

UNDERSTANDING CORPORATE SOCIAL RESPONSIBILITY (CSR)

**A thesis submitted to
The Honors Program at UDM
in partial fulfillment of the requirements
for Graduation with Honors**

by

Christina Katherine Stilianos

May 2013

Thesis written by

Christina K. Stilianos

Approved by

Mary A. Hazen, Ph.D.
Thesis Director

Mary A. Higby, Ph.D.
Thesis Director

Committee

Mithu Bhattacharya, Ph.D.
Assistant Professor, Decision Sciences
UDM College of Business Administration

Mary A. Hazen, Ph.D.
Professor, Management
UDM College of Business Administration

Mary A. Higby, Ph.D.
Professor, Marketing
UDM College of Business Administration

Accepted by

Jason Roche
Director, the Honors Program at UDM

TABLE OF CONTENTS

ACKNOWLEDGEMENTS and ABSTRACT	vii
I. INTRODUCTION	1
II. A BRIEF HISTORY – REVIEW OF LITERATURE	5
III. METHODOLOGY	13
IV. SURVEY RESPONSE & ANALYSIS	23
V. DISCUSSION OF THE RESULTS	39
VI. CONCLUSION	48
APPENDIX A – SURVEY	54
APPENDIX B – TABLES	63
REFERENCES	74

ACKNOWLEDGMENTS

I would like to thank my parents, Crist and Krishna. I am very grateful for their love and support throughout my life. Their commitment and dedication have made my success possible.

ABSTRACT

The idea of corporate social responsibility (CSR) has existed for more than a century and is considered indispensable to the well-being of an organization. Yet, there is no agreed upon definition of CSR. Instead, we find a gamut of definitions which emphasize different elements and create a general lack of accountability among corporations. This study attempts to understand attitudes toward corporate social responsibility among University of Detroit Mercy (UDM) College of Business Administration students; UDM alumni; and members of Beta Gamma Sigma (BGS), the international honor society for students in AACSB accredited business programs. Using a survey method, this thesis analyzes the “grey area” of CSR and examines the rudimentary question of to whom CSR is accountable.

Keywords: corporate social responsibility, social responsibility, ethics, perception.

Chapter 1: Introduction

Introduction

This paper uses a customized survey to clarify the nebulous topic of corporate social responsibility (CSR) as it is interpreted by business students and young professionals. The connection between corporate (or natural) personhood and social responsibility has been deliberated in the courtroom, boardroom and classroom by such great minds as Supreme Court Justice Samuel Alito (*Citizens United* case), Klaus Kleinfeld (CEO Alcoa) and Milton Friedman (leader of the Chicago School of Economics), to name just a few. Corporate social responsibility is considered indispensable – article titles such as “Where is Apple’s Social Purpose?” (Klein, 2011) illustrate the unsympathetic attitude the media share for companies daring enough to have few to no CSR goals embedded within their missions, regardless of brand success.

If CSR is so indispensable to the well-being of an organization, it should be fairly simple to define. In reality, clashing societal and moral expectations produce different ideas of CSR. In addition, companies may define CSR differently in order to best conform to the goals expressed by their specific organization or industry. The final result is an unshapely idea of CSR; available in a gamut of definitions, emphasizing a multitude of different elements and lack of accountability. Most agree CSR encompasses how companies make their profits, what they do with their profits and how they manage relationships; however, the way in which they exceed compliance and the dimension categories they choose to impact is the root of the definitional confusion surrounding CSR. One study dissects the definitions provided by 37 credible sources, revealing that CSR engagements focus on one or more elements from the dimensions of voluntariness,

stakeholder, social, environmental and economic components (Dahlsrud, 2006, p. 7). A close examination reveals that the institutions that developed these definitions sometimes have diverging biases based on the organizations' interests.

The origin of this undefined muddle not only exists within the many different definitions of CSR adapted by organizations, but also is affected by varying perceptions of students and young professionals, current legislation and the vague decisions of historic court cases. Traditionally, the idea that corporations are legally obligated to maximize shareholder wealth is a widely shared opinion prevalent in law and business classes across the United States. Yet, tangible legislation compelling business managers to maximize investor wealth or business profits does not even exist (Johnson, 2010, p. 15). In fact, nearly 30 states have passed "constituency statutes", also known as stakeholder statutes, encouraging corporate directors and business managers to consider non-shareholder interests when making business decisions.

So, in what ways is a corporation to be socially responsible, if it does not *solely* exist to serve the shareholders who provide the capital necessary for operations? We may consider looking to historic court cases for guidance: a glimpse into the 1919 decision of *Dodge v. Ford* suggests shareholder wealth maximization is the mandatory sole end of a corporate endeavor (Palmiter & Partnoy, 2010). However, this ruling was fraught with many caveats, including a contradictive choice in wording that seems to simultaneously support a definition of CSR that extends concern to community (Johnson, 2010) (*Dodge v. Ford* examination provided in Chapter II).

In the midst of such controversy, an undisputed obligation to serve others remains at the heart of corporate social responsibility; whether mandated by corporate regulation or derived naturally as an intrinsic goal. For this reason, business students and alumni of the Jesuit institution of University of Detroit Mercy (UDM) and members of the international collegiate business honor society Beta Gamma Sigma (BGS) are appropriate sources of information about attitudes about CSR. Collectively, respondents from both groups attend or have graduated from institutions that hold AACSB accreditation and represent the mission of higher learning and ethics across the globe. This collection of future executives, entrepreneurs and business professionals can define corporate social responsibility presently and indicate the shape of things to come in regards to CSR.

This paper clarifies the corporate social responsibility “grey area” and examines the rudimentary question of to whom CSR is accountable. The following chapters present section by section results and analyses of *Survey 27379: Understanding Corporate Social Responsibility (CSR)*. An analysis of *Survey 27379 Section II: Defining CSR* highlights the basic requirements of a CSR strategy, outlines the application of leadership to CSR and examines agreement among respondents with traditional textbook definitions. *Section III: Shaping CSR Attitudes* will describe respondent attitudes towards CSR, illuminate the personal connection between respondents and CSR and provide insight into the future of CSR.

Chapter 2: A Brief History
Review of Literature

Review of Literature

The Debate that Started it All

Surprisingly, the core issue of CSR as it exists today - “to whom should a corporation benefit?” is nearly eighty years old. At its origin, the purpose of the corporation, in terms of corporate law, policy and power, was deliberated in a series of congressional hearings immediately following the Great Crash of 1929 (Palmiter & Partnoy, 2010, p. 91). The nature of the debate post-inception was shaped by Adolf Berle and E. Merrick Dodd, and their debate continues to be referenced as the foundation for CSR in the U.S today.

Shareholder primacy versus corporate social responsibility. In the early 1930s, Wall Street lawyer and law professor Adolf Berle developed the “shareholder primacy view”. Although he eventually softened his views, Berle wrote and co-authored many influential articles, including *The Modern Corporation and Private Property* (Berle, 1968). His views that corporate powers were held in trust “at all times exercisable only for the ratable benefit of all the shareholders” gained the attention of economist Milton Friedman, who is also a proponent of shareholder primacy (Palmiter & Partnoey, 2010, p. 92).

Standing in opposition to shareholder primacy was E. Merrick Dodd, the leading advocate for the “contrary view”, or corporate social responsibility as it is referred to today. Dodd countered Berle’s thoughts on the corporation, believing that a business corporation should rather be viewed “as an economic institution which has a social service as well as a profit making function” (Palmiter & Partnoy, 2010, p. 93).

Friedman's ideas echoed Berle's in many ways. Friedman's ideas concerning CSR are detailed in his article "The Social Responsibility of Business is to Increase its Profits" published by the New York Times, September 13, 1970. In the article, Friedman explains that although he is not opposed to social responsibility, such responsibilities are not the job of business corporations. Rather, the corporation exists primarily to maximize shareholder wealth (Friedman, 1970).

Dodd's ideas, however, led to a shift in thinking for many, transitioning away the notion that a corporation is the private property of shareholders. Since the 1930s, CSR has been advocated by consumers, employees and other proponents who optimistically believe in the power of the corporation to achieve greatness. Today, corporate social responsibility is synonymous with corporate conscience, corporate citizenship, social performance, sustainable responsible business, responsible business and social responsibility.

Historical case studies and CSR.

Traditionally, court decisions and case precedents offer clarification and interpretation of societally ambivalent definitions. Since the 1930s, a plethora of court cases have emerged raising the issue of CSR. This list includes Dodge v. Ford, Pillsbury v. Honeywell, Kiobel v. Royal Dutch Petroleum Co., Dartmouth College v. Woodward, Santa Clara County v. Southern Pacific and Citizens United v. Federal Election Commission. However, most relevant to the purpose of defining CSR are Dodge v. Ford, Pillsbury v. Honeywell and Kiobel v. Royal Dutch Petroleum Co.

