Strategic Corporate Social Responsibility and Small to Medium Businesses in Australia

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Introduction

This paper explores the concept of shared value as it relates to small to medium businesses (SMB) in an Australian context. It begins by lightly tracing the evolution of the concept of corporate social responsibility (CSR) from “defensive” to “strategic” positions. It then briefly outline the core principles of shared value and related work around economic clusters. It then considers the role that SMBs can play in achieving sustainable outcomes and some of the potential impacts of shared value on SMBs. The paper concludes with three brief examples of Australian small to medium businesses who illustrate aspects of strategic CSR as outlined in this paper.

From “defensive” to “strategic” CSR

A new perspective on the role of CSR has been gaining momentum in recent years. Generally, this shift can be characterised as moving from philanthropic or ancillary CSR to a more strategic perspective (see, for example, Antonis, Athanasios & Konstantinos 2011; Capozucca & Sarni n.d.; Jamali, Yianni & Abdallah 2011; Kanter 1999; Mahlouji & Anaraki 2009; 2007, 2011; Visser 2010).

For some authors, this shift is the result of a recognition that current models of CSR have been largely ineffective at addressing society’s pressing and urgent challenges (Hutter, Capozucca & Nayyar 2010, p. 49; Moore & Westley 2011, p. 1; Porter & Kramer 2011, p. 4; Visser 2010, p. 7), reflecting Manzini’s observation that “If we consider the past century, we can empirically observe how the spread of goods for private use and consumption has run parallel to deterioration in the quality of the contexts of life as a whole.” (Manzini 2002, p. 146) It is also perhaps reflective of expectations of a broader perspective of value creation in business within the community (Ditlev-Simonsen & Midttun 2011, p. 36).

The ISO 26000 definition of social responsibility (cited in Høivik & Shankar 2011, p. 175) is:

Responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behavior that:

- contribute to sustainable development, health, and the welfare of society;
- take into account the expectations of stakeholders;
- is in compliance with applicable law and consistent with international norms of behavior; and
- is integrated throughout the organization and practiced in its relationships.

Høivik and Shankar clarify this position by adding: “Activities include products, services, and processes; Relationships refer to an organization’s activities within its sphere of influence.” (Høivik & Shankar 2011, p. 175)

Traditional CSR models — for example, employee volunteer programs or charitable giving and philanthropy — comprise activities that are peripheral to the core concerns and activity of a business (Kanter 1999, p. 125) and are considered a “nice to have” function (Hutter, Capozucca & Nayyar 2010, p. 53). The benefits of traditional CSR “are often nebulous, difficult to define and measure, externally influenced, and only indirectly connected to the action being taken.” (Bockstette & Stamp 2011, p. 3)

In contrast, “Strategic” CSR reframes sustainability and social benefits as a driver of business innovation, value creation and competitive advantage (Høivik & Shankar 2011, p. 180; Hutter, Capozucca & Nayyar 2010, p. 57; Porter & Kramer 2007, p. 2). By aligning CSR activities with issues of strategic importance to the organisation, businesses are able to engage the unique skills and capabilities (Kanter 1999, p. 125) and thus “leverage their expertise, value chains, and influence to ‘punch above their weight’ on social issues.” (Bockstette & Stamp 2011, p. 4) Similarly, investing in strategic CSR strengthens company
competitiveness (Porter & Kramer 2007, p. 11) and stimulates business development (Kanter 1999, p. 124). The strategic CSR perspective emphasises that sustainability can be a “win-win” for both business and society (Jamali, Yianni & Abdallah 2011, p. 378; Keeble et al. 2005, p. 3; Porter & Kramer 2007, p. 11) and thus avoids it being considered a trade-off or add-on (Hespenheide et al. n.d., para. 39). The result is a symbiotic relationship where “The success of the company and the success of the community become mutually reinforcing.” (Porter & Kramer 2007, p. 11)

Visser proposes a continuum of CSR approaches, with stages ranging from “Defensive CSR” through to “Systemic CSR” (Visser 2010, p. 8). See Figure 1 below for a summary of Visser’s continuum. In Visser’s model “Strategic CSR” is the penultimate stage with “Systemic CSR” representing a further shift from just aligning CSR with existing core business objectives to redefining the core business to tackle pressing societal needs and challenges (Visser 2010, p. 9). This distinction sets Visser apart from other authors in the literature for which these two concepts are often conflated (see, for example, Porter & Kramer 2007, p. 11). However, the core principles and trajectory of CSR’s role in the business context remain consistent between Visser’s model and the broader literature. Strategic CSR suggests that there are advantages to “moving from doing CSR to being socially responsible.” (Høvik & Shankar 2011, p. 180, emphasis in original)

