical	Economic / Legal / Ethical
37		
38		Economic / Legal / Ethical
39	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
40		
41	Economic / Legal / Ethical	Economic / Legal / Ethical
42	Economic / Legal / Ethical	Economic / Legal / Ethical
43	Economic / Legal / Ethical	Economic / Ethical
44	Economic / Legal / Ethical	Economic / Legal / Ethical
45	Legal	Economic
46	Economic	Economic
47		
48	Legal	Legal
49	Economic / Legal / Ethical	Economic / Legal / Ethical
50	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
51	Legal / Ethical	Legal
52		
53		
54	Ethical	Legal / Ethical
55	Economic / Legal	Economic / Legal
56	Ethical	Economic
57	Economic	Ethical
58	Economic / Legal	Economic

<b>R. nr</b>	<b>Q5.7</b>	<b>Q5.8</b>
1	Philanthropic	
2	Ethical / Philanthropic	Economic / Legal / Ethical
3		
4	Philanthropic	Ethical
5	Ethical	Legal / Ethical
6	Ethical / Philanthropic	Legal / Ethical
7		Ethical
8	Ethical / Philanthropic	Ethical
9	Ethical	Economic / Ethical
10	Legal / Ethical / Philanthropic	Legal / Ethical
11	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
12	Ethical	Economic / Legal / Ethical
13	Legal / Ethical	Economic / Legal / Ethical
14	Philanthropic	Economic / Ethical / Philanthropic
15	Ethical	Legal / Ethical
16		
17		Economic / Ethical
18	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
19	Ethical	Legal / Ethical
20	Ethical	Economic / Legal / Ethical / Philanthropic
21	Ethical	Economic / Ethical
22	Ethical	Economic / Legal
23	Ethical	Economic / Ethical
24	Ethical	Ethical
25	Philanthropic	Ethical
26		
27	Legal / Ethical / Philanthropic	Ethical / Philanthropic
28		
29	Philanthropic	Ethical
30	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
31		
32	Legal / Ethical / Philanthropic	Legal / Ethical
33	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Philanthropic
34		
35	Legal	Ethical
36		Ethical
37		
38	Legal	Ethical
39	Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
40		
41	Ethical	Ethical
42	Ethical / Philanthropic	Legal / Ethical / Philanthropic
43	Ethical	Ethical
44	Ethical	Ethical
45	Ethical	Ethical
46	Ethical	Ethical
47		
48	Legal	Legal
49	Legal / Ethical	Economic / Legal
50	Legal / Ethical / Philanthropic	Legal / Ethical / Philanthropic
51	Legal / Ethical	Economic / Legal / Ethical
52		
53		
54	Ethical / Philanthropic	Economic
55	Legal / Ethical / Philanthropic	Ethical
56	Ethical	Ethical
57	Ethical	Ethical
58		Ethical / Philanthropic

<b>R.nr</b>	<b>Q5.9</b>	<b>Q5.10</b>
1	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
2	Economic / Legal / Ethical	Legal / Ethical
3		Economic
4	Legal	Ethical
5	Economic / Legal / Ethical	Ethical
6	Legal / Ethical	Ethical
7	Economic / Legal / Ethical	Ethical
8		Legal / Ethical
9	Legal	Economic
10	Economic / Legal	Economic / Legal / Ethical
11	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
12	Legal	Legal / Ethical
13	Legal / Ethical	Legal / Ethical
14	Legal	Ethical
15	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
16		
17	Legal	Legal / Ethical
18	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
19	Legal / Ethical	Ethical
20	Legal / Ethical / Philanthropic	Legal / Ethical / Philanthropic
21	Legal / Ethical	Economic / Legal / Ethical
22	Economic / Legal / Ethical	Economic / Legal / Ethical / Philanthropic
23	Economic / Legal / Ethical	Ethical
24	Legal	Ethical
25	Ethical	Legal / Ethical
26		
27	Legal / Ethical	Ethical / Philanthropic
28		
29	Legal / Ethical	Ethical
30	Economic / Legal / Ethical / Philanthropic	Economic / Legal / Ethical / Philanthropic
31		
32	Legal / Ethical	Legal / Ethical / Philanthropic
33	Legal	Economic / Ethical / Philanthropic
34		
35	Legal	Legal
36	Economic / Legal / Ethical	Ethical
37		
38	Legal / Ethical	Legal
39	Legal / Ethical	Economic / Legal / Ethical / Philanthropic
40		
41	Legal / Ethical	Ethical
42	Economic / Legal / Ethical	Economic / Legal / Ethical
43	Economic / Ethical	Ethical
44	Legal / Ethical	Legal / Ethical
45	Legal	Ethical
46	Legal	Ethical
47		
48	Legal	Economic
49	Economic / Legal / Ethical	Economic / Legal / Ethical / Philanthropic
50	Legal / Ethical / Philanthropic	Legal / Ethical / Philanthropic
51	Legal	Legal / Ethical
52		
53		
54	Legal / Ethical	Legal / Ethical
55	Economic / Legal / Ethical	Economic / Ethical / Philanthropic
56	Legal	Ethical
57	Legal	Philanthropic
58	Economic / Legal / Ethical / Philanthropic	Ethical

R. nr	Q5.11	Q6.1	Q6.2	Q6.3	Q6.4	Q6.5	Q6.6
1	Economic / Legal	6	10	1	9	2	2
2	Economic / Legal / Ethical	6	8	1	1	7	2
3		9	2	1	1	10	11
4	Legal	5	9	1	2	3	1
5	Economic / Legal / Ethical						
6	Economic / Legal / Ethical	5		1		6	
7	Economic / Ethical	7		10		8	
8							
9	Economic / Legal	10	10	2	1	9	7
10	Economic / Legal / Ethical	1	5	2	1	4	2
11	Economic / Legal / Ethical	8	8	2	2	3	6
12	Economic	3	3	5	1	2	8
13	Economic / Legal / Ethical	9	8	6	6	8	8
14	Economic / Legal						
15	Economic						
16							
17	Legal / Ethical						
18	Economic / Legal / Ethical	7	2	8	9	4	8
19	Economic / Legal / Ethical						
20	Economic / Legal	5	5	2	1	8	4
21	Legal / Ethical					7	
22	Economic	1	2	2	3	3	6
23	Economic / Legal / Ethical	7	6	1	1	3	2
24	Economic	3	5	2	2	5	3
25	Economic						
26							
27	Economic / Legal / Ethical	8	8	11	11	9	7
28							
29	Legal	9	11	1	3	4	2
30	Economic / Legal / Ethical / Philanthropic	8	7	6	5	5	4
31							
32	Economic / Legal / Ethical						
33	Economic / Legal / Ethical						
34							
35	Legal	7	8	1	1	6	7
36	Economic / Ethical	7	9	1	1	4	3
37							
38	Legal / Ethical	6	6	1	1	2	2
39	Economic / Legal / Ethical	8	9	1	1	3	2
40							
41	Economic / Legal / Ethical	5	10	1	3	4	4
42	Economic / Legal / Ethical	7	7	1	1	5	5
43	Economic	7	8	1	1	5	3
44	Economic / Legal / Ethical						
45	Economic	8	5	11	9	7	10
46	Economic						
47							
48	Economic	6	6	11	11	7	10
49	Economic / Legal / Ethical	7	9	1	2	3	1
50	Economic / Legal / Ethical / Philanthropic	5	5	3	3	10	10
51	Economic	6	6	6	6	6	1
52							
53		9	9	3	4	4	5
54	Economic / Legal						
55	Economic / Legal / Ethical	10	2	2	1	5	2
56	Economic / Ethical	8	5	1	1	5	5
57	Ethical	6	10	1	1	9	10
58	Economic / Ethical	7	9	2	2	4	4



R. nr	Q6.7	Q6.8	Q6.9	Q6.10	Q6.11	Q6.12	Q6.13	Q6.14	Q6.15	Q6.16
1	9	5	11	1	4	4	8	11	7	6
2	8	3	5	4	9	5	4	11	10	6
3	8	1	2	11	5	5	5	8	9	8
4	10	5	4	8	6	6	9	10	8	7
5										
6	10		3		8		7		9	
7	6		8		5		3		1	
8										
9	10	7	9	4	10	7	10	10	10	11
10	5	3	3	4	6	7	10	8	11	10
11	4	3	5	4	1	1	11	11	7	7
12	9	9	2	9	9	9	11	11	7	11
13	7	8	6	7	8	8	8	10	9	9
14										
15			8	8			9	9	10	10
16										
17				9			11	8		
18	1	7	9	10	6	11	2	1	5	4
19										
20	9	7	5	8	7	2	9	10	11	11
21	9						8	11	11	10
22	6	5	7	4	8	10	5	9	11	8
23	4	4	2	3	8	7	10	10	11	11
24	5	4	4	6	7	5	11	9	9	9
25										
26										
27	4	10	10	6	5	5	3	1	1	4
28										
29	6	4	3	1	8	5	10	10	5	9
30	7	2	2	3	3	1	9	9	10	11
31										
32										
33										
34										
35	5	4	2	2	8	5	10	10	9	9
36	6	5	3	2	8	6	9	10	11	11
37										
38	9	9	3	3	8	8	7	7	10	10
39	6	3	5	6	4	4	10	11	11	10
40	11				6		7		9	
41	10	9	3	1	8	5	11	11	9	8
42	2	2	3	3	8	6	9	10	11	11
43	8	3	3	9	6	3	9	9	8	7
44										
45	5	8	10	7	4	2	6	4	3	1
46										
47										
48	8	7	9	8	3	3	5	5	1	1
49	5	5	2	4	8	3	9	11	11	8
50	11	11	6	8	11	11	10	11	11	11
51	9	3	8	8	11	9	8	10	9	9
52										
53	8	1	1	2	6	7	7	8	11	10
54										
55	6	4	4	1	6	4	11	11	9	9
56	11	11	8	5	8	1	10	10	5	10
57	11	9	10	9	11	11	10	11	11	11
58	10	6	4	4	9	9	7	9	11	11