Dodge v. Ford Motor Co. Dodge v. Ford Motor Co (1919), docket number 204 Michigan 459, 170 N.W. 668, addresses the issue of shareholder wealth maximization and the court's view on CSR. In light of capital surplus amounting to \$60 million, president and majority stockholder Henry Ford announced a temporary cease in dividends so that he could invest in new plants, ultimately increasing production and employees. As cited in Casebriefs (2012), Ford stated:

My ambition is to employ still more men, to spread the benefits of this industrial system to the greatest possible number, to help them build up their lives and their homes. To do this we are putting the greatest share of our profits back in the business. (pars. 3)

As cited in Casebriefs (2012), Ford's counsel further elaborated:

With regards to dividends, the company paid sixty per cent on its capitalization of two million dollars, or \$1,200,000, leaving \$58,000,000 to reinvest for the growth of the company. This is Mr. Ford's policy at present, and it is understood that the other stockholders cheerfully accede to this plan. (pars. 7)

Unfortunately, Ford's error was in admitting the short-term benefit of shareholders was not even a primary consideration of his, because brothers John and Horace Dodge (minority shareholders with a 10% stake) successfully halted this effort. Ford was prevented from using profits for investing in benevolent interests rather than dividends providing immediate pay-out to shareholders. As pointed out by Lyman Johnson, JD, in her Working Paper No. 6 *Law and the History of Corporate*

Responsibility, the ruling in which Ford's plan was deemed a breach of his fiduciary duty to minority shareholders must be carefully read (Johnson, 2010, p. 14). It states:

A business corporation is organized and carried on *primarily* for the profit of its stockholders. The powers of the directors are to be employed for that end. The discretion of directors is to be exercised in the choice of means to attain that end, and does not extend to a change in the end itself, to the reduction of profits, or to the non-distribution of profits among stockholders in order to devote them to other purposes. (p. 14)

On the surface, the decision appears a clear advocate for shareholder primacy. However, the decision has been scrutinized for decades, and many leading thinkers argue the decision supports constituents beyond shareholders. Harvard Professors Lynn Stoute and Einer Elhauge outline several reasons the case is not a true precedent for advocating shareholder primacy (Johnson, 2010). Reasons include the case states "primary" rather than "sole" or "exclusive" duty and Ford Motor Company is historically classified as a multi-purpose quasi-public corporation. Quasi-public corporations existing in the 19th century assumed too many responsibilities to be limited to one objective of serving shareholders. In addition, Ford may have suspected the ulterior motive of the Dodge brothers to gain cash necessary for launching a rival automobile company. If this is the case, it is difficult to isolate the true reason for withholding dividends – whether it was truly to launch charitable programs or to safeguard the company from competition. Lastly, the Professor Stoute and Professor Elhauge note the case has no binding effect outside of Michigan and is characteristically antiquated (Johnson, 2010, p. 14). At the

time of the trial, the scope of shareholders included wholly owning a corporation, rather than simply owning a piece of equity interest.

Pillsbury v. Honeywell. Fifty years later and across state lines, CSR reemerged in the court room yet again (Johnson, 2010). Mr. Pillsbury, strongly against Honeywell's production of munitions for the Vietnam War effort, attempted to persuade executive board members of Honeywell against involvement in the war. Mr. Pillsbury was also affronted with a pro-economic view of corporate activity banning such involvement. Among other critical legal issues, the issue was raised whether a business must be operated to profit for shareholders, rather than the community as a whole or employees (Bevan, 2007).

Kiobel v. Royal Dutch Petroleum Co. *Kiobel v. Royal Dutch Petroleum Co.* addresses the issue of corporate responsibility and human rights (Johnson, 2010, p. 15). According to the court case syllabus, as heard by the Supreme Court of the United States October Term, 2012, Esther Kiobel represented a group of individuals from the Ogoni region in Nigeria. Kiobel claimed that the Royal Dutch Petroleum Co (Shell) aided and abetted the Nigerian government in violating the law of nations, committing extrajudicial killing, crimes against humanity, torture or cruel, inhuman and degrading treatment; arbitrary arrest and detention, forced exile, property destruction and violation of the rights to life, liberty, security and association against herself and Ogoni. The crimes, which included rape and torture, were committed in an attempt to stop the Ogoni from protesting oil exploration projects.

Kiobel filed suit under the Alien Tort Statute (ATS) so that she could obtain compensation and deter future corporate wrongdoings in which she and others fell victim (Holton-Basaldua & Caruvana, n.d). The statute, which is notable for hearing human rights cases and appears in section 28 of the United States Code, reads “The district courts shall have original jurisdiction of any civil action by an alien for a tort only, committed in violation of the law of nations or a treaty of the United States” (as cited in Cornell, pars. 3). However, the majority decision of the Second Circuit Court of Appeals concluded that all claims were dismissed under ATS. According to precedent, customary international law has held states and individuals liable for human rights violations; however juridical “persons” such as corporations has not.

The Supreme Court required a second petition for rehearing, and ordered re-arguments focusing on the circumstances in which ATS should apply to tort claims outside of U.S. While it was eventually ruled that corporate liability is *possible* under the statute, a decision is yet to be reached. Regardless of what is decided in the court room, cases such as this illustrate the changing magnitude of corporate social responsibility. At the minimum, CSR might entail meeting fiduciary duties; however, today’s societal expectations challenge companies to extend the scope to involve a human rights agenda on a global platform. Professor John Ruggie who drafted the U.N. Guiding Principles on Business and Human Rights, described the impact such a decision has on the interpretation of CSR in a Forbes CSR blog post by Contributor Amol Mehra in October, 2012 (Mehra, 2012, par.4):

Should the corporate responsibility to respect human rights remain entirely divorced from litigation strategy and tactics, particularly where the company has choices about the grounds on which to defend itself? Should the litigation strategy aim to destroy an entire juridical edifice for redressing gross violations of human rights, particularly where other legal grounds exist to protect the company's interests? Or would the commitment to socially responsible conduct include an obligation by the company to instruct its attorneys to avoid such far-reaching consequences where that is possible? And what about the responsibilities of the company's legal representatives? Would they encompass laying out for their client the entire range of risks entailed by the litigation strategy and tactics, including concern for their client's commitments, reputation, and the collateral damage to a wide range of third parties? (par. 4)

Just as the Supreme Court equated a natural person to a corporation in their decision to grant a First Amendment right to corporations in *Citizens United v. FEC*, this decision requires the court's consideration of the connection between a natural person and a corporation, but for the purposes of imposing liability for aiding and abetting human rights violations.

Chapter 3: Methodology

Methodology

Overview

In order to understand respondent attitudes regarding corporate social responsibility (CSR), I developed, approved, fielded, distributed and analyzed an on-line survey to 600 students and young professionals.

Subjects. 500 Business Students (Undergraduate and Graduate) at the University of Detroit Mercy (UDM) and 100 Beta Gamma Sigma members were invited to participate in the survey. As the international honor society for business programs accredited by AACSB International (Association to Advance Collegiate Schools of Business), I felt it was imperative to extend the survey to BGS members across the globe. The survey was extended to 100 BGS participants who were previously selected to attend the 2012 BGS Leadership Forum in St. Louis, Missouri, because they have demonstrated an interest in leadership and the basic facets of CSR. To supplement the results, recently graduated alumni of UDM were also encouraged to complete the survey. The majority of students were contacted using UDM College of Business Administration list servers. The survey was also present on social media platforms including LinkedIn and Facebook. LinkedIn groups University of Detroit Mercy College of Business Alumni and Beta Gamma Sigma promoted the survey to members' home pages. There was a return rate of 24.5% with 147 total responses; 119 individuals provided full responses and there were 28 incomplete responses.

Measures & Designing the Survey.

The survey was designed with three different question groups: Section I: Background and ancillary information, Section II: Defining corporate social responsibility (CSR) and Section III: Shaping attitudes about CSR. The questions were intended to better understand respondent position and knowledge of CSR and to test the degree to which variables impacted respondents' understanding and attitudes towards CSR.

Section I: Background Information. Section I: Background Information collected necessary ancillary information regarding background, education and work experience in nine questions. The questionnaire began by identifying the respondent through gender, age, class standing and date of graduation questions. This section also called for the respondent to identify him or herself as an undergraduate business student at UDM, graduate business student at UDM, employed (part-time or full-time), recently graduated alumnus of UDM, or Beta Gamma Sigma (BGS) member. The purpose of these descriptors was to classify opinions into relevant groups that are likely to encounter CSR in their coursework and careers.