![Figure 1: A continuum of stages on the CSR embeddedness in business conduct (Antonis, Athanasios & Konstantinos 2011, p. 113 adapted from Visser 2010)](image)

The shift in perspectives on CSR’s role, from defensive to strategic, positions CSR as a central component of discussions on business operations (Maxfield 2008, p. 367) with an emphasis on positive business outcomes. Business case drivers of CSR within organisations are wide and varied (Hespenheide et al. n.d., para. 3; Visser 2010, p. 1). Ditlev-Simonsen & Midttun (2011, p. 26) catalogue a variety of schools of thought relating to CSR in the business literature, including:

1. Profit maxim: solely to increase profit
2. Value maxim: to create long-term value for shareholders
3. Stakeholdership: to satisfy different stakeholders
4. Cluster-building: to build a strong cluster to provide a favorable business context for the company
5. Branding: to build a positive reputation and brand image
6. Innovation: to develop new products and business concepts
7. Copying/imitating: to resemble other companies
8. Ethics/morals: to do the ‘right thing’ (a moral issue)
9. Managerial discretion: to fulfil the personal preferences and interests of the manager or person in charge of CR [corporate responsibility]
10. Sustainability: to contribute to long-term sustainable development
Although it could be argued to fall under the “Value maxim” and “Branding” perspectives, “reducing business risk” is another oft-cited benefit of CSR (see, for example, Husted 2005; Visser 2010, p. 1) that is not directly addressed by Ditlev-Simonsen and Midttun’s model.

The strategic CSR literature emphasises innovation as a key benefit, with Kanter coining the term “corporate social innovation” as a contrast to “corporate social responsibility” (Kanter 1999, p. 124). Innovations can occur at the product/service level (Capozucca & Sarni n.d., para. 4; Hockerts & Wüstenhagen 2010, p. 482; Keeble et al. 2005, p. 3; Mahlouji & Anaraki 2009, p. 189), or at the process/operational level (Hockerts & Wüstenhagen 2010, p. 482; Mahlouji & Anaraki 2009, p. 189). As a lever for innovation, sustainability may be considered part of an organisation’s research & development activity (Bockstette & Stamp 2011, p. 21; Kanter 1999, p. 124; Maxfield 2008, p. 373) with the knowledge and capabilities stemming from CSR activities drive innovation forming part of the business case for CSR (Kanter 1999, p. 131).

Indicative of this perspective, Keeble et al. (2005, p. 3) define “Sustainability-Driven Innovation” as “the creation of new market space, products & services or processes driven by social, environmental or sustainability issues.” They report that 95% of companies in their survey believe that Sustainability-Driven Innovation has the potential to deliver business value — including benefits to both top line (revenue) and bottom line (operational/profit & loss) returns (Keeble et al. 2005, p. 3). This finding is tempered by Ditlev-Simonsen’s survey results that place “innovation” as a mid-level motivation for business managers (Ditlev-Simonsen & Midttun 2011, p. 32).

The end-benefit of innovation is achieving competitive advantage in the market place (Mahlouji & Anaraki 2009, p. 186; Maxfield 2008, p. 373). Opportunities inherent in serving the so-called “base of the pyramid” markets are often suggested (Ditlev-Simonsen & Midttun 2011, p. 28; Mahlouji & Anaraki 2009, p. 189; Porter & Kramer 2011, p. 8). Ecologically-oriented innovation (Ditlev-Simonsen & Midttun 2011, p. 28) — for example, efficiency measures to reduce emissions often have correlated cost benefits or present new product opportunities, such as the case with Toyota’s Prius hybrid car — are also suggested. There are a number of key benefits that are cited in taking a strategic CSR approach (some of which overlap):

- Developing new products and services, especially finding opportunities in under- or un-served markets (Jenkins 2009 cited in Høivik & Shankar 2011, p. 180; Porter & Kramer 2011, p. 15)
- Identifying/creating new markets for company offerings (Keeble et al. 2005, p. 3; Mahlouji & Anaraki 2009, p. 189; Porter & Kramer 2011, p. 5; Visser 2010, p. 11)
- Process innovation to achieve operational efficiencies (Hespenheide et al. n.d., para. 3; Porter & Kramer 2011, p. 7; Visser 2010, p. 11)
- Avoiding obsolescence and maintaining viability (Keeble et al. 2005, p. 3; MacGregor et al. 2007 cited in Mahlouji & Anaraki 2009)

It is notable that these benefits correlate quite closely with literature on innovation in more general terms. For example, focusing on unmet needs and under-served markets is a feature of Blue Ocean Strategy (Kim & Mauborgne 2005) and is highlighted in the Australian Business Council’s report on business model innovation (Scott-Kemmis 2012, p. 54). Another example is business model innovation, which has also been found to be a key factor in competitiveness (Scott-Kemmis 2012, p. 7 & 43).