R. nr	Q6.17	Q6.18	Q6.19	Q6.20	Q6.21	Q6.22	Q7.1	Q7.2	Q7.3	Q7.4
1	3	3	5	8	10	7	4	6	5	5
2	3	10	2	9	11	7	6	6	4	6
3	2	2	7	10	11	11	3	3	3	3
4	2	4	7	3	11	11	6	6	5	7
5										
6	2		4		11		4	6	2	5
7	4		9		2					
8										
9	9	7	7	7	11	10	6	6	2	6
10	9	9	7	6	8	11	1	7	6	5
11	6	5	9	9	10	10	7	7	5	7
12	3	3	3	7	8	8	6	6	2	5
13	8	8	7	5	6	4	5	5	5	6
14										
15					11	11	5	6	6	6
16										
17		10			10	11	4	4	2	5
18	10	5	11	6	3	3	5	5	1	5
19										
20	1	3	3	6	10	9	6	6	4	6
21		9		7	10	8	6	6	6	7
22	9	7	4	1	10	11	4	5	2	6
23	5	5	6	9	9	8	7	7	2	4
24	4	7	8	9	11	10	6	5	3	7
25										
26										
27	6	2	7	9	2	3	7	7	1	6
28										
29	2	7	7	6	11	8	7	6	5	7
30	4	5	1	8	11	10	4	5	3	4
31										
32										
33										
34										
35	3	3	4	6	11	11	3	3	3	5
36	5	7	2	4	10	8	5	6	4	4
37										
38	4	4	5	5	11	11	7	7	6	7
39	2	5	7	7	9	8	7	5	5	7
40	8		5		10		5	7	4	6
41	2	2	7	6	6	7	6	6	3	7
42	4	8	6	4	10	9	7	7	3	7
43	3	9	8	7	11	8	2	7	2	6
44										
45	9	7	2	6	1	3	2	2	6	2
46										
47										
48	10	9	4	4	2	2	5	5	2	5
49	4	7	6	6	10	10	6	6	2	7
50	10	10	11	11	11	11	7	7	5	6
51	9	8	11	8	11	11	5	7	2	5
52										
53	2	3	5	6	10	11	6	5	2	5
54										
55	2	2	6	2	6	7	2	2	1	4
56	5	2	5	1	10	10	1	1	3	5
57	10	10	3	3	6	10	6	6	6	7
58	5	6	9	8	8	7	4	5	6	6

R. nr	Q7.5	Q8.1	Q8.2	Q8.3	Q8.4	Q8.5	Q9.1	Q9.2	Q9.3	Q9.4
1	7	6	6	6	3	4	6	3	7	6
2	6	2	4	4	7	4	7	7	7	5
3	3	5	4	7	4	3	2	5	7	4
4	4	6	3	6	6	1	6	6	7	5
5										
6	2	7	1	6	5	1	4	6	6	2
7										
8										
9	6	6	3	6	6	3	6	7	7	6
10	6	6	6	5	7	2	7	7	7	5
11	5	7	1	7	5	1	2	7	7	5
12	5	6	2	1	5	1	6	6	6	5
13	6	6	6	6	6	2	6	7	7	6
14										
15	6	6	2	7	4	1	5	7	7	7
16										
17	3	6	3	6	6	1	6	7	7	3
18	5	6	6	3	6	1	6	6	6	5
19										
20	2	7	4	5	5	1	6	6	6	4
21	7	7	1	7	7	1	5	7	7	6
22	5	6	5	6	6	6	5	6	6	4
23	6	7	1	7	6	1	7	7	7	5
24	5	6	4	6	7	2	5	6	7	4
25										
26										
27	3	5	4	6	6	1	6	5	7	3
28										
29	4	5	2	5	5	2	5	6	6	3
30	6	7	1	7	7	1	7	5	6	6
31										
32										
33										
34										
35	1	7	2	7	4	2	5	5	6	5
36	4	6	2	6	4	1	5	7	7	4
37										
38	3	6	1	7	4	1	6	7	7	5
39	4	6	2	6	6	1	5	6	7	5
40	3	7	3	7	7	1	5	6	7	6
41	3	7	4	2	5	2	6	5	7	4
42	7	5	5	6	6	1	6	7	6	6
43	2	5	2	6	5	2	6	6	6	2
44										
45	5	6	4	4	5	2	5	7	6	2
46										
47										
48	2	5	2	5	5	2		6	5	2
49	4	3	4	6	7	1	7	7	7	5
50	5	7	6	7	7	1	7	7	7	5
51	4	5	5	5	4	2	7	7	7	4
52										
53	1	7	3	6	2	2	5	6	6	1
54										
55	2	5	2	6	7	1	2	7	7	3
56	6	4	2	6	2	4	1	4	7	2
57	7	2	2	7	7	1	6	7	6	6
58	6	5	4	5	5	2	3	6	6	6

R. nr	Q9.5	Q9.6	Q10.1	Q10.2	Q10.3	Q10.4	Q10.5	Q11.1	Q11.2	Q11.3
1	7	6	4	5	4	3	5	6	5	6
2	7	7	1	5	3	1	3	6	4	6
3	7	6	2	2	3	2	2	6	2	2
4	7	7	5		6	5	5	5	5	5
5										
6	6	2	3	3	3	3	3	5	4	3
7										
8										
9	7	6	5	6	6	5	6	6	3	2
10	7	7	6	7	7	6	6	4	7	2
11	7	6	4	2	4	2	2	5	5	2
12	7	6	2	2	2	2	2	4	4	4
13	5	4	4	6	1	6	5	4	2	2
14										
15	7	5	5	7	6	7	6	5	5	5
16										
17	7	5	6	7	5	6	5		1	
18	6	6	6	6	2	5	7	6	4	1
19										
20	7	5	4	4	5	4	5	5	6	2
21	7	6	6	6	5	6	6	6	5	6
22	7	5	5	5	5	6	5	6	2	2
23	7	7	3	3	1	2	2	6	4	5
24	7	5	3	5	6	4	6	3	4	4
25										
26										
27	6	3	4	6	5	6		5	5	1
28										
29	6	6	2	3	6	3	6	5	5	2
30	6	6	6	6	4	5	5	1	1	1
31										
32										
33										
34										
35	7	6	2	2	2	2	2	1	2	1
36	6	5	4	3	2	4	2	5	4	4
37										
38	7	7	5	5	5	4	1	5	1	1
39	6	6	3	3	2	2	4	5	4	3
40	5	5	5	5	5	4	5			
41	4	4	3	3	3	3	3	7	2	4
42	7	5	4	5	7	6	5	1	1	1
43	7	4	3	3	4	4	4	5	2	4
44										
45	7	6	3	4	4	3	3	6	4	2
46										
47										
48	5	4	2	2	1	2	1	6	3	5
49	7	7	6	5	6	7	4	5	5	1
50	7	5	6	6	1	4	2	6	4	4
51	6	6	5	5	4	5	3	6	3	5
52										
53	6	5	4	3	3	3	4	6	3	4
54										
55	7	5	2	2	4	3	2	7	1	1
56	7	3	2	2	2	1	1	1	1	2
57	6	6	6	4	6	5	5		2	
58	7	5	4	2	1	1	1			

R. nr	Q11.4	Q11.5	Q11.6	Q12.1	Q12.2	Q12.3	Q12.4	Q12.5	Q12.6	Q12.7
1	7	6	5	2	2	5	3			2
2	7	6	4	3	6	3	5	4	3	6
3	4	3	5	2	2	3	3	2	2	2
4	6	5	5	3	3	5	3	6	6	5
5										
6	5	3	3	2	2	2	2	5	5	2
7										
8										
9	5	4	4	3	1	4	1	3	3	4
10	4	5	6	1	6	7	5	7	7	4
11	3	5	6	1	1	7	6	2	2	
12	1	4	1	1	1	2	1	7	7	7
13	4	2	3	4	4	4	6	5	5	5
14										
15	5	5	5	7	7	7	7	7	7	6
16										
17			1	5	5	6	5	6	5	4
18	5	6	1	3	4	5	4	6	6	5
19										
20	2	2	4	4	5	6	7	2	5	4
21	7	5	6	7	6	7			5	6
22	4	2	3	2	2	5	2	4	4	
23	5	2	5	2	4	3	5	5	5	4
24	2	4	4	1	2	1	5	6	6	4
25										
26										
27	4	5	1	4	5	4	5	3	3	6
28										
29	5	2	5	4	6	3	6	4	5	3
30	1	1	1	6	6	6	5	5	6	6
31										
32										
33										
34										
35	7	1	1	1	1	1	1	1	1	1
36	4	4	4	4	5	6	6	4	4	4
37										
38	6	2	6	2	4	1	2	6	7	4
39	2	2	5	1	3	1	2	4	4	4
40				6			6	6	6	6
41	3	5	2	2	2	3	2	6	5	3
42	1	1	1	5	4	6	3	7	7	3
43	4	2	2	2	3	2	3	7	7	4
44										
45	5	2	4	3	5	3	5	6	6	
46										
47										
48	6	5	5	1	2	2	5	6	6	4
49	3	4	3	2	6	5	7	5	5	5
50	5	5	4	3	7	3	6	7	7	7
51	5	5	3	6	3	6	5	7	7	5
52										
53	6	4	6	3	1	5	1	2	2	2
54										
55	2	2	1	1	4	1	4	2	2	2
56	4	2	1	7	1	2	1	1	1	1
57	2	2		3	3	7	1	7	7	1
58										