Respondents who indicated they were students were directed to mark the reasons that they chose to enroll in business school and to mark the courses that they took. Students were then provided with the choice of marking all answers that applied, with predefined answer options of passion/ambition, opportunity for financial success, work-life balance, and an "other" option. The course response options were limited to business classes focusing on ethics education or containing lessons of CSR as part of its criterion for meeting AACSB accreditation standards (mandated under AACSB Accreditation

Standard 15: Management of Curricula). UDM students were provided with the specific course equivalent, as found in the UDM College of Business Administration Course Catalog. As a result of this search, predefined answer options were made to include an undergraduate leadership course (UDM students: 3180 Behavior and Leadership in Organizations), an undergraduate ethics and social responsibility course (UDM students: 3190 Business and Society), an undergraduate strategic policy course (UDM students: 4990 Strategic Policy and Management), a graduate leadership course (UDM students: MBA 5250/5270 Organizational Processes and Leadership) and a graduate strategic policy course (UDM students: MBA 5900 Strategic Management).

Lastly, the ancillary information captured additional information for those who were employed, including position of employment, geographical area covered by workplace, and type of work. The purpose of collecting this information was to test for a change in attitude across rankings, scale of company and industry.

Section II: Defining CSR. Respondents were transitioned to Section II: Defining CS, after reading a high level definition of CSR, including its many synonyms (corporate responsibility, corporate accountability, corporate ethics, corporate citizenship, sustainability, stewardship, triple bottom line, responsible business). The section contained nine questions with the objective of forming a presently relevant definition of CSR by outlining basic requirements, understanding the involvement of leadership and validating traditional textbook definitions. Respondents rated statements using a consistent five-point Likert scale of (1) strongly disagree, (2) disagree, (3) neutral, (4) agree and (5) strongly agree.

A basic definition outlining to whom a corporation is most accountable and their responsibilities were formed in Question 10 [DEF1], Question 12 [DEF3] and Question 17 [DEF8]. Specifically, through Question 10 [DEF1] respondents determined to whom a corporation is most accountable with the purpose of understanding the specific level of commitment a company is socially obligated to serve stakeholders, shareholders, employees and the local community. Question 12 [DEF3] rated the importance of various commitments of a corporation, to understand whether respondent thoughts on CSR emphasize philanthropic, ethical, legal or economic elements. While definitions for CSR constantly evolve, traditional definitions continue to emphasize at least one of these qualities. Recent textbooks feature a “four-part” definition of CSR, placing great value on all four of these qualities (Carroll, 2006, p. 38). Question 12 [DEF3] was designed to test for sustained relevance of each of these elements. Question 17 [DEF8] “Corporations have obligations to do good as well as responsibilities not to do harm” is designed to understand whether respondents feel they have a meaningful connection to CSR, in light of research that revealed many proponents of social responsibility believe service is intertwined in feelings regarding CSR (Tuleja, 1985, p. 35).

Respondents were expected to draw knowledge from their business coursework in Question 11 [DEF2] and Question 18 [DEF9]. Question 11 [DEF2] “Developing and improving CSR goals is the obligation of organization management, or those at the top of the hierarchy” was designed with the purpose of understanding who respondents feel are most accountable for CSR goals within an organization. Question 18 [DEF9] “Leadership behavior at the top of the organizational hierarchy influences employees’

engagement in CSR” was designed with the purpose of understanding what degree students feel CSR is influenced by higher ranking individuals in an organization.

Traditional textbook definitions were tested for validity and general acceptance in Question 13 [DEF4], Question 14 [DEF5], Question 15 [DEF6] and Question 16 [DEF7]. Question 13 [DEF4] “Corporations have social responsibilities over and above their fiduciary obligations to their stockholders” was written to measure the extent in which opinion has changed since Milton Friedman published “The Social Responsibility of Business is to Increase its Profits”. Question 14 [DEF5] “CSR refers to a company’s duty to operate in an honorable manner, provide good working conditions for employees, encourage workforce diversity, be a good steward of the environment, and actively work to better the quality of life in the local communities where it operates and in society at large” was written to understand if the respondent felt CSR encompassed environmental, sustainability, economic development and voluntary engagement elements of CSR. While this is a common general textbook definition, this specific statement was directly taken from Business Ethics (Crane, 2007, p. 195).

Question 15 [DEF6] “In a free economy, there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud” was included as a second measure of gauging whether or not the respondent felt Friedman’s thoughts on CSR were antiquated or still relevant. Question 16 [DEF7] “The idea of social responsibility requires the individual to consider his (or her) acts in terms of a whole

social system, and holds him (or her) responsible for the effects of his acts anywhere in the system” was included to understand the degree of accountability the respondent feels CSR encompasses.

Section III: Shaping Attitudes about CSR. The last portion of the survey, Section III: Shaping Attitudes about CSR was designed to understand the respondent’s personal attitude towards CSR as it exists today. The section contained eleven questions with the objective of understanding feelings towards CSR (ATT2, ATT4 and ATT6), the respondent’s personal level of connection to CSR (ATT7, ATT8, ATT9, ATT10 and ATT11) and the future of CSR (ATT1 and ATT5). With exception for the last two responses, uniquely tailored for those with experience working in a corporation, respondents rated statements using a consistent five-point Likert scale of (1) strongly disagree, (2) disagree, (3) neutral, (4) agree and (5) strongly agree.

Question 20 [ATT2] “CSR strategies that provide valuable social benefits and fulfill customer needs may earn a competitive advantage” and Question 21 [ATT4] “Companies use CSR as a tool primarily to promote their brand and polish their reputation” were designed to understand the reason behind CSR. What type of correlation exists between CSR and wealth maximization, if any? A positive correlation may indicate students believe in the positive mission of CSR and that it is truly in the best interest of all. Question 21 was designed to bring to light any respondents who feel CSR is nothing more than a “publicity stunt”. Question 23 [ATT6] “Simply put, CSR is “the thing to do” for business; meaning, there is not a sincere nor sustainable trend toward business acting with a moral consciousness” is a direct quote from Steve May’s The

Debate over CSR, designed with the intent of understanding whether or not CSR is really just a label for another fad.

Question 24 [ATT7] “In considering a company, CSR objectives are critical to your search”, Question 25 [ATT8] “It is important for you to work for a company with strong CSR objectives that produce positive social change” and Question 26 [ATT9] “It is important for you to actively participate and directly oversee execution of CSR objectives within your (potential) company” were designed to determine the commitment towards CSR of those respondents entering the workforce. Question 27 [ATT10] “Are you familiar with the CSR objectives of your company?” and Question 28 [ATT11] “Which responsibility do you feel your company’s CSR most emphasizes?” aim to understand the presence and engagement of CSR in organization presently.

Finally, in looking to the future of CSR, the thought process behind creating Questions 19 and 20 involved forward thinking. Question 19 [ATT1] “An organization should be accountable as a conduit of social justice” was designed to understand whether or not the respondent believes CSR is, or has the potential to be, a catalyst for positive social change. Companies may often include gender diversity in their reports detailing corporate social responsibility (Target, 2011; Ikea, 2010). However, to what extent should companies support such values as gender equality outlined in CSR initiatives?

Question 22 [ATT5] “CSR goals need to be supported with regular initiative, codes, communications, hotlines and training to be effectively executed” provides an impetus for CSR moving forward. What do respondents feel is an appropriate amount of training; if training is something deemed to be effective at all? Respondents represent the

current and future workforce, so this question will help to establish a platform for moving forward as well as recommendations.

Institutional Review Board Approval

After drafting the survey, the project was submitted to University of Detroit Mercy Institutional Review Board to be reviewed for approval. Submission for approval is required of a project that includes research involving human subjects. Federal rules for human research defines (1) human subject as a living individual about whom an investigator conducting research obtains data through intervention or interaction with the individual, or identifiable private information and (2) research as a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge (45 CFR 46.102(f)). In addition to meeting this criterion, the research calls for review because it is conducted under the direction of a student of the University using property or facility of the University.

The University of Detroit Mercy through its Institutional Review Board complies with the Department of Health and Human Services (HHS) and the Food and Drug Administration (FDA) regulations as set forth in the Code of Federal Regulations codified at 45 CFR 46; 21 CFR 501 and 21 CFR 56. These regulations ensure the safety of human research subjects participating in research projects when conducted by the University of Detroit Mercy community of faculty, students and administrators. The ethical guidelines which influence UDM research practices may be found in *Ethical Principles and Guidelines for the Protection of Human Subjects of Research*, a report of the National Commission for the Protection of Human Subjects of Biomedical and

Behavioral Research (1978) which is more commonly referred to as the 'Belmont Report'.