Shared Value in more detail

Creating Shared Value (Porter & Kramer 2011) represents one particular model of implementing strategic CSR in larger organisations. Porter and Kramer emphasise that shared value is driven by improving the competitiveness of a firm, rather than personal values (moral) or redistribution of wealth (e.g. philanthropic) considerations (Porter & Kramer 2011, p. 5). Like other incarnations of strategic CSR, shared value aligns CSR activities with core business activities to generate business returns and thus
create a business case for sustained commitment and investment (Porter & Kramer 2011, p. 15). Shared value positions social engagement as a “long-term investment that is intrinsic to business success.” (Bockstette & Stamp 2011, p. 21).

Figure 2: Shared value in context (reproduced from Bockstette & Stamp 2011, p. 4)

Rather than business and society being in opposition (Bockstette & Stamp 2011, p. 3; Porter & Kramer 2007, p. 1; 2011, p. 4), a shared value perspective recognises the interdependent nature of the two (Porter & Kramer 2007, p. 1 & 7). It emphasises investment in improvements of the competitive context in which a business operates (Porter & Kramer 2007, p. 7). While the potential for positive impact on the business’ top- and bottom-line is considered, shared value suggests a deeper conception of value creation (Porter & Kramer 2011, p. 4 & 17) akin to that outlined by Visser (Visser 2010, p. 20).

Applying Ditlev-Simonsen and Midttun’s (2011, p. 26) model, it could be argued that shared value demonstrates an emphasis on the “Value maxim”, “Cluster development” and “Innovation” schools of thought, with “Stakeholders” and “Branding” as a secondary, though important, consideration.

Bockstette and Stamp (2011, pp. 4–5) summarise the three core pillars of shared value:

• **Reconceiving products and services.** Companies can meet social needs while better serving existing markets, accessing new ones, or lowering costs through innovation.

• **Redefining value chains.** Companies can improve the quality, quantity, cost, and reliability of inputs and distribution while they simultaneously act as a steward for essential natural resources and drive economic and social development.

• **Strengthening local clusters.** To compete and thrive, [companies] need reliable local suppliers, a functioning infrastructure of roads and telecommunications, access to talent, and an effective and predictable legal system.

These pillars are synergistic; i.e. “improving value in one area gives rise to opportunities in other”. (Porter & Kramer 2011, p. 7)

**Clusters as a driver of innovation**

The inclusion of clusters in Porter & Kramer’s framework builds on a larger body of work from Porter and others around the impact of clusters on competitive advantage, and is thus worthy of further exploration. A cluster is a geographic concentration of interconnected companies (e.g. rivals, specialised suppliers, firms in related industries), associated institutions (e.g. universities, trade associations, standards agencies), sophisticated customers, and supporting specialised infrastructure that are linked by commonalities and complementarities (Porter 2000a, p. 32; 2000b, pp. 253–4; 2007, p. 2). The geographic boundary of a cluster can range from the city to national level, or in some cases to neighbouring countries (Porter 2000b, p. 254). More salient than geography in defining the boundaries of clusters is the linkages and complimentarities, and strength of ‘spillover’ effects across industries and institutions (Porter 2000b, p. 255). However, geography is still critical, with

*Proximity in geographic, cultural, and institutional terms allows special access, special relationships, better information, powerful incentives, and other advantages in productivity and productivity growth...*
that are difficult to tap from a distance. As a result, in a cluster, the whole is greater than the sum of the parts. (Porter 2000a, p. 32)

The performance of clusters is influenced by the broader public assets of the community in which they reside, such as education facilities, the quality of natural resources, business regulation, logistical infrastructure and market transparency (Porter & Kramer 2011, pp. 11–2). Proponents of clusters argue that they drive productivity, increase transaction efficiency, encourage knowledge creation and more rapid innovation, ultimately resulting in improved economic performance (Porter 2007, p. 2) and competitive advantage for cluster participants (Porter 2000a, p. 16). Clusters also encourage new business formation, supporting innovation and expanding the cluster (Porter 2000a, p. 21).