<b>R. nr</b>	<b>Q12.8</b>	<b>Q12.9</b>	<b>Q13a</b>	<b>Q13b</b>
1	3	3	Laborpractices / Environment	
2	2	2	Human rights / Laborpractices / Environment / Corruption	
3	2	6	Environment	
4	6	6	Laborpractices / Environment / Corruption	
5				
6	2	2	Environment	
7				
8				
9	1	1	Environment	
10	6	4	Human rights / Laborpractices / Environment	
11	5	2	Laborpractices / Environment	
12	1	1	Environment	
13	6	5	Human rights / Corruption	
14				
15	7		Human rights / Laborpractices / Environment / Corruption	
16				
17	5	6	Human rights / Environment / Corruption	
18	4	4	Laborpractices / Environment	
19				
20	6	2	Laborpractices / Corruption / Other (Please specify)	Green IT
21	6	5		
22	2	2	Environment	
23	5	4	Environment	
24	5	4	Laborpractices / Environment / Corruption	
25				
26				
27	5	1	Laborpractices / Environment / Corruption	
28				
29	6	5	Laborpractices / Environment / Corruption	
30	3	3	Environment	
31				
32				
33				
34				
35	1	1		
36	5	3	Laborpractices / Environment	
37				
38	6	3	Human rights / Laborpractices / Environment / Corruption	
39	2	2	Environment	
40	6		Human rights / Laborpractices / Environment	
41	6	2	Other (Please specify)	technology development
42	7	7	Environment / Corruption / Other (Please specify)	Community
43	6	3	Environment	
44				
45	4	3	Environment	
46				
47				
48	2	3	Laborpractices / Environment / Corruption	
49	6	6	Human rights / Laborpractices / Environment / Corruption	
50	7	7	Human rights / Laborpractices / Environment / Corruption	
51	6	6	Environment / Corruption	Health and safety
52				
53	2	2	Laborpractices / Environment	
54				
55	5	5	Laborpractices / Corruption	
56	7	1	Corruption	
57	7	7	Environment / Corruption	
58				

R.nr	Q14a	Q14b
1	Laborpractices / Environment	
2	Laborpractices / Environment	
3	Laborpractices	
4	Laborpractices / Environment / Corruption	
5		
6	Environment	
7		
8		
9	Environment	
10	Environment	
11	Laborpractices / Environment	
12	Environment	
13	Human rights / Laborpractices / Corruption	
14		
15	Human rights / Laborpractices / Environment / Corruption	
16		
17	Laborpractices / Environment	
18	Laborpractices / Environment	
19		
20		
21		
22	Environment	
23	Laborpractices	
24	Environment	
25		
26		
27	Laborpractices / Environment	
28		
29	Laborpractices / Corruption	
30	Environment	
31		
32		
33		
34		
35		
36	Environment	
37		
38	Human rights / Laborpractices / Environment / Corruption	
39	Environment	
40	Human rights / Laborpractices / Environment	
41	Environment	
42	Environment / Other (Please specify)	Quality of urbn space / "placemaking"
43	Environment	
44		
45	Environment	
46		
47		
48	Environment	
49	Other (Please specify)	HSE
50	Environment	
51	Environment	
52		
53	Laborpractices / Environment	
54		
55	Environment	
56	Corruption	
57	Environment / Corruption	
58		

<b>R. nr</b>	<b>Q15a</b>
1	External pressure from interest groups
2	Through governmental agencies
3	External pressure from interest groups
4	Through governmental agencies / Internal analysis by the company / External analyses ordered by the company / External pressure from interest groups / Intuitively
5	
6	Through governmental agencies / Internal analysis by the company / Other (Please specify)
7	
8	
9	Through governmental agencies / Internal analysis by the company
10	Internal analysis by the company / External pressure from interest groups / Intuitively
11	Other (Please specify)
12	Intuitively
13	External pressure from interest groups
14	
15	Through governmental agencies / Internal analysis by the company / External analyses ordered by the company / External pressure from interest groups / Intuitively
16	
17	Intuitively
18	Through governmental agencies / Internal analysis by the company / External pressure from interest groups
19	
20	Internal analysis by the company / Intuitively
21	
22	Internal analysis by the company / External pressure from interest groups / Intuitively
23	Internal analysis by the company
24	Internal analysis by the company
25	
26	
27	Internal analysis by the company / External pressure from interest groups / Intuitively
28	
29	External pressure from interest groups / Intuitively
30	Internal analysis by the company / External pressure from interest groups
31	
32	
33	
34	
35	
36	Intuitively
37	
38	External pressure from interest groups
39	External analyses ordered by the company
40	Internal analysis by the company / External pressure from interest groups / Intuitively
41	Internal analysis by the company
42	Internal analysis by the company / External analyses ordered by the company
43	External pressure from interest groups
44	
45	Other (Please specify)
46	
47	
48	Through governmental agencies
49	Internal analysis by the company / Other (Please specify)
50	Through governmental agencies / External pressure from interest groups / Intuitively
51	Internal analysis by the company / External pressure from interest groups
52	
53	Internal analysis by the company
54	
55	External pressure from interest groups / Intuitively
56	Through governmental agencies
57	Internal analysis / External analyses ordered by the company / External pressure from interest groups
58	



R.nr	Q15.b	Q16.1	Q16.2	Q16.3	Q16.4	Q16.5	Q16.6	Q17
1		6	4	4	4	6	5	Yes
2		4	6	3	2	6	4	Yes
3		6	6	4	1	2	2	Yes
4		6	3	5	6	6	6	Yes
5								
6		7	4	4	2	4	6	Yes
7								
8								
9		6	3	4	5	5	4	Yes
10		7	1	7	7	6	7	Yes
11	Pressure from employees	5	5	6	6	5	2	Yes
12		6	3	6	6	6	6	Yes
13		4	3	5	4	5	6	Yes
14								
15		6	1	5	6	5	7	Yes
16								
17		6	1	6	4	4	7	Yes
18		7	2	6	6	4	6	Yes
19								
20		7	3	5	3	7	5	Yes
21								
22		7	4	5	4	5	6	Yes
23		6	3	3	1	4	2	Yes
24		6	4	2	1	7	3	Yes
25								
26								
27		4	2	3	3	5	5	Yes
28								
29		6	4	4	2	6	4	Yes
30		7	2	1	1	4	7	Yes
31								
32								
33								
34								
35								
36		2	3	3	1	4	3	Yes
37								
38		7	3	4	1	2	4	Yes
39		4	2	5	3	4	5	Yes
40		7	1	6	6	6	6	Yes
41		7	6	2	1	6	2	Yes
42		7	1	6	2	4	6	Yes
43		6	3	3	2	6	4	Yes
44								
45	Clients	6	4	2	2	5	3	Yes
46								
47								
48		6	2	2	2	2	2	Yes
49	Investors and other stakeholders	5	2	5	4		7	Yes
50		7	1	5	1	7	7	Yes
51	Stakeholder dialogue	6	3	4	2	7	6	Yes
52								
53		6	4	3	4	5	5	Yes
54								
55		3	3	3	2	4	4	Yes
56		6	2	6	1	6	2	Yes
57		7	1	7	1	7	7	
58								Yes

<b>R.nr</b>	<b>Q18a</b>	<b>Q18b</b>
1	By superiors	
2	It relies on the individual employee	
3	By superiors / It relies on the individual employee	
4	By superiors / Through a reporting system / It relies on the individual employee	
5		
6	Through a reporting system / By external auditors / Other (Please specify)	
7		
8		
9	By superiors / Through a reporting system	
10	By superiors	
11	By superiors	
12	Through a reporting system	
13	By superiors / Through a reporting system / By external auditors	
14		
15	By superiors / Through a reporting system / By external auditors / It relies on the individual employee	
16		
17	By external auditors	
18	Through a reporting system / By external auditors / It relies on the individual employee	
19		
20	By superiors / Through a reporting system	
21		
22	By superiors / It relies on the individual employee	
23	It relies on the individual employee	
24	By superiors / Through a reporting system / Other (Please specify)	by LOR's
25		
26		
27	Through a reporting system / It relies on the individual employee	
28		
29	By superiors / Through a reporting system	
30	By superiors / By external auditors / It relies on the individual employee	
31		
32		
33		
34		
35		
36	By superiors / It relies on the individual employee	
37		
38	By superiors / It relies on the individual employee	
39	By superiors	
40	By superiors / Through a reporting system / By external auditors	
41	By superiors / It relies on the individual employee	
42	By superiors / Through a reporting system / It relies on the individual employee	
43	It relies on the individual employee	
44		
45	By superiors / Through a reporting system / It relies on the individual employee	
46		
47		
48	By superiors	
49	By superiors / Through a reporting system / By external auditors	
50	By superiors / Through a reporting system / It relies on the individual employee	
51	By superiors / Through a reporting system / It relies on the individual employee / Other (Please specify)	Compliance Officer
52		
53	By superiors	
54		
55	It relies on the individual employee	
56	Through a reporting system / It relies on the individual employee	
57		
58		