The objective of the committee is to make such determinations that ensure UDM is adhering to the ethical principles identified in the previously mentioned Federal regulations. In considering approval for a project, the IRB must weigh such considerations as knowledge to be gained from the study, prior experimental and clinical findings, potential benefits to the volunteer, risk, confidentiality procedures and the informed consent process. Based on its findings during the review, the IRB has the right to approve, require modifications or disapprove of research.

In standard procedure, I submitted a complete project proposal consisting of a project summary form, exact informed consent form and a copy of the questionnaire to the UDM IRB Chair Dr. Elizabeth Hill. While the project was under review, I successfully completed an online course in research ethics at citiprogram.org, titled *Students in Research*.

In accordance with DHHS Regulations for Protection of Human Subjects (45 CFR 46.110), the human subjects application for this project underwent exempt review and was approved as minimal risk to subjects. The project was approved February 18, 2013 and was assigned IRB Protocol Number 1213-60. Exempt projects are not subjected to continuation review.

Chapter 4: Survey Response & Analysis

Survey Response and Analysis

Descriptive statistics were drawn from LimeSurvey “Responses & Statistics” function to measure the central tendency of the data (in terms of mean, median and mode) as well as measuring other simple data.

Section I: Background Information

Seventy-two of the 148 respondents were female (52.55%) and 65 of the 148 respondents were male (47.45%). 137 respondents provided their age, with an average age of 27 years old. The standard deviation is 10.75. The minimum age is 18 years old and the maximum age is 71 years old. The 1st quartile (Q1) is 21, the median value is 22 and the 3rd quartile (Q3) is 30.

Fifty-four of the 148 respondents are undergraduate business students at University of Detroit Mercy (UDM) (36.49%). 29 of the 148 respondents are graduate business students at UDM (19.59%). 49 of the 148 students are employed either part-time or full-time (33.11%). 11 of the 148 respondents are recently graduated alumni of UDM (7.43%). 43 of the 148 respondents are Beta Gamma Sigma (BGS) members at UDM or another university (29.05%).

Fifty-eight of the 148 respondents will graduate from their business program in 2013 (49.57%). 28 of the 148 respondents will graduate in 2014 (23.93%). 4 of the 148 respondents will graduate in 2015 (3.42%). 8 of the 148 respondents will graduate in 2016 or later (6.84%). 19 of the 148 respondents have graduated (16.24%).

In choosing to enroll in business school, 65 respondents answered it was their passion/ambition (43.92%). 84 respondents answered it was because they recognized

opportunities for financial success (56.76%). 35 respondents answered it was because of the work-life balance (35%) and 18 of the respondents filled in their own answer (12.16%). Responses listed include “very diverse major”, “refused to change my major again”, “scholarship”, “practicality”, “improve employment opportunity”, “advance in my career”, “offered wide variety of career opportunities”, affinity to “numbers”, “business turnaround management program”, “putting my skill to use”, “entrepreneurship”, “further education (MBA)”, “to balance out my psychology degree and move into management” and “skills, alumni”.

In terms of courses, 49 of the 148 respondents have taken or are currently enrolled in an undergraduate leadership course (UDM students: 3180 Behavior and Leadership in Organizations) (33.11%). 54 of the 148 respondents have taken or are currently enrolled in an undergraduate ethics and social responsibility course (UDM students: 3190 Business and Society) (36.49%). 41 of the 148 respondents have taken or are currently enrolled in an undergraduate strategic policy course (UDM students: 4990 Strategic Policy and Management) (27.70%). 20 of the 148 respondents have taken or are currently enrolled in a graduate leadership course (UDM students: MBA 5250/5270 Organizational Processes and Leadership) (13.51%). 27 of the 148 respondents have taken or are currently enrolled in a graduate ethics and social responsibility course (UDM students: MBA 5210 Managerial Perspectives on Personal and Social Responsibilities) (18.24%). 11 of the 148 respondents have taken or are currently enrolled in a graduate strategic policy course (UDM students: MBA 59900 Strategic Management) (7.43%). 24 of the 148 respondents have never taken these mentioned courses dealing in leadership,

ethical education, social responsibility and strategic policy. 5 of the 148 respondents are not a business major and have not encountered such courses.

The field summary for employment revealed a gamut of positions filled by respondents. Nine of the 148 respondents hold an intern position in their current company (18.37%). Sixteen of the 148 respondents hold an entry-level position in their current company (32.65%). Three of the 148 respondents hold a buyer or purchaser position in their current company (6.12%). Twenty of the 148 respondents hold a manager or director position in their current company (40.82%). The remainder hold a position as a “semi-professional”, “account manager”, “project manager”, “graduate teaching associate”, “small business owner”, “senior associate”, “administrator”, “executive”, “work-study student” and no answer.

In terms of geographical area covered by workplace, 49 of the 148 respondents are employed and identify working on a local, regional, national or international platform. The majority (44.90%) of employed respondents work for a company operating on an international level, while 26.53% operate on a local level. 16.33% operate on a regional level and 10.20% operate on a national level. 1 of the 49 employed respondents did not have an answer (2.04%).

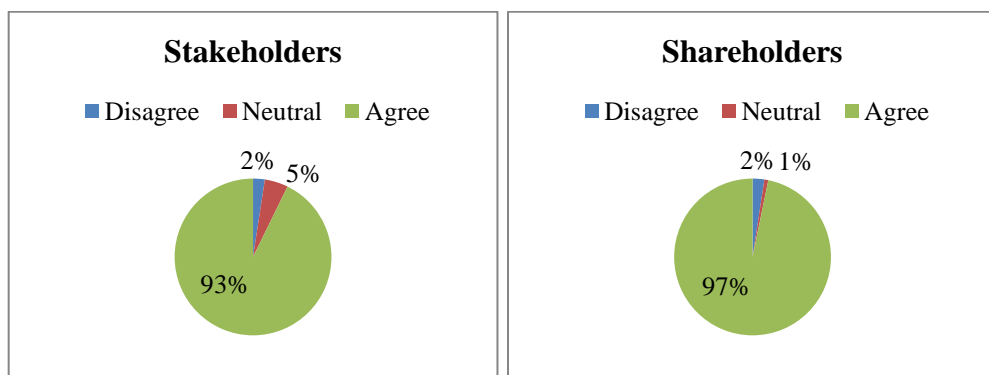
As far as industry, the majority (14) of employed respondents (49) are in automotive (28.57%). Seven are in education and 7 are in financial services (14.29%). Three are in health services (6.12%). 2 are in government (4.08%), 2 are in marketing and advertising (4.08%) and 2 are in retail (4.08%). None are in human resources. The remainder work in “packaging”, “construction”, “non-profit”, “real estate”, “accounting”,

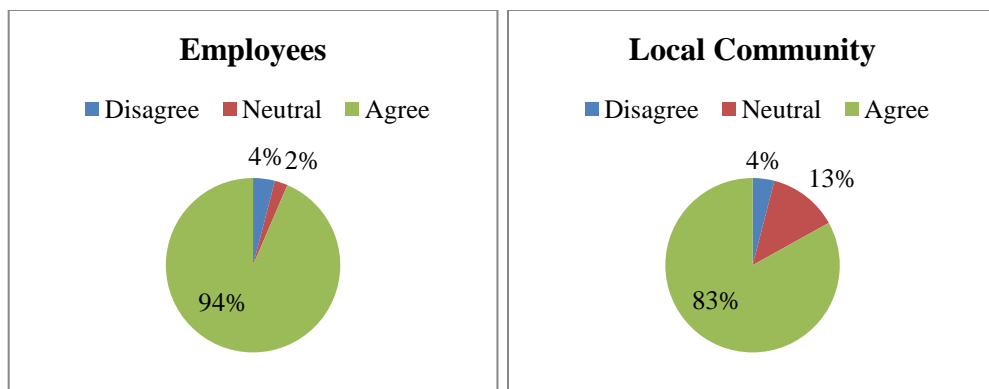
“marine transportation”, “food & entertainment”, “manufacturing”, “property development”, “industrial” and no answer.