Clusters encourage the development of strong labour pools with the specialised skills that support the ongoing advantage of the cluster (Delgado, Porter & Stern 2010, p. 5). They enable stronger input-output linkages (Delgado, Porter & Stern 2010, p. 5), which from a sustainability perspective might extend to industrial ecology principles. They also minimise duplication of effort through co-operation and norms-building around precompetitive framework conditions (Porter & Kramer 2011, p. 16). Such factors might include common negotiating terms, standards around minimum working conditions, certification and auditing systems, or shared facilities such as those related to waste management (Høivik & Shankar 2011, pp. 187–8).

The various ways participation in a cluster can benefit a business can be represented visually:

![Figure 3: Sources of locational competitive advantage (Porter 2000a, p. 20)](image)

Clusters reduce the costs and risks associated with new venture formation (Delgado, Porter & Stern 2010, p. 3) and can increase the likelihood of survival during early years of a business' development (Delgado, Porter & Stern 2010, pp. 4–5). Clusters can also drive local competition, not only increasing operational effectiveness but driving participating businesses to differentiate along strategic lines (Porter 2000b, p. 266), resulting in more resilient competitive advantage.
Clusters facilitate rapid operational improvement and extending the productivity frontier

• Rapid dissemination of best practices
• Opportunities for experimentation with new activity configurations and approaches

Clusters tend to foster strategic competition instead of imitation and price cutting

• Operational efficiency differences within clusters are hard to sustain
• Proximity discourages imitation versus the pursuit of different strategies
• Clusters can provide a better environment in which to perceive new needs and segments
• The presence of local suppliers, related firms, and supporting institutions enables strategic differences

Figure 4: The influence of clusters on the nature of local competition (Porter 2000b, p. 266)

Thus, the cluster approach advocated within the shared value framework brings with it a variety of competitive advantages quite independent to the social and environmental benefits that may arise.

SMBs and sustainability

According to the Australian Bureau of Statistics, there were over 2.1 million actively trading businesses in Australia as at June 2011 (Australian Bureau of Statistics 2012a, para. 1), with 96 per cent of those being classed as small businesses — i.e. businesses employing less than 20 employees (Australian Bureau of Statistics 2012b, para. 5). In 2009–10, these small businesses made a significant contribution to the Australian economy, representing close to half of all employment in Australia, or around 4.8 million people (Clark et al. 2011, p. 6). If medium enterprises — businesses employing up to 199 people — are included in the equation, SMBs account for 70% of employment (Clark et al. 2011, p. 6). Small and medium businesses generate just short of 60% of industry value-added1 (Clark et al. 2011, p. 4). These levels of economic and social contribution are also represented in other contexts worldwide (Atkins, 2002 cited in Condon 2004; Høivik & Shankar 2011, p. 176).

As Condon (2004, p. 57) points out, “it is apparent … that SMEs contribute significantly to the economic success of a country, but aggregated they undoubtedly have a significant impact on ecological systems as well as on the social fabric of a society.” Much of the dialogue and literature around strategic CSR has focused on larger companies. As Høivik and Shankar (2011, p. 175) note, CSR in SMBs remains a relatively new topic in research. So what might strategic CSR mean for SMBs? What impact is the application of frameworks like shared value likely to have in this context? While not an exhaustive response, the remainder of this paper suggests some impacts and potentialities.

Condon (2004, p. 57) and Høivik & Shankar (2011, p. 188) suggest small to medium businesses have comparative advantages and disadvantages to implementing strategic CSR. The small size of these organisations enables a greater degree of flexibility and agility (Condon 2004, p. 57; Høivik & Shankar 2011, p. 182), but many SMB managers lack the strategic perspective (Condon 2004, p. 57; Mendibil et al. 2007, p. 2) and/or organisational capacity (Høivik & Shankar 2011, p. 188) to take advantage of the opportunities presented by innovative CSR approaches.

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1 Industry value added is the measure of the contribution by businesses in each industry to gross domestic product.
In the UK context, a 2006 survey indicates that a majority of SMBs believe social and environmental responsibilities are something they need to pay attention to (DTI 2006 cited in Hanke & Stark 2009, p. 508). However, other research suggests SMBs do not understand the benefits of adopting these new practices (Mendibil et al. 2007, p. 2) with many unconvinced that CSR practice will generate more business (Condon 2004, p. 58). This is compounded by the difficulty for SMBs to measure the success of CSR initiatives (Mendibil et al. 2007, p. 2). Small businesses are more typically focused on operational and bottom line considerations such as marketing, avoiding legal problems, customer satisfaction and competitiveness (Condon 2004, p. 66). Further, SMBs may also consider their business as already socially and environmentally responsible (DTI 2006 cited in Hanke & Stark 2009, p. 508), removing the impetus to take further action to develop and integrate CSR into business practice and strategy.