R.nr	Q19	Q20	Q21	Q22
1	Yes	Yes	No	
2	Yes	Yes	No	
3	No	No	No	
4	Yes	Yes	Yes	More than 3 years
5				
6	No	No	Yes	More than 3 years
7				
8				
9	Yes	No	Yes	1 year
10	Yes	Yes	Yes	2-3 years
11	No	No	No	
12	No	No	Yes	2-3 years
13	Yes	Yes	Yes	More than 3 years
14				
15	Yes	Yes	Yes	More than 3 years
16				
17	Yes	Yes	Yes	More than 3 years
18	Yes	Yes	Yes	2-3 years
19				
20	Yes	No	Yes	More than 3 years
21				
22	No	No	No	
23	No	No	No	
24	No	No	No	
25				
26				
27	Yes	No	No	
28				
29	Yes	No	I don't know	
30	No	Yes	Yes	1 year
31				
32				
33				
34				
35				
36	No	Yes	Yes	2-3 years
37				
38	Yes	Yes	Yes	2-3 years
39	Yes	No	No	
40	Yes	Yes	Yes	More than 3 years
41	Yes	No	No	
42	Yes	Yes	Yes	1 year
43	No	No	No	
44				
45	No	No	No	
46				
47				
48	No	No	No	
49	Yes	Yes	Yes	More than 3 years
50	No	Yes	Yes	1 year
51	No	Yes	Yes	More than 3 years
52				
53	No	No	I don't know	
54				
55	Yes	No	No	
56	Yes	No	No	
57				
58	Yes	No	Yes	2-3 years

<b>R.nr</b>	<b>Q23a</b>	<b>Q23b</b>
1	Board of directors / Top management / Middle management / The individual employee	
2		
3	Top management	
4		
5		
6	Top management	
7	Top management	
8		
9	Top management	
10	Top management / Middle management	
11		
12	Top management	
13		
14	Board of directors / Top management / Middle management / The individual employee	
15	Board of directors / Top management / Middle management	
16		
17	Top management	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Top management	
28		
29		
30		
31		
32		
33	Top management	
34		
35	Board of directors	
36		
37	Board of directors / Top management / Middle management	
38		
39	Top management / The individual employee	
40		
41		
42		
43		
44		
45		
46	Top management / Middle management / Other (Please specify)	Enterprise Risk
47	Board of directors	
48	Middle management	
49		
50		
51		
52		
53		
54		
55	Top management / Middle management / Other (Please specify)	Corp comms, HR etc
56		
57		
58		

<b>R.nr</b>	<b>Q24a</b>	<b>Q24b</b>
1	Corporate governance / Environment / Community involvement / Fair operating practices	
2		
3	Corporate governance / Environment	
4		
5		
6	Corporate governance / Labor practices / Environment / Community involvement / Fair operating practices	
7	Human rights / Labor practices / Environment / Fair operating practices	
8		
9	Corporate governance / Environment / Community involvement	
10	Corporate governance / Human rights / Labor practices / Community involvement / Fair operating practices	
11		
12	Corporate governance / Human rights / Labor practices / Environment / Consumer issues / Fair operating practices	
13		
14	Corporate governance / Human rights / Environment / Consumer issues / Fair operating practices	
15	Corporate governance / Human rights / Labor practices / Environment / Consumer issues / Community involvement / Fair operating practices	
16		
17	Corporate governance / Environment / Community involvement	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	Corporate governance / Human rights / Labor practices / Environment / Consumer issues / Community involvement / Fair operating practices	
28		
29		
30		
31		
32		
33	Corporate governance / Labor practices / Environment	
34		
35	Corporate governance / Human rights / Labor practices / Environment / Community involvement / Fair operating practices	
36		
37	Corporate governance / Human rights / Labor practices / Environment / Consumer issues	
38		
39	Corporate governance / Environment / Community involvement / Fair operating practices	
40		
41		
42		
43		
44		
45		
46	Corporate governance / Human rights / Labor practices / Environment / Community involvement / Fair operating practices	
47	Corporate governance / Human rights / Labor practices / Environment / Fair operating practices	
48	Environment	
49		
50		
51		
52		
53		
54		
55		
56		
57		
58		

R.nr	Q25a	Q25b
1		
2		
3		
4	Performance criteria are measured and reported	
5		
6	Performance criteria are measured and reported	
7		
8		
9	By the separate business units that are in charge of the relevant operations	
10	Performance criteria are measured and reported	
11		
12	We don't evaluate our CSR program	
13	Performance criteria are measured and reported / By the separate business units that are in charge of the relevant operations	
14		
15	Performance criteria are measured and reported	
16		
17	Performance criteria are measured and reported / By the separate business units that are in charge of the relevant operations	
18	Performance criteria are measured and reported	
19		
20	By the separate business units that are in charge of the relevant operations	
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	Performance criteria are measured and reported	
31		
32		
33		
34		
35		
36	We don't evaluate our CSR program	
37		
38	We don't evaluate our CSR program	
39		
40	Performance criteria are measured and reported	
41		
42	Performance criteria are measured and reported	
43		
44		
45		
46		
47		
48		
49	We don't evaluate our CSR program / Other (Please specify)	internal assessment
50	Other (Please specify)	it is not yet implemented
51	Performance criteria are measured and reported / By the separate business units that are in charge of the relevant operations	
52		
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R.nr	Q26
1	Managed on a case-by-case basis / Evaluated afterwards / Increasing in scope / Linked with the company's PR activities
2	
3	Increasing in scope
4	
5	
6	Increasing in scope
7	Systematically planned and budgeted / Managed on a case-by-case basis / Evaluated afterwards / Increasing in scope / Linked with the company's PR activities
8	
9	Increasing in scope
10	Systematically planned and budgeted / Managed on a case-by-case basis
11	
12	Systematically planned and budgeted / Managed on a case-by-case basis / Increasing in scope / Linked with the company's PR activities
13	
14	Systematically planned and budgeted
15	Systematically planned and budgeted / Evaluated afterwards / Increasing in scope
16	
17	Systematically planned and budgeted / Managed on a case-by-case basis
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	Managed on a case-by-case basis / Evaluated afterwards
28	
29	
30	
31	
32	
33	Managed on a case-by-case basis
34	
35	Managed on a case-by-case basis / Increasing in scope
36	
37	Managed on a case-by-case basis / Evaluated afterwards
38	
39	Systematically planned and budgeted
40	
41	
42	
43	
44	
45	
46	Managed on a case-by-case basis
47	Managed on a case-by-case basis
48	Systematically planned and budgeted / Evaluated afterwards
49	
50	
51	
52	
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R.nr	Q27
1	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To increase customer goodwill and loyalty / To attract investors
2	
3	
4	
5	
6	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To attract investors
7	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To improve relations the community / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term / To attract investors
8	
9	To boost company or brand reputation / To achieve long-term sustainability of the business / To improve relations the community / To increase customer goodwill and loyalty
10	To achieve long-term sustainability of the business / To improve relations the community
11	
12	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term / To attract investors
13	
14	To increase employee morale and retention / To achieve long-term sustainability of the business / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term / To attract investors
15	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To attract investors
16	
17	To increase employee morale and retention / To achieve long-term sustainability of the business / To improve relations the community
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	To increase employee morale and retention / To achieve long-term sustainability of the business / To improve relations the community / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term
28	
29	
30	
31	
32	
33	To achieve long-term sustainability of the business / To improve relations the community / To attract investors
34	
35	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To improve relations the community / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term / To attract investors
36	
37	To increase employee morale and retention / To achieve long-term sustainability of the business / To improve relations the community / To attract investors
38	
39	To achieve long-term sustainability of the business
40	
41	
42	
43	
44	



45	
46	To increase employee morale and retention / To achieve long-term sustainability of the business
47	To increase employee morale and retention / To boost company or brand reputation / To achieve long-term sustainability of the business / To increase customer goodwill and loyalty / To attract investors
48	To achieve long-term sustainability of the business / To improve relations the community / To increase customer goodwill and loyalty / To improve financial performance over the short to medium term
49	
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R.nr	Q28a	Q28b	Q29
1			
2			
3			
4	Attempt to increase competitiveness / It is a much discussed issue / It is a strategic decision by the owners / CEO		Media interest and the level of publicity has raised
5			
6	Other		There is a negative economic effect
7			
8			
9	Society demands / It is a strategic decision by the owners / CEO		There is a positive economic effect
10	Attempt to increase competitiveness / Society demands / Personal sense of social responsibility / It is a strategic decision by the owners / CEO		Media interest and the level of publicity has raised / There are no criteria to measure the economic effect
11			
12	Clients / It is a strategic decision by the owners / CEO		There is a positive economic effect / Media interest and the level of publicity has raised
13	Society demands / Personal sense of social responsibility		There are no criteria to measure the economic effect
14			
15	Attempt to increase competitiveness / It is a strategic decision by the owners / CEO		Media interest and the level of publicity has raised / There are no criteria to measure the economic effect
16			
17	It is a strategic decision by the owners / CEO		There is a positive economic effect
18	Society demands / It is a strategic decision by the owners / CEO		There is a positive economic effect