Section II: Defining CSR

CSR Definition Results. Questions, 10, 12, and 17 were concerned with a definition for CSR. In Question 10, the majority of respondents agreed that a corporation should be accountable towards stakeholders, shareholders, employees and the local community. Almost all respondents (96.77%) agreed that a corporation should be responsible to shareholders, while 92.74% agreed that they should be responsible to stakeholders. Most (93.55%) agreed that corporations should be responsible to employees, and 83.06% thought they should be responsible to the community. To summarize, in terms of ranking from most to least agreeable statements, the elements are ranked as: shareholders, stakeholders, employees, local community.

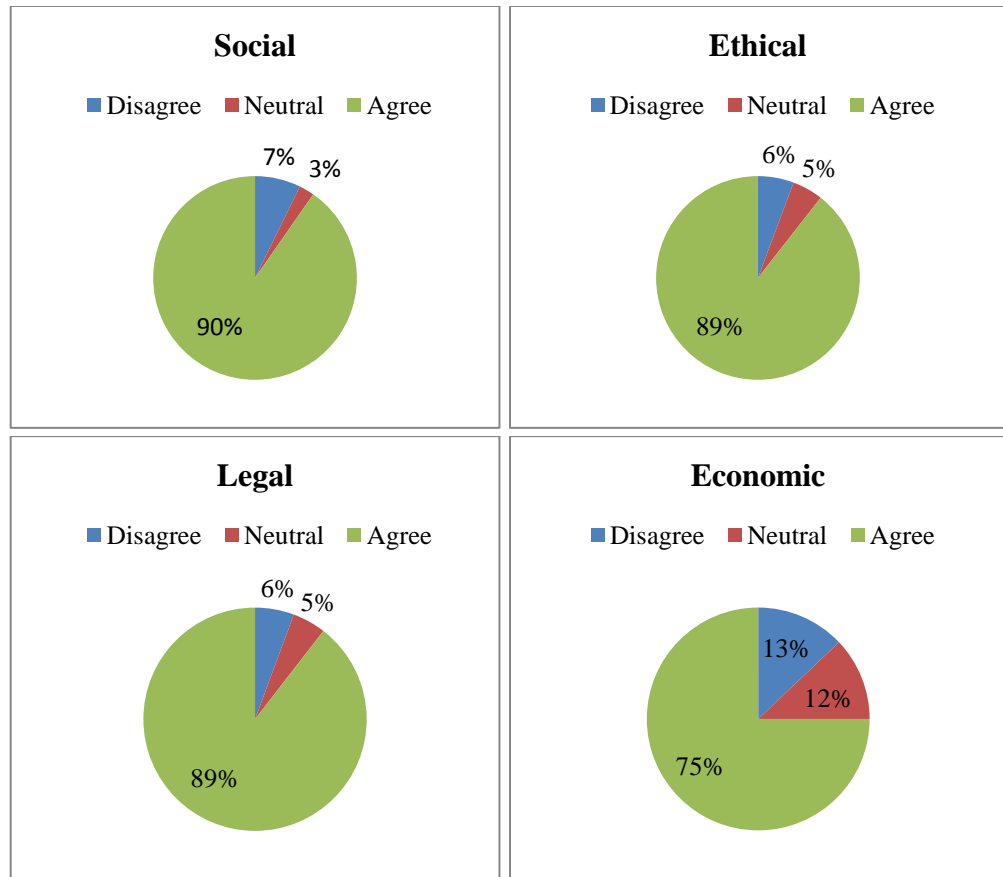
Figure 1: A corporation should be accountable to...





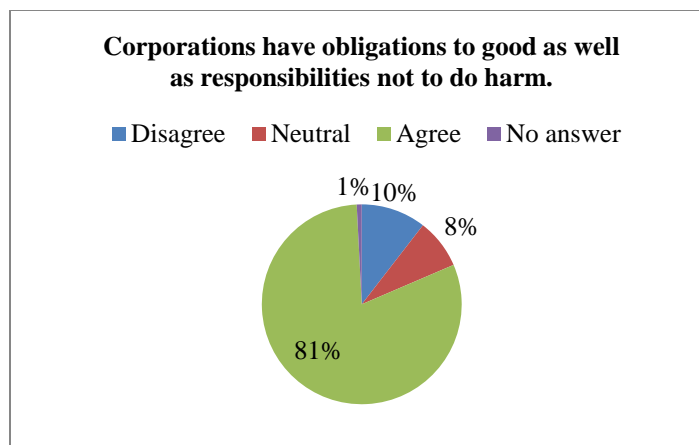
Field summaries for Question 12 revealed a similar consensus regarding the type of commitment and decisions that constitute the actions of corporate social responsibility. The majority of respondents (90.32%) felt that CSR is the commitment to make decisions and take actions that will enhance the welfare and interests of society and economic development of the organization (social dimension), while the second highest (89.52%) felt that CSR should aim to obey laws, regulations and contractual obligations (legal dimension). Most (88.71%) agreed CSR is the commitment to make decisions that are not questionable practices and illustrate ethical leadership (ethical dimension) and 75% believed that CSR decisions are those that will enhance the welfare and interests of society by maximizing sales and providing attractive returns (economic dimension). Figure 2 illustrates the statements' agreeableness when further classified into dimensional categories.

Figure 2: CSR is the commitment to make decisions and take actions...



Question 17, “Corporations have obligations to do good as well as responsibilities not to do harm” helped to further define the scope of CSR. The majority (80.65%) agree that there is an obligation to good as well as responsibility not to do harm, while 9.68% disagree and 6.45% are neutral.

Figure3: Corporations have obligations to do good as well as responsibilities not to do harm.

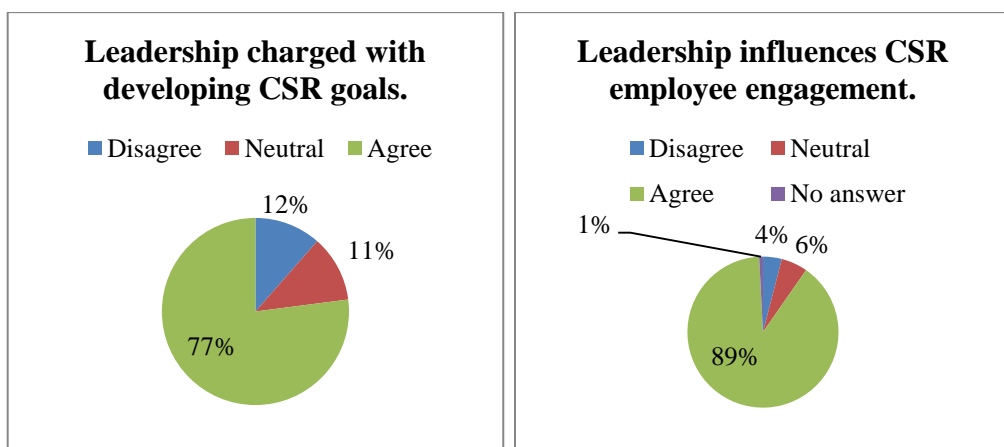


Application of Leadership to CSR Results. Question 11 and 18 applied the concept of leadership to corporate social responsibility. In terms of development and implementation, the majority (77.42%) of respondents agreed that developing and improving CSR goals was the obligation of organization management. Only 12.00% disagreed with this statement and 11.29% were neutral. In terms of power and influence, 89.52% of respondents agreed leadership behavior at the top of the organizational hierarchy influenced employees' engagement in CSR. Only 4.32% disagreed and 5.65% felt neutral.

Filtering the responses according to level of position of employment provides a more refined analysis. Specifically, it revealed working respondents who rank higher within organizational hierarchy are less likely to delegate creating CSR goals to organization management. Within this category, 25 respondents were employed as an intern or entry-level position (Group 1) and 23 of the respondents were employed in positions of leadership as a buyer, purchaser, manager or director (Group 2). The majority of Group 1 (76%) felt that developing and improving CSR goals is the obligation of organization management. In contrast to the high majority expressed by

Group 1, only a little more than half of Group 2 (56.52%) felt it was the responsibility of organization management to develop and improve CSR goals. Furthermore, 84% of Group 1 felt that leadership influences employees' engagement in CSR. A slightly smaller percentage of Group 2 (82.6%) was inclined to accept responsibility for influencing employee engagement in CSR, as the representative leadership within their organizations.

Figure 4: Application to leadership.