While an individual firm’s impact in addressing broader systemic issues may be limited, strategic CSR’s emphasis on business model innovation suggests that small businesses can rapidly gain ground against incumbent, long-established businesses (Scott-Kemmis 2012, p. 5) stimulating disruptive innovation at the wider, industry scale (Hockerts & Wüstenhagen 2010, p. 481). SMBs can further contribute to industry-wide transformation by influencing established firms that possess the capability to mainstream CSR-derived innovations (Høivik & Shankar 2011, p. 176). Hockerts and Wüstenhagen characterise this dynamic between innovative SMBs and established players as an interplay between “Emerging Davids” and “Greening Goliaths” (see Figure 5 below), suggesting that the co-evolution of both types of businesses “is more likely to result in sustainability than either of the two alone.” (Hockerts & Wüstenhagen 2010, p. 482)

Figure 5: The co-evolution of “Emerging Davids” and “Greening Goliaths” in achieving industry transformation (Hockerts & Wüstenhagen 2010, p. 488)

Such influence could prove key in rectifying the lack of diffusion of CSR innovation lamented by Visser, (Visser 2010, p. 13) transforming the potentiality of more sustainable societally-enhancing models into mainstream reality (Manzini n.d., para. 6).
Shared value and SMBs

Reconceiving products and services

SMBs can leverage shared value to drive innovation in their own product and service offerings (Høivik & Shankar 2011, p. 176) and create competitive advantage. For business-to-consumer firms, this may include reconsideration of existing business models to build a “platform” (Scott-Kemmis 2012, p. 50) or “bookend” business model where high-value activities such as R&D and design are matched with increased customer engagement (Scott-Kemmis 2012, p. 40). The Haul case study is an illustration of a business that has developed distinctive products that are aligned with a shared value perspective. Car sharing service Go Get is another local example of such product innovation and an exemplar of the Collaborative Consumption (Botsman & Rogers 2010) product-service system model.

Redefining value in the value chain

Small to medium businesses, particularly those that operate in a business-to-business model, will come under increasing pressure to meet social and environmental criteria from their larger clients (Høivik & Shankar 2011, p. 180). While SMBs are less likely to face the same degree of reputational risk as larger multi-nationals, moves by larger players to address such risks are likely to ripple up through the supply chain. An example of this is Puma’s finding that its supply chain represented 94% of total environmental impact (Kadleck 2011, para. 9) or Walmart’s drive to engender sustainability throughout its supply chain through its Supplier Sustainability Assessment (Rosenbloom 2010; Walmart n.d., para. 4). Responding to such pressure will in the first instance involve consideration of direct operations (activities the business undertakes itself). However, businesses may also need to consider and monitor their own suppliers to address customer requirements (Høivik & Shankar 2011, p. 180).

Consideration and engagement of an SMB’s own suppliers may provide additional insights into potential product/service and process-oriented innovations. Establishing stronger relationships with external partners can also strengthen competitive advantage, as it is “more difficult to copy an integrated business model that is deeply embedded in the specialised capabilities and collaborative links that a firm possesses.” (Scott-Kemmis 2012, p. 7) The MTC Group case study provides an example of this new approach to supply chain engagement.

Strengthening local clusters

Small to medium businesses play a central role in the definition and health of clusters (Delgado, Porter & Stern 2010, p. 6; Porter 2000a, p. 24). New businesses, which are typically smaller, may be able to identify opportunities that create regional advantage, relative to incumbent businesses (Delgado, Porter & Stern 2010, p. 5). Participation in a cluster has the potential to drive the uptake of social innovations through more rapid diffusion of innovations and new norms (Young, HP 2011, p. 21285). Clusters can also increase the likelihood of SMBs recognising CSR issues as being important to their business (Høivik & Shankar 2011, p. 188). Participation in a cluster also provides opportunities to share resources and costs related to CSR initiatives across multiple businesses (Høivik & Shankar 2011, p. 188; Porter & Kramer 2011, p. 15). This can help reduce the inherent “limitations and risks associated with pursuing the CSR agenda by SMEs on their own.” (Høivik & Shankar 2011, p. 182) The dynamic interplay of “Emerging Davids” and “Greening Goliaths,” coupled with the benefits of innovation diffusion afforded by SMB participation in clusters, can assist in the scaling of CSR-driven innovations “up” and “out”, in Moore and Westley’s conception (Moore & Westley 2011, p. 3).