19			
20	Business partners / Personal sense of social responsibility / It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
21			
22			
23			
24			
25			
26			
27			
28			
29			
30	It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
31			
32			
33			
34			
35			
36	It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
37			
38	Clients / Society demands / Personal sense of social responsibility		There are no criteria to measure the economic effect
39			
40	Society demands / It is a strategic decision by the owners / CEO		
41			
42	Personal sense of social responsibility		There is a positive economic effect
43			
44			
45			
46			
47			
48			
49	Personal sense of social responsibility / It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
50	Business partners / Society demands / It is a much discussed issue / It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
51	Clients / Society demands / It is a strategic decision by the owners / CEO		There are no criteria to measure the economic effect
52			
53			
54			
55			
56			
57			
58			

R.nr	Q30a	Q30b
1		
2		
3		
4	By direct reports to media / By marketing and sale activities	
5		
6	No special information activities	
7		
8		
9	No special information activities	
10	By efforts of a PR company or department / By marketing and sale activities / Other:	Annual reports
11		
12	By marketing and sale activities	
13	By direct reports to media	
14		
15	No special information activities	
16		
17	By efforts of a PR company or department / By marketing and sale activities	
18	By direct reports to media / By efforts of a PR company or department	
19		
20	No special information activities	
21		
22		
23		
24		
25		
26		
27		
28		
29		
30	By marketing and sale activities / No special information activities / Other:	Yearly report
31		
32		
33		
34		
35		
36	No special information activities	
37		
38	Other:	webpage and company magazine
39		
40	Other:	Annual report
41		
42	No special information activities / Other:	to be implemented
43		
44		
45		
46		
47		
48		
49	Other:	Annual Report
50		The CSR programme is not yet implemented
51	By marketing and sale activities / Other:	Website and Annual Report
52		
53		
54		
55		
56		
57		
58		

<b>R.nr</b>	<b>Q31a</b>
1	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
2	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
3	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
4	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
5	
6	Because it's the right thing to do (ethical argument)
7	
8	
9	Because society demands it / Because it contributes to corporate longevity (it pays off)
10	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
11	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off) / Other:
12	Because it contributes to corporate longevity (it pays off)
13	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
14	
15	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
16	
17	Because it contributes to corporate longevity (it pays off)
18	Because it contributes to corporate longevity (it pays off)
19	
20	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
21	
22	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
23	Because it contributes to corporate longevity (it pays off)
24	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
25	
26	
27	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
28	
29	Because it contributes to corporate longevity (it pays off)
30	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
31	
32	
33	
34	
35	
36	Because it's the right thing to do (ethical argument)
37	
38	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
39	Because it contributes to corporate longevity (it pays off)
40	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
41	Because it contributes to corporate longevity (it pays off)
42	Because it contributes to corporate longevity (it pays off)
43	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
44	
45	Because it's the right thing to do (ethical argument) / Because society demands it / Because it contributes to corporate longevity (it pays off)
46	
47	
48	Because it contributes to corporate longevity (it pays off)
49	Because it contributes to corporate longevity (it pays off)
50	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
51	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
52	
53	Because it's the right thing to do (ethical argument) / Because it contributes to corporate longevity (it pays off)
54	
55	Because it's the right thing to do (ethical argument)
56	Because it contributes to corporate longevity (it pays off)
57	
58	

R.nr	Q32.1	Q32.2	Q32.3	Q32.4	Q32.5	Q32.6	Q32.7	Q33.1	Q33.2	Q33.3	Q33.4
1	2	7	7	4	3	3	3	5		6	7
2	7	6	5	4	7	4	1	6	7	7	7
3	5	5	4	2	5	4	4	3	3	4	2
4	4	6	5	6	6	4	2	6	6	6	5
5											
6	4	4	4	4	4	4	4	6	5	6	5
7											
8											
9	4	5	4	5	5	5	3	6	6	6	6
10	7	7	7	7	7	7	1	5	5	7	6
11	2	7	6	6	7		2	5	6	7	6
12	2	7	7	4	4	5	6	5	5	6	4
13	2	5	2	4	6	5	2	5	6	4	5
14											
15	6	6	6	6	6	6	6	6	6	6	6
16											
17		6	5	4	5	5			6	7	
18	5	5	5	6	7	6	2	5	6	7	6
19											
20	6	6			6	6		3	6	7	4
21											
22	4	7	4	4	6	4	6	4	7	6	4
23	5	6	5	5	6	4	2	6	5	6	6
24	2	7	5	4	7	5	3	5	4	6	7
25											
26											
27	3	4	5	5	5	5	5	4	6	7	6
28											
29	6	5	3	4	6	4	4	4	6	6	6
30	6	6	2	6	6	6	2	6	4	6	6
31											
32											
33											
34											
35											
36	4	5	3	4	5	4	4	4	5	6	4
37											
38	3	5	5	5	5	3	4	4	4	4	4
39	5	4	5	5	5	5	2	4	5	6	5
40	4	7	4	5		6	4	7	7	7	7
41	4	7	3		5	3	4				
42	7	7	6	4	6	6	1	7	5	7	7
43	4	6	5	3	3	5	4	5	5	6	6
44											
45	4	5	4	6	5	4	2	5	6	6	5
46											
47											
48	4	4	2	3	3	3	3	3	5	6	4
49	3	7	6	4	7	7	1	4	7	7	7
50	7	6	1	7	4	7	4	7	7	7	7
51	4	6	4	4	6	5	1	5	7	7	5
52											
53	5	6	4	5	6	4	3	6	5	6	6
54											
55	1	4	2		5	2	6	4	3	6	6
56	4	5	2	1	6	2	6	1	2	6	2
57											
58											

R.nr	Q33.5	Q33.6	Q33.7	Q34.1	Q34.2	Q34.3
1	6	5	6	5	3	5
2	7	7	7	4	4	4
3	4	2	2	2	2	2
4	6	6	6	5	5	5
5						
6	5	3	5			
7						
8						
9	6	5	6	6	5	5
10	7	7	5	6	6	6
11	6	6	5			
12	7	7	6	7	5	3
13	5	4	5	4	4	4
14						
15	6	6	6	6	6	6
16						
17	6	6		6	6	6
18	6	5	6	2	6	6
19						
20	7	6	6	2	6	5
21						
22	6	6	5	5	4	6
23	6	5	6	5	5	3
24	6	5	6	5	4	3
25						
26						
27	6	5	7	5	6	4
28						
29	5	6	5	5	3	4
30	6	6	5	6	2	4
31						
32						
33						
34						
35						
36	4	3	5	3	4	4
37						
38	5	2	4	5	5	2
39	6	6	5	5	5	5
40	7	7	7	5	7	6
41				5	5	6
42	7	7	7	7	7	6
43	6	6	6	4	4	4
44						
45	4	4	4	4	4	5
46						
47						
48	5	1	5	3	3	5
49	7	6	7	4	3	3
50	7	6	7	6	6	6
51	7	5	5	4	4	6
52						
53	5	4	6	4	4	4
54						
55	6	3	6	4	4	4
56	2	2	2	4	2	2
57						
58						

<b>R.nr</b>	<b>Q35a</b>
1	Seminar or training on this subject / Detailed guidelines
2	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices / Detailed guidelines / Information on possible advantages
3	Information on possible advantages
4	Detailed guidelines / Information on possible advantages
5	
6	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
7	
8	
9	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
10	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
11	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
12	Seminar or training on this subject / Detailed guidelines
13	I am not interested
14	
15	Seminar or training on this subject / Detailed guidelines / Information on possible advantages
16	
17	I am not interested
18	Information on possible advantages
19	
20	Be provided with a range of case studies illustrating CSR practices
21	
22	Seminar or training on this subject / Information on possible advantages
23	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
24	Be provided with a range of case studies illustrating CSR practices
25	
26	
27	Be provided with a range of case studies illustrating CSR practices / Detailed guidelines / Information on possible advantages
28	
29	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
30	Be provided with a range of case studies illustrating CSR practices
31	
32	
33	
34	
35	
36	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
37	
38	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices
39	Information on possible advantages
40	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
41	Be provided with a range of case studies illustrating CSR practices / Information on possible advantages
42	Seminar or training on this subject / Detailed guidelines
43	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices
44	
45	Other (please specify)
46	
47	
48	I am not interested
49	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices
50	Detailed guidelines
51	Information on possible advantages / Other (please specify)
52	
53	Seminar or training on this subject / Be provided with a range of case studies illustrating CSR practices / Detailed guidelines / Information on possible advantages
54	
55	I am not interested
56	
57	
58	