General Acceptance of Traditional CSR Definitions Results. Questions 13, 14, 15 and 16 provided respondents with the chance to rate traditional ideas of CSR offered by influential thinkers or textbook definitions. In rating a statement that coincided with Dodd's original CSR beliefs, 62.90% of respondents agreed that corporations have social responsibilities over and above their fiduciary obligations to their stockholders. Surprisingly, 45.16% of respondents agreed with a direct quote from Milton Friedman; "In a free economy, there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so

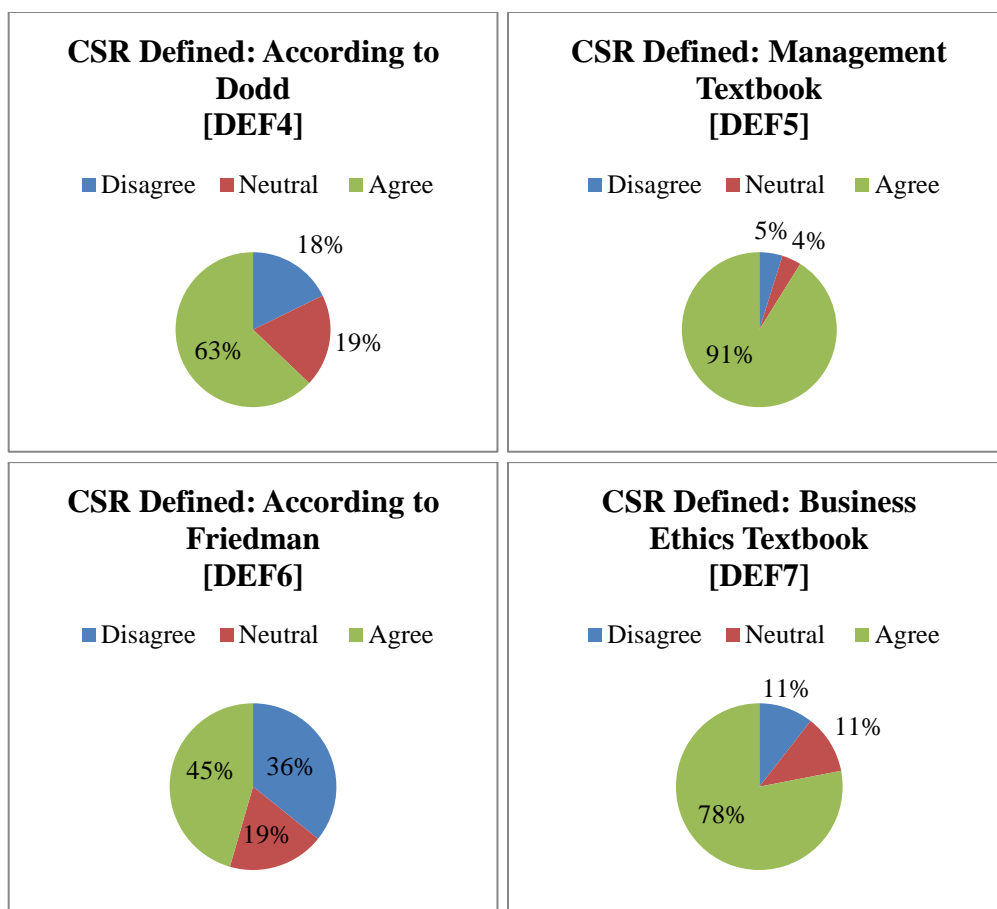
long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud” (Friedman, 1970, pars. 33).

When presented with a traditional business ethics definition, 77.42% of respondents agreed that “the idea of social responsibility requires the individuals to consider his (or her) acts in terms of a whole social system, and holds him (or her) responsible for the effects of his acts anywhere in the system” (Thompson, 2007, p. 135).

When presented with a traditional management textbook definition, 91.13% of respondents agreed that “CSR refers to a company’s duty to operate in an honorable manner, provide good working conditions for employees, encourage workforce diversity, be a good steward of the environment, and actively work to better the quality of life in the local communities where it operates and in society at large” (Daft, 2004, glossary).

In summary, most respondents agreed with the textbook definitions provided by business textbooks published within the last ten years, while fewer agreed with the thoughts of original thinkers Dodd and Friedman. This finding may suggest that although the thoughts of Dodd and Friedman are not obsolete, they are certainly less impressive to respondents.

Figure 5: Examining textbook definitions for validity.

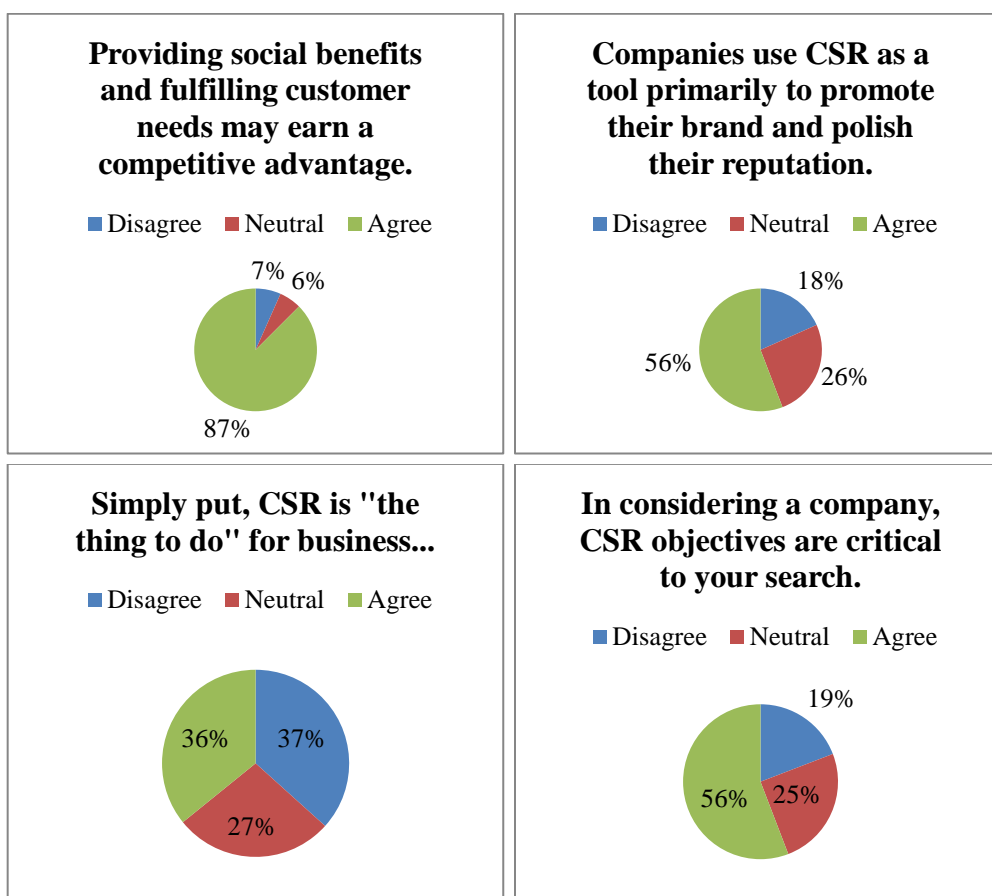


Section III: Shaping Attitudes about CSR

Attitudes towards CSR Results. Questions 20, 21 and 23 were intended to understand respondents' attitudes about CSR. In Question 20, the majority (87.50%) of respondents agreed that CSR strategies that provide valuable social benefits and fulfill customer needs may earn a competitive advantage. Less optimistic, Question 21 reveals that more than half surveyed (64%) felt that companies use CSR as a tool primarily to promote their brand and polish their reputation. In Question 23, respondents marked their opinion towards the statement, "Simply put, CSR is "the thing to do" for business; meaning, there is not a sincere nor sustainable trend toward business acting with a moral

consciousness” (May, Cheney, & Roper, 2007). The results were split; 36.67% disagreed, 27.50% were neutral and 35.83% agreed.

Figure 6: Respondent feelings toward CSR.



Level of Connection to CSR Results. Questions 24, 25, 26, 27 and 28 were used to gauge the type of connection the respondent had towards CSR. In Question 24, more than half of the respondents surveyed agreed CSR objectives are critical to their search when considering a company (55.83%), while 19.175% disagreed and 25.00% were neutral. Surprisingly, in Question 25 the majority (63.33%) felt that it is important for them to work for a company with strong CSR objectives that produce positive social change, while only 14.17% disagreed and 22.50% were neutral. Supporting these

positive results, Question 26 revealed more than half (54.17%) of respondents felt that it was important for them to actively participate and directly oversee execution of CSR objectives within their (potential) company, while only 20.00% disagreed and 25.83% were neutral.

A breakdown of the data reveals that 78 of the 120 students who responded to Questions 24, 25 and 26 were currently enrolled as undergraduate or graduate students at University of Detroit Mercy (UDM) College of Business Administration. Of the UDM students polled, 46.15% consider CSR objectives critical to their job search. 56.41% of UDM students felt it was important for them to work for a company with strong CSR objectives that produce positive social change. 47.44% of UDM students agreed it was important for them to actively participate and directly oversee execution of CSR objectives within their (potential) company.