An SMB may consider their competitive context to identify if there are cluster effects at play, uncovering opportunities to:

- Create an associated body (such as an industry association) to co-ordinate cluster activities (Høivik & Shankar 2011, p. 187), including knowledge sharing opportunities
- Create a differentiated value proposition for the cluster as a whole (Høivik & Shankar 2011, p. 187). This could create appeal to larger organisations who also take a shared value perspective
• Work with other cluster participants to share the load in addressing precompetitive framework conditions
• Leverage the cluster in negotiating situations, especially in international situations (Høivik & Shankar 2011, p. 187)
• Take a cluster-centric approach when seeking government support e.g. when seeking funding or support for common infrastructure or other cluster-building initiatives

The role of collaboration


Collaboration can occur between businesses and their customers (Hutter, Capozucca & Nayyar 2010, p. 47 & 52; Scott-Kemmis 2012, p. 39), businesses and other social institutions such as Non-Government Organisations (Hutter, Capozucca & Nayyar 2010, p. 52; Kanter 1999; Porter & Kramer 2011, pp. 16–7), within a business’ own supply chain, and with peers and competitors (Høivik & Shankar 2011, p. 180; Scott-Kemmis 2012, p. 39).

This emphasis on collaboration may manifest for SMBs in customers wanting to engage their supply chain partners in collaborative activities (for example, Nike's engagement of its supply chain as outlined in Hespenheide et al. n.d., para. 18). Cluster-based activities may also demand a greater degree of collaboration (Høivik & Shankar 2011, p. 185). The Investa Sustainability Institute case study presents a good example of the type of deep collaboration that sustainability leaders are likely to pursue.

This increased emphasis on collaboration likely to present a number of challenges to SMBs, including:
• Increased demands on SMB managers’ time (which is often limited)
• Developing skills to be effective in engaging in collaborative activities (Hutter, Capozucca & Nayyar 2010, p. 55)
• Breaking down internal silos (Hutter, Capozucca & Nayyar 2010, p. 53) and engaging in multi-disciplinary/multi-sectoral dialogue (Brown & Wyatt 2010, p. 32; Porter & Kramer 2011, p. 17)
• Effectively protecting intellectual property (Hutter, Capozucca & Nayyar 2010, p. 55)
• Developing an increased degree of trust (Hutter, Capozucca & Nayyar 2010, pp. 55–6) as SMBs are potentially called to work alongside traditional rivals (e.g. firms offering similar services within a cluster) to achieve collaborative outcomes

While “Competition and cooperation can coexist because they are on different dimensions or because cooperation at some levels is part of winning the competition at other levels,” (Porter 2000a, p. 25), this is not always the case. To overcome these potential barriers, the opportunities of collaboration must clearly outweigh the risks (Hutter, Capozucca & Nayyar 2010, pp. 55–6).

Conclusion

We are in the midst of a significant shift in thinking about the role of CSR within the business community. This shift is sometimes compared to the early stages of the internet (Hutter, Capozucca & Nayyar 2010, p. 53; Visser 2010, pp. 13–6) — much as engagement by business in the internet was seen as peripheral, it has transformed many sectors and the business landscape.

While there are many fine examples of the principles of strategic CSR and relevant individual case studies, there appears to be a lack of empirical support for the business case for strategic CSR. Being such a nascent field, this can perhaps be expected. But given the heavy rhetoric around the business benefits of strategic CSR, this gap in knowledge and research will likely need to be closed if the concept of strategic...
CSR is to be accepted more broadly within the business community. This is especially true of SMB managers who are heavily focused on day-to-day considerations. They will need to be able to see clear benefits to invest their scant time in developing new business models, opening themselves up to collaborative models, and developing a cluster approach. This is an area of potential future research.

One final observation is that it is the author’s experience that many of the concepts and approaches advocated by strategic CSR mirror similar arguments for design thinking and service design approaches to business innovation. Taking a human-centred approach to innovation and collaboration within multidisciplinary teams (as outlined in my previous paper Young, G 2010) are just two examples of the cross-over of these two approaches. This is a potential area for further exploration.
Bibliography


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