R.nr	Q35b	Q36a	Q36b	M.Cap	Sector
1		Top management		2869	Industry
2		Middle management		5266	Consumer Discr.
3		Top management		1474	IT
4		Top management		6785	Industry
5				14804	Industry
6		Top management		755	Industry
7				559	Industry
8				613	Telecom.
9		Top management		2555	Consumer Discr.
10		Middle management		13669	Utilities
11		Top management		604	IT
12		CEO		122	Consumer Staples
13		Top management		9641	Energy
14				221	Health Care
15		Middle management		131444	Financials
16				123	Consumer Staples
17		Top management		21188	Financials
18		Top management		8463	Consumer Staples
19				1680	Energy
20		Top management		4143	IT
21				29498	Financials
22		Top management		2095	Consumer Discr.
23		Top management		1401	Energy
24		Other:	corporate secretary	4020	Energy
25				288	Materials
26				92628	Materials
27		Top management		445	Energy
28				244	IT
29		Top management		15010	Industry
30		Other:	Responsible CSR	10190	Consumer Staples
31				549	IT
32				54	Health Care
33				829	Financials
34				697	Industry
35				600	IT
36		Top management		411	IT
37				1212	Consumer Discr.
38		Middle management		10052	Energy
39		Top management		3827	Consumer Staples
40		Middle management		20096	Energy
41		CEO		937	Energy
42		CEO		4911	Financials
43		Top management		1024	IT
44				5601	Energy
45	International laws that are properly enforced	Top management		964	Industry
46				3598	Energy
47				9526	Financials
48		Top management		3305	Industry
49		Other:	Enterprise Risk Manager	29639	Energy
50		Middle management		4110	Industry
51	Quantitative data showing the monetary effects of CSR	Other:	Compliance Officer	4082	Materials
52				983	Energy
53		Middle management		152	Industry
54				6502	Consumer Staples
55		CEO		1050	Health Care
56	news	CEO		242	Financials
57				375	Energy
58				594	Energy



## Appendix 6: Interview Guide

How do challenges regarding CSR affect international companies?

How are you affected in this company?

How much focus do you have on these kinds of challenges?

How does it impact product development?

How does it impact daily business?

How does it impact strategies?

If you refrain from implementing CSR activities, what would then be the reason?

What kind of challenges do you experience?

What kinds of challenges are most relevant for your company to address?

How do you think this is in other industries? In other countries?

What can a company do to meet these challenges?

What do you do?

Why do you do it? Why should a company be socially responsible?

Ethical reasons?

Economic reasons?

Demands from society or government?

Where do these initiatives come from?

How do you evaluate these initiatives?

What economic effect have you experienced from these initiatives?

How do you communicate the results from your CSR effort?

Do you believe there are competitive advantages to be found in being socially responsible?

Co-creation of regulations?

Reduced resource usage?

Products that better fit societal needs

Improved reputation?

Attract employees?

Anticipate change?

How can these challenges be transformed into competitive advantages?

Employee involvement?

Continuous process?

Cooperation? Horizontally and vertically in the business network? With different organizations?

Where are the bottle necks to achieve successful CSR?

How important is external fit

How important is internal fit?

What advantages could you get from a systematic approach?

## Appendix 7: Transcribed Interview

Interview 1 - 10.05.2011

The interview was conducted in Norwegian by the author and is translated and transcribed afterwards. The answers from the respondent will be marked R:, and the questions and comments from the interviewer I:. The name of the company is left out for reasons of anonymity.

R: Why don't you tell me a bit about the background so that I have a feeling of what we're discussing?

I: Off course, A bit of background for this interview: My name is Odd Sverre Volle, and I'm pursuing a master's degree in international management and strategy at the University of Agder. In my thesis I'm studying the concept of social responsibility and how it is done in international companies. The motivation for this subject is that I perceive social responsibility (SR), or CSR, as something important, for society, but also as a potential competitive advantage for companies. It seems there is quite some agreement that SR is important, but it is not always clear why or how. This is an exploratory survey, done to map the state of things, where I've chosen the Oslo Stock Exchange as a sampling frame. I've done a quantitative survey, with a questionnaire, and this interview is a follow up to talk about the various subjects, to see if these are similar to the answers from the questionnaire and the interpretation thereof and to see if there are any topic where we might go a bit more in depth if possible.

R: Ok, I see. Do you consider our firm to be international?

I: Yes

R: Ok, but you're aware that we only have offices in Norway and Sweden?

I: Yes, when I look at international companies this has to do with the field of my degree, and also that there are different issues present in different parts of the world.

R: We do work with global customers in many ways, so we have a larger international presence than just having offices. We have people on the other side of the globe as well, where we make use of local labor, so some things will probably be relevant. Other things might be a bit peripheral compared to other companies in your sample.

I: I agree. Oslo Stock Exchange is a very “Norwegian” stock exchange, in many ways. By headquarter, by markets and these things, but there is an international focus and also foreign companies listed there. This is a consideration that I’ve included in the thesis.

R: Ok. My responses are based on my reality, my understanding from the company I work for, and then you have to sort out what is relevant for your thesis afterwards.

I: What is your position with the company?

R: I’m the regional director in our company. (There are 5 regions, each with a responsible director and one administrative, so there are short lines of decisions, a flat hieratical structure.)

I: I didn’t mention it before, but the aim of my study is a strategic level. So what I have gathered so far has mainly been from top level management, and I’m focusing on the strategic implication rather than a “what can we do” – operational approach to these challenges. As you know, I’ve also been in contact with the communications manager in your company. So to start, I want to ask you if you have experienced any challenges related to social responsibility?

R: In a way, we haven’t. But if your definition of social responsibility includes outsourcing of routine work to low cost destinations, then our practices can have a hint of social responsibility. We have a policy saying that we are going to work as close as possible to our customers, with our own employees, in the countries we operate in and with the labor standards that apply there, off course. But the competitive situation that we’re in, makes you, perhaps bend a little bit on what you yourself think is the ideal, the optimal situation, but.. Yes..

I: I’ve looked among other things at the UN Global Compact, which divides social responsibility in four areas: environment, labor standards, human rights and anti-corruption, and looking at these, there will be large differences between different industries, what the companies face, and perhaps your company is of those who are not so exposed to some of these challenges?

R: Absolutely. Especially when looking at what might be the reality for many other companies.

I: Is CSR challenges something that you’re company has a focus on?

R: (Hesitation) No, I don't want to say that. If we have a focus on something, then it is something that is often on the company agenda and that are discussed frequently – Which CSR challenges is not. It is not because we don't view this subject as important, but there isn't, on the operational level in our company there just aren't enough incidents that evoke this discussion. Luckily. But what has been an issue for us, whether or not it has to do with social responsibility, is when employees have moral issues with doing work for a special kind of customers, for example the weapon industry. That is relevant for us. It has been and will probably be in the future as well, given that one of our large customers definitely produces weapons. We've had discussions in these occasions, and we are likely to have similar discussions later. This issue concerns more the individual employee and their conscience. It is a somewhat easier for a company, to maneuver away from, because, you don't have that personal conscience in a company. So I feel that the guiding rules are a bit different, but never the less.

I: So these are discussions that you have when the individual employee raises the subject?

R: Yes.

I: Your communication manager mentioned that you have some electric cars at your disposal, and other similar initiatives like having online meetings and so on

R: Yes, we do those things. But then the case is, especially video conference equipment, which we use a lot, one thing is the environmental perspective, which relate to social responsibility by using cars for transportation as little as possible, but the employees wellbeing is equally important, that they don't have to be out in traffic. At the same time it is more effective for the company as well, to use video conference equipment rather than driving a car for several hours each day. So it is a bit divided.

Take for instance the issue of those electrical cars, you're moving resources from the taxi industry to the car industry. Ok, you take the jobs from someone, but get around in a less polluting way. But then again, many of the taxis are hybrid cars and alternative fuels that doesn't pollute that much, but. It's not always easy to see the full picture. The thing about electrical cars is also an easy thing for us to do, because it becomes very visual that the company takes responsibility and in that way it's possible that these cars are contributing to improving the company's image in this field, which is good. But all in all, we don't need that many initiatives of this type because we are a very simple organization where people are at

the center. So we are in a way, we are in a positive sphere. We are lucky, working with highly skilled persons each day, which is basically what we do. We have very skilled employees and we work with very skilled people when we are with our customers, so that we are in many ways very privileged.

I: You say that these electrical cars are things that visualize the responsibility that you have taken on, which is also a debate, if acts of CSR are done by the companies in order to appear socially responsible or ethical or whatever one wishes to call it. I haven't separated activities based on motivation, be it a financial motive or, search for reputational gains, saving money or employees welfare, it is not my main focus.

R: I see, but one thing that we do, which has been a long tradition many places is the custom of gifts during Christmas and such things. That is definitely a thing of the past in this company, and has been for a long time, both because of what the management thinks, but also because of what the employees mean. Instead of a gift card at the local sports retailer, or whatever, we now donate this money various social initiatives, such as PLAN NORGE, so that the money goes to developing countries. This is something that we've been doing for several years. It is a small thing, because it isn't that much money we're talking about, but it is what it is, and every employee wishes to support this. Whether it's done to ease one's conscience or not, I guess that's not the only reason, but it is seen as a positive contribution, to others, we're able to share.