The final two items, Question 27 and Question 28, were answered only by employed respondents. Question 27, 'Are you familiar with the CSR objectives of your company?' revealed that of the 44 working respondents polled, three quarters were familiar with the CSR objectives of their company on some level (29.55% very familiar and 45.45% somewhat familiar). Only a quarter of working respondents were unfamiliar with the objectives (15.91% not too familiar and 9.09% not at all familiar).

The respondents who were familiar with the CSR objective on some level were prompted to mark the element they felt the CSR objective emphasized most, while those who were even vaguely unfamiliar were not. Interestingly, of the 33 working respondents who were familiar, the majority acknowledged an ethical element within their CSR

objectives (39.39%), while fewer (12.12%) recognized an economic responsibility. 15.15% marked legal responsibility and 30.30% marked philanthropic responsibility (1 was not sure, or 3.03%).

Figure 7: Respondent connection to CSR (all respondents).

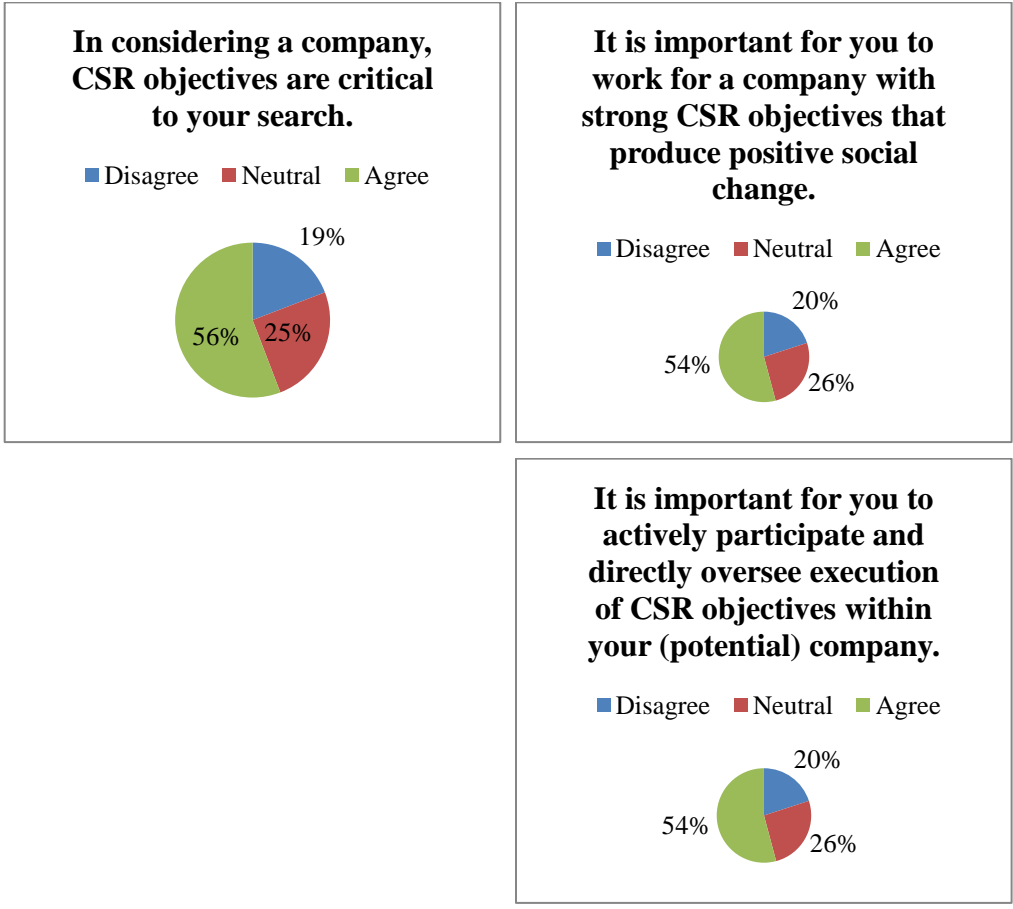
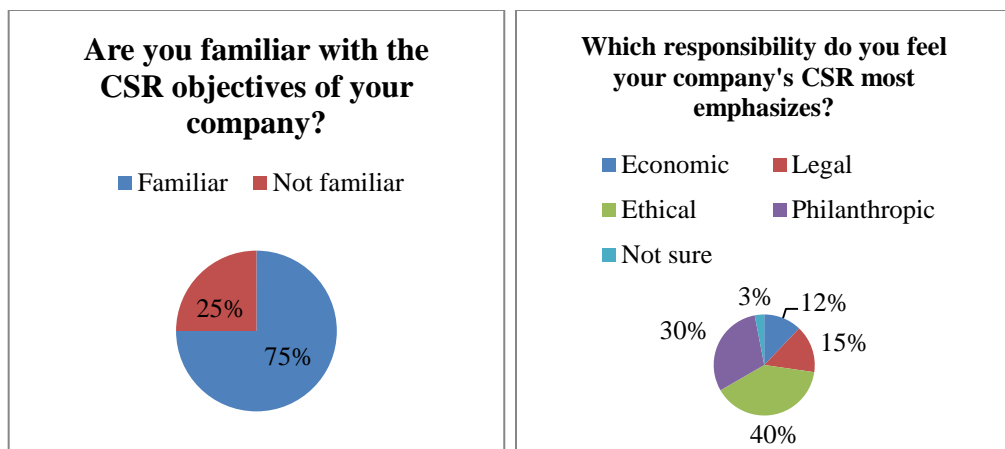


Figure 7: Respondent connection to CSR (employed respondents).



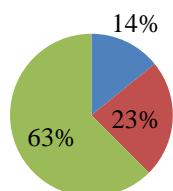
The Future of CSR Results. Question 19 and Question 22 provided insight into the future of CSR. Remarkably, more than half of respondents (62.50%) felt that an organization should be accountable as a conduit of social justice. Among the 120 respondents, 78 were UDM business students. 84.62% of current UDM students polled (undergraduate and graduate) agreed that an organization should be accountable as a conduit of social justice (38.46% disagreed, with 5.13% neutral and 6.41% not completed).

ATT5, “CSR goals need to be supported with regular initiatives, codes, communications, hotlines and training to be effectively executed revealed 15 of the 120 respondents disagreed (12.50%), 13 were neutral (10.83%) and 92 agreed (76.67%).

Figure 9: Future of CSR.

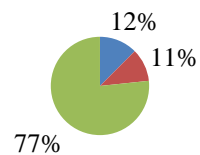
An organization should be accountable as a conduit of social justice.

■ Disagree ■ Neutral ■ Agree



CSR goals need to be supported with regular initiatives, codes, communications, hotlines and training to be...

■ Disagree ■ Neutral ■ Agree



Chapter 5: Discussion of the Results

Discussion of Results

CSR Definition

A close examination of the questions defining CSR provides an interesting analysis. The majority of respondents who agree that a corporation should be accountable to stakeholders, shareholders, employees and the local community suggests the shareholder primacy view of Berle is clearly outdated. Rather than viewing the corporation as private property that is accountable exclusively and solely to shareholders, the field summary suggests it is common knowledge that a corporation is classified as a social institution. Consequently, corporate social responsibility assumes duties to not only earn high profits on behalf of its shareholders but to assume social responsibilities on behalf of other stakeholders (such as suppliers), employees and the local community.

Unfortunately, the prophecy of CSR is not fulfilled quite so easily. As illustrated by Figure 1, it is true that the majority of respondents agree a corporation is accountable to each of these elements. However, when ranking the strength of each choice, 96.77% of respondents agreed a corporation should be accountable to shareholders (highest ranking) while 83.06% of respondents agreed a corporation should be accountable to the local community (weakest ranking). The data reveal that although there is a clear shift in accountability towards many constituents, the definition of CSR remains permeated by a strong loyalty to shareholders.

The second component of shaping a basic definition involved understanding the specific actions respondents felt was the duty of a corporation. While the four sentences students were proposed explained the distinct purpose of that specific element in society,

they can be summarized into the four categories illustrated in Figure 2: “CSR is the commitment to make decisions and take actions...” The responses generally supported those provided in the previous question, in that the majority of students consistently felt where there was a potential to make a difference, a corporation should pursue that action. The ratings show that there are differences among the respondents’ answers regarding each category. Most of the students (89.5%) consistently agreed that CSR includes a company’s commitment to make decisions and take actions which enhance society (social), illustrate ethical leadership (ethical) and obey laws (legal). However, there was a 15% decline in students who agreed that this commitment should be extended to the economic realm. While CSR proponents agreeing with Dodd might applaud such a contrast, this drop could still indicate students feel that maximizing sales and providing attractive returns are essential. However, students might believe that companies need to do more than provide large returns to be socially responsible. This could indicate that a company who contributes a large charitable donation must do more to demonstrate CSR, such as contribute to the economic development of the local community in which it is housed. The strong majority (90%) of students who agreed with basic components of social, ethical and legal obligations indicates that CSR expectations are rising.