I: So these kinds of initiatives come from the employees?

R: Very often these things come from the grassroots. And the management wishes to listen to what the employees actually think about these issues. Because that is more appropriate than the management saying "let's do it this way, isn't that ok?" It is much better to ask "what do you think we ought to do, what do you want to do?" before we do anything, "What do you mean?" Because then you will also get commitment, a bit of discussion and then the decisions are.. you get more support and acceptance for the decision that is made and it is easier implemented. It's a small matter, but anyways.

Here in Kristiansand we have bought bikes, instead of electrical cars, for short trips during the summer and so on.

I: From my questionnaire I found that most CSR initiatives come by the initiative of management or owners in the company. Of course these matters will depend on the extent of

activities or programs, but say for instance these electrical cars, is that something that has come from the floor or from the top?

R: To be honest, I believe it comes from the floor. Not that I would be surprised if it came from the top, that's not what I mean. We are a company with few managers, a small administration and a large focus on the operational level. We have very competent employees and it is important for us to take care of them. To ensure that they stay with us for a long time, it is important that they have a say in important discussions. For this reason it is normal that the employees express their opinion about many things, and we want people to be committed and voice their opinion about many things. They have to be heard. Competent people have to be heard. This is the key in a company build on competence. This is why we want decisions to be taken as far down in the organization as possible, close to the customer and close to the employees. This is one of the things that has been the success with this company, and gives us very faithful employees.

I: It is interesting that you mention this, as it is one of the ways in which theories claim that CSR might increase profitability of a company, that the company is able to attract and retain good employees.

R: I believe it that way, for sure, and then I believe it plays a role that the company has a long term perspective on the things it does. We have very little short term profit maximization in our company. It is a part of our culture that we always think what's behind the next corner, and because of that we achieve stable, calm growth over time. We do perhaps think a bit more about it when looking at the time when we became listed at the stock exchange, and those who were central before the company was bought, when they sold their portfolio, the stocks were spread on more owners, we were a candidate for the typical person who saves in funds. In such a situation it is natural to reflect over why they are pointing at us, many of the employees also own shares which are viewed as good sign. We deliver good results regularly, year by year, building by a "rock by rock" principle which is also a thing that is noticed in the market. Social responsibility or not, to have a long term perspective these days and to secure people's jobs and – it is after all being socially responsible. So, in that way, we think about these issues more than I first realized when we started to talk. I believe so.

I: These things appear from many directions, and one of the things I've been looking at is what companies give as a reason for behaving in a social responsible manner, say for instance to go above and beyond the minimum requirements of the law. Is there an ethical reason? Is it

because it pays off or is it simply because society demands it, customers, society, governments – What do you think?

R: I think that it is perhaps not one single reason, I think it is a result of that in the long run, it pays off for the company to behave in a socially responsible way, because you're able to retain employees, you're able to keep good customers which both are important over time. But demands from for instance customers haven't been that much of an issue, because the demands and requirements that do arise, especially concerning bids for public contracts, they are superficial by and large. I have to put it that way. It wouldn't make much difference whether these requirements were present or not. It might be so that a customer could qualify or disqualify some of the bidders, I cannot say that it isn't so. For our company, it hasn't mattered at all.

I: I've heard that you lost a contract, where 10% of the criteria were some kind of certificate or accreditation that you didn't have. I don't know which or what kind of contract, but that this contract was lost not because of the services you offer or the price, but because of this missing certificate.

R: For instance the accreditation "Miljøfyrtårn", for us, I've been thinking about it and we could very well get that certification, but for our concern, who have a limited use of paper for printing, modern and small organization, in reality we do not pollute at all! If it is anything it's the rest of the coffee, unless we finish drinking it when it's hot. So it becomes kind of strange if for instance Xstrata's office have this kind of certification. It doesn't make much difference for our company anyways, and it doesn't mean that much to us to have that certificate, I matters more what we know that we do from day to day, how we experience that. But that demands might come and that we have to take such criteria into account in a bit more serious way than I've given the expression of now, is without doubt. Things are moving in that direction, but at the moment, when we know that we are good at these things, a certificate holds little value for us, honestly speaking.

I: I agree with that point. Regarding your industry and perhaps also the country in which one operates will play a role in this matter.

R: What I think is not good enough, is not us as a company, but more related to the industry and to our customers that keep holding back, is that I would like to for us to work even more via the internet, with even more video conferences, to work more from distances. For instance

sitting in the Kristiansand office and work towards one of our large clients who have offices in Horten, instead of having to travel there every now and then to perform the same operations. And that is an issue where our customers should reflect on, especially, the more central area where the customer is situated, the more we have to travel. The closer to Oslo we go, the worse it gets. They become very self-centered and want to have all of their meetings at their office, demanding that people travel to them. The closer you are to Oslo 1, the toll road, the worse it gets. I could write a book about this. It is very strange, and when we speak of social responsibility, the politicians are handling this in a bad way with regards to living in the provinces and the way they centralize, but at the same time don't facilitate in a good way how people can live in close proximity to their place of work. And a part of the governmental organizations have been very slow and hard to cooperate with. This is a subject where many people could experience potential gains.

I: Who is better, governmental or private, when it comes to social responsibility?

R: I believe that many of the public organizations on a general level are better and have more focus on these issues. In practice, the differences might not be that large. Even though public organizations are more willing to talk about their programs and make comments, they are perhaps not as good at actually performing, whereas some private companies might do many things that are good, but doesn't always signal it too openly. It that's the way it often is. Of course there are other things that play a role, security is important, which might be a reason why some companies are unwilling to allow too careful scrutiny of their practices and internal systems from anyone. Our policy in that regard is that what matters is trust, and showing what one is capable of. Achieve that and there is almost not limit to what you get access to, over time. And that is very helpful for us.

I: I'm unsure how relevant it is for your company, but there is a point regarding those who are proactive in dealing with social responsibility, are able to participate in the making or revision of the regulations that apply for them. Does that have any relevance for you?

R: By and large, it doesn't. At least it is not an issue that we have thought much about. In our daily, operative business, to take on social responsibilities, to take responsibilities for the environment is equal to taking care of our employees in a way. These issues are very interrelated. One thing comes as a consequence of the other, even though I unable to consider it in each situation – everything is important! It is the employees that I'm concerned for from



day to day, and how we can accommodate them in a way that makes them flourish, and make their every day as good as possible. Such considerations are also social responsibilities.

I: In several of the answers in the questionnaire, it becomes apparent that it is employees who are at the center of attention for most CSR activities, do things for our employees, it's important to care for our employees because it impacts long term profitability and so on.

R: One thing that I am very pleased with, how the market has evolved is the issue of gifts to customers and things like that. It has become much more down to earth eventually. So when we can buy a big box of nice chocolate and send it to a whole department at one of our customers, it is very easy and very acceptable. But to smuggle in a couple of bottles of wine to one of the managers, is not a good practice. I don't like it, and nobody else likes it even though it is quite accepted. When it comes to this, many things have developed for the better the last five to ten years. To go out and have a lunch with a customer before Christmas or before the summer, is nothing close to a bribe, but a nice way to end a project or something like that and to keep in touch like that is acceptable and suits me personally very well. To go out at night, eat dinner and then follow people to a bar and then have to support them out of that bar later is tiresome.

I: Do you experience any difference with this kind of culture in Norway compared to those customers that you have abroad?

R: I don't really have the knowledge to answer that. I have experienced a very positive development concerning this in Norway. There are of course those who have an outrageous party before Christmas, but luckily things have changed. I have experienced that people have wanted to be bribed during my career, several times. From modest approaches to more serious ones, but it is the principle – personal gain. Be it a laptop or even a screen, it's not that it costs a lot, but it's the principle. And I've lost contracts because of that. One of the reasons being that I don't want to do it, and on some occasions because that I didn't even realize the questions, it is so farfetched in my understanding that I had to think over it many times before I figured out what they were aiming for, and then it "ok, whatever".

I: But this is not something that you experience frequently?

R: No, it isn't. I've been working now since the early 80s, and it has happened on a few occasions. It would in fact be strange if I never had experienced anything like that.

I: One point that might be a bit parallel to that of co-creation of regulatory environment, the ability to anticipate change, to work with social responsibility to see what kind of changes that lies ahead. You mention about certain specifications from customers, that these things might come in the future

R: It is the issue of concerns for the environment, which is probably what are most relevant for us. Even though we have very limited challenges regarding the environment in our company, I guess that is still the topic that we are most aware of on a daily basis.

I: it is after all a hot topic on the political agenda.

R: Yes, it is and we are influenced by the debates that go on in society. And then there are changes in workers conditions that occur. And it is clear that in a globalized market, then our labor standards tested. There is no doubt about that. And our industry has also experienced that some years back, when many companies that were bought, shut down and started again, while in the process offering their employees their jobs back, but under much worse economic conditions, pension schemes, insurance packages. And I still think that these things can happen. Let's say that we're put under pressure by our customers to bring in workers from other countries where the wages are lower, say the cost of labor is perhaps a tenth of the Norwegian levels, off course we start to get worried. Because we have to be able to compete, but my social responsibility also lies in having employees, I will not say Norwegian employees because they can have different nationalities, but employees under the rules and principles that we go by in Norway, which counts for a lot. So you can say that we now have two employees guiding a project in the Philippines, in Manila, for local customer. This was because this client already had a department that could do this project, but were we manage this project. But we don't get the people that work in this department to come to Norway on "slave" contracts. So, it's a bit different, but I could get a question about a project were the customer has a budget of 5 MNOK, and if we're supposed to do the job in Norway it would cost 10 MNOK, and what can I do about that? I could call all of those who knock at my door every other week, who have companies in India, or the old Eastern Europe for that matter, Bulgaria, Romania, Ukraine, there are companies in all of these places, or in the Philippines as well, and outsources the project to one of these, have it done, and deliver the project with our name on it, at a lower cost. The result would be that our own employees would have less work. And this is a thing that we're thinking about. But from day to day we're working with close relations to our customers, with a competence that is not easily outsourced. We do

developing projects, were we make use of close connections to our customers, involve the customers a lot in these processes, in a way that they can't let us go. A project should be of a considerable size before it's worth outsourcing it to one of the destinations that I mentioned, expecting it to have an effect in the end. And this is one of the reasons why Norway has not been that much affected by outsourcing in this industry. There are some big clients and some big projects off course that have been outsourced and the results have been mixed apparently, but there are many customers, especially in our region, where the projects are not large enough to make outsourcing relevant. This is because there are some costs related to it, and we use that cost alternatively with the customer. And there is also a point that because the wages in this industry in Norway isn't world leading. Compared to other industries, it is some years since I saw an OECD report comparing these average salaries, but I guess it haven't changed that much, where Norway was on top and then no one, no one, no one, and then came a bunch of other countries. Norway was the highest, by far. In similar reports from our industry, Norway was at sixth or seventh place. USA, Great Britain, Germany, France and so on, when Norway was further down the list, we weren't that exposed. And today, my hairdresser has a higher price by the hour than we have for our employees. So the fact that we have been moderate in our cost structure and that the wages haven't gone through the roof, is positive, with the goal of preserving an industry. We have to have some work to do in Norway as well. Whether it's mechanical industry or writing on a computer doesn't matter.

I: I mentioned that I believe that CSR might be a competitive advantage for the company, and at the same time have a positive effect on society and quite early you mentioned involvement of the employees. What are your thoughts on cooperation in the value chain? Are there things that your industry can cooperate about, is it possible to work together vertically or horizontally in your value chain?

R: Yes. The way it works is that we cooperate with other companies, we work to ensure that organizations may flourish by supporting employees that wishes to commit themselves in various settings where they do nurture relations and build networks with other, both competitors and customers and people who work within the same area that we do. And to go back to our strong employee involvement, that also has to do with the way we run our projects, to a large extent we involve the employees of the customer as well. That is one of the success factors that we have experienced. All systems need to have a human component, and if you don't involve the humans that are influenced, those who actually use these systems and products, then you won't get very far. And our industry doesn't have a very good reputation

for cooperating with customers. We often have high technical competence, but have to think about how our products and services are intended to be used. And in this area, there is a long way to go for many. And this is also something that we work with in order to preserve our position in the Norwegian market. And besides that we don't want to lose the competition with others, it's because we want to be considerate towards people, and that this actually has a positive effect. I wouldn't call that social responsibility, it's more a way to sell and deliver our projects, but it is something that we do intentionally.

I: I was thinking about one thing, and again this might be more relevant in other industries, but there are various industry norms for how a company should go about issues like labor standards in other countries and so on. Do you think it is more relevant for your industry?

R: Yes, because it has to do with the extent of incidents. But as I said, we have two people in Manila right now, one of them are, let's say employed 50% in the Philippines this year, traveling between Norway and the Philippines, but rules concerning his conduct in Manila isn't something that we have. This has to do with the kind of people we employ, people with a high ethical standard, of whom we expect that they live by these high standards regardless of which country they work in. And we know that they do that, so I would say that for us to make specific rules for how employees should behave when working abroad, that would be considered an insult.

I: Do you have a general ethical codex or a code of conduct?

R: (hesitating) Yes. But it is best used verbally and when incorporated in the culture. The process of making it hasn't been that thorough, and that is something that we have agreed to do. We are growing and then you need to have a little pamphlet concerning those matters. And I remember from early in my career, when I had a lot to do with IBM, and they had a very good ethical rulebook. It was very good. I was a bit surprised, because it was a real guide for their employees. It wasn't exactly Mao's little red book, but it had kind of the same effect. (laughing) It's important, but of course we get a great deal for free when we always emphasize customer relationships and having integrity and are concerned of not choosing sides. The services that we deliver are not connected to the organization that we deliver to, which means that we don't sell any technology we don't receive any percentage of what our customers sell with the use of our services, so we are kind of a counselor. We're not a non-profit organization by any means, but we sell counseling and competence within the reach of the technology that the customers already have. And we do cover most of relevant

technologies, by chance. This affects our employees; they are able to keep their integrity, not mixing their priorities, at never think about their own gain, or the company's. And this is reflected in our severance system as well. There are no bonuses based on personal achievements. There is a fixed salary, overtime salary, no personal bonus. We have bonuses, but on a regional level. And they are shared among everyone. The most competent and productive employees doesn't receive anything more than a person who perform supporting activities towards the staff.

I: Towards the end I have some general questions about how to succeed with CSR, and when I say succeed I mean utilize advantages in a way that contributes to financial performance, how important do you think it is to that these initiative are compatible with and fulfill the expectations of external stakeholders?

R: I believe it is important, and it will definitely become more important in the future. And I believe that the competitive situation that we experience and how that situation develops in a globalized economy, where the markets become more and more free, it implies that companies have and take on a social responsibility. But it will also mean that the government will have to set some rules. If they don't then there will always be those who seek to overstep the line with the intention of making a profit, while stepping on others. So if the competition is supposed to be fair in the way that all should have equal opportunity, it becomes very important to have some rules, which makes demands of the participants. That at least what I feel.

I: If I ask you about these CSR initiatives, and the importance of them being compatible with the operations of the company – then we are perhaps touching upon what you have said, that this company doesn't have that many challenges? You don't pollute for instance. How do you view this? It might perhaps be difficult to signal a massive commitment for social responsibility if there aren't that much to be responsible about?

R: Off course, but there are some things that are important for us, given our line of work. A large part of the day, our employees find themselves sitting still, it becomes very static. So the physical working environment is important for us. We have to take the responsibility of bringing in experts to find good, ergonomically correct working stations, also when they are with customers where the facilities often are bad, bad rooms, bad chairs and desks. It's amazing what some companies offer their visitors. Then it's a leader's responsibility to take care of these issues, or make sure that they are handled if it is somewhere else. Following on

this, we do try to encourage people to do physical exercise on their spare time, so we contribute by arranging competitions and so on in trying to create a sporty culture in order to take care of the health of the employees. This is off course also important for the company; that people remain healthy and able to work, because if people are often sick it's bad for the company, bad for society and the individual. So as a part of reducing the level of absence due to health issues, we do quite a lot. Sometimes we might even become over-enthusiastic about these things, but we manage.

I: I didn't think of that angle, with physical work environment

R: It a considerable issue for us.

I: As a last question, a systematic approach as opposed to a more random way of handling CSR?

R: Do you want to know what I actually do, or what I think, what should have been done?

I: I was more aiming for your point of view.

R: I believe in having focus, and working step by step towards, being able to impact the development in a certain direction, that will always be better than handling things in the last minute. And if there is a stepwise approach, the more often you have a subject on the agenda, the easier it is to think about it, not only having it somewhere in the back of your mind. And it is those things that your mind is preoccupied with, when you reach a decision, that influences you so to say. Which then allows you to make decisions more in line with what you think is important. This is the reason that we make plans and have strategies, all though I should be careful with using such big words, but there are off course a value in being able to plan. It will affect you whether or not you think about this plan and follow it step by step each day, when you've gone to the trouble of making it. This is why it (CSR) has to be brought up, it has to be discussed and then you have to decide that this is where we are going, and then you do those steps towards that direction.

I: It is off course a leading question, but what I find from my survey is that few companies have a systematic approach, CSR activities are managed case by case, at the same time as everyone

R: We have, to be honest, a systematic approach, because it's a consequence of how we behave and think on a daily basis. It might be influenced by.. No, we are systematic, I would

say it like that. Speaking for myself, and the managers that report to me and the employees.. Why it is like that? I think it's because we are open for discussing various matters, we talk about things and then there are results from that discussion, and then we operate accordingly. A systematic approach is.. well, to be inconsistent is the root of many bad things. If you reverse the question.. we both do it, and we wish to do it. To what extent can be discussed, it can always be discussed, one can always improve, that's the way it is.. but yes, we have a systematic approach .. on a daily basis.

I: Then we have touched upon many of the themes that I wanted to talk to you about.

R: That's great. I'm not sure that everything was relevant for your thesis, but that's up to you, hopefully there will be some things that are useful.

I: Yes, I'll see, but so far it seems that there are many things that are consistent with the results from the survey which was one of the main intentions for having this interview, and I also learned some new things both from your company and your industry, so this was definitely a good contribution. I appreciate it, thank you for your time and thank you for the conversation.

R: You're welcome.