Now that a basic understanding of CSR has been defined as a corporation making social, ethical, legal and economic decisions that are in the best interest of stakeholders, shareholders, employees and the local community, it is important to classify these decisions as affirmative responsibilities (“do good”) as well as imperative duties (“not to do harm”) as illustrated by Figure 3. 81% of respondents agreed that both aspects are

necessary as part of the moral responsibility of a corporation. Many of us easily recognize affirmative responsibilities such as charitable contributions, money invested in employee well-being or time committed to volunteerism. However, the responsibility of do no harm is a bit more controversial. This might involve not knowingly marketing unsafe products, but may be extended to three basic principles of avoiding material injury (direct assault, impairment of health, economic loss), deprivation of freedom and violation of moral principles (Jones, 1982, p. 36).

The three basic principles that describe the harm to be avoided by companies summarize a human rights dimension that is not included in the survey (but is considered to be classified within the broader category of “legal”). The majority of students who felt companies must do “good” as well as “not do harm” suggests that they take an interest in the human rights aspect. Corporations have been accused of violating human rights since 1980, and continue to make such headlines as “Should Corporations Have More Leeway to Kill than People Do?” (Weiss, 2012). Human rights concerns are generally raised during litigation that involves consideration of the Alien Tort Statute (see Chapter I for a detailed overview).

Application of Leadership to CSR. Interestingly, more respondents believe that the role of leadership, or those at the top of the hierarchy, includes influencing CSR engagement rather than creating CSR objectives. This reaction aligns with the general expectation that leadership attitude influences employee behavior. One need not look further than the impact of such ex corporate titans Ken Lay and Jeff Skilling, whose

greedy attitude defined the culture and attitude of ENRON. Similarly, executives with positive visions for their company may lead employees to act correspondingly.

The statistic illustrating that fewer students agreed leadership should be charged with developing specific CSR objectives, is addressed by Henry Mintzberg. In “The Case for Corporate Social Responsibility” Mintzberg argues that the challenges in achieving corporate social responsibility exist not only in structure, but in the concept of management itself (Mintzberg, 1983, p. 3). While he notes that social responsibility is vital to the success of society and economy, managers’ obsession with means rather than an ends threatens the implementation of CSR goals.

Respondent recognition of leadership influence in achieving CSR objectives highlights the importance of creating genuine and authentic CSR objectives to be implemented across all functions of an organization. However, the data suggest that perhaps a slight shift in respondent thinking is necessary in moving forward. Respondents may need to consider the importance of engaging leadership in CSR goals. As advised by Mintzberg, management itself must be on board for an organization to wholly embrace social responsibility.

Feelings towards CSR. The initial question regarding a correlation between CSR strategies offering social benefits and a competitive advantage revealed the majority (88%) of respondents believe that CSR is simply good for business. It should be noted that many studies exist, with claims of positive, negative and zero correlations between corporate social responsibility and corporate financial performance (DesJardins & McCall, 1990; Solomon & Hanson, 1985). However, a study conducted by the American

Law Institute Principles of Corporate Governance explains that while a corporation who calculatingly attempts to use CSR to enhance profitability may be disappointed, corporations who dedicate resources to social considerations do not harm investors. In other words, companies “can do good *and* do well even if they don’t do well *by* doing good” (Johnson, 2010, p. 15). An article published in The Harvard Business Review uncovered similar findings, when comparing the long-term financial performance and social performance of major companies for the last two years (Hansen, 2013, par. 1).

For example, at Adidas CEO Herbert Hainer ensured the company was fulfilling a triple-bottom-line (TBL or 3BL) philosophy. Triple-bottom-line is the ultimate measure of CSR. Qualifications include reporting successes on economic, ecological and social platforms, also known as the three pillars of people, planet and profit. He did so by removing the need for water in the dying process (DryDye technology), massively reduced its carbon footprint and incorporating recycling polyester and sustainably farmed cotton into products. However, regardless of their social and environmental successes, the financial performance of Adidas was among the lowest in 2010, indicating a shocking negative correlation (Hansen, 2013, pars. 7).

While the majority of students believe there to be a positive correlation between CSR objectives and wealth maximization, they do not appear convinced that businesses are using CSR selflessly. 64% of students feel CSR is used primarily to promote a brand. In terms of deciding whether CSR decisions are made with a moral consciousness, students were very much torn in their opinion – approximately 1/3 disagreed, 1/3 felt neutral and 1/3 agreed. The statistic illustrates students and graduates are not totally

“buying into” corporate social responsibility. While they believe in its ability to enhance a corporation’s bottom line, they are less inclined to believe anyone else is truly benefiting. The attitudes expressed in these responses are once again a bit inverted from reality. The many fulfilled CSR goals and pending missions of companies speak to the authenticity of CSR. However, admittedly we do not live in a utopian society, and the potential for companies to abuse CSR as “window-dressing” or “brand-polishing” is inevitable.

Level of Connection to CSR. In light of the current state of the economy and recent downturn, it is extraordinary that students place an emphasis on CSR objectives in their search for jobs. This finding supports the observation of retail giant, Target Corporation, which has conducted general population research linking a company’s commitment to CSR and interest by job candidates in working for that company (Butterbrodt, 2013).

The 55.83% of students who do consider CSR objectives when applying to companies should be applauded for their attention and concern for service and responsibility. The statistic shows that respondents need to see the difference they are making; they are not content to work for a “good” organization nor do they settle for factors such as brand reputation and salary alone.

Furthermore, 65 of the 76 respondents who value CSR in potential companies expressed a need to actively participate or directly oversee the execution of these objectives. It is very inspiring that so many students wish to exceed the daily tasks of their job to make a positive contribution to the lives of others. The business students of

UDM truly reflect the Jesuit mission in their willingness to help others. The desire of students to engage in CSR efforts could also be a positive effect of service learning here at UDM. Many times, students opt for service learning classes to get to know the community on a more meaningful level, or to apply skills from their classes in their community. However, the 45.3% of respondents who disagree or felt neutral about directly overseeing CSR objectives tells us there is room for CSR advocates to excite employees about CSR.

The 75% of working respondents familiar with the CSR objectives of their company on some level is indicative of an existent connection between respondents and CSR. Respondents who can speak to their company's CSR objectives are truly aligned with the goals on a meaningful level. The three quarters of respondents who have grown to be familiar with the CSR objectives of their company demonstrate it is possible to support CSR goals that they were not necessarily seeking out when exploring careers. The majority of respondents who most notice their company's ethical component of CSR may be unaware that CSR goals operate on a multi-faceted level, and may need to be informed by the appropriate HR communicators.

The Future of CSR. Based on these survey results, it appears as though the future of CSR is relatively optimistic. Holding a corporation accountable as a conduit of social justice is a major task. Managing and executing justice and social responsibility is no easy feat – the willingness of more than half of respondents to classify this responsibility as a corporate duty is very significant. As business students and

professionals, it reveals they are committed to contributing to the world in a positive way on behalf of their organization.

In 2010, Ikea was harshly criticized for removing women in catalogs distributed to Saudi Arabia (BBC, 2012). The decision sparked debates questioning the removal of women as a violation of justice and social responsibility. Should Ikea be an agent of fairness, protesting for and executing justice? Does CSR call for intervention of Saudi Arabian values, or is this issue beyond Ikea's dominion? The data do not give us these answers; however, it is clear respondents might agree that companies need to be cognizant of different culture values. While all may not believe Ikea should challenge Saudi culture, at the very least respondents might agree Saudi should not conform to discriminating values.

A closer look into the survey reveals that 54% of the respondents who agreed an organization should be accountable as a conduit of social justice have completed some type of leadership, ethics and social responsibility or strategic policy course as either an undergraduate or graduate business school student. The service-learning component that is often required in such courses could instill a sense of serving others and engagement that is affiliated with corporation implementation of social justice.

The 78% who agree that CSR goals need specific and proper implementation suggest respondents value CSR too highly to allow it exist without structure. Companies must truly corroborate their CSR objectives by ensuring they are following through on goals.

Chapter 6: Conclusion

A Reflection: Where do we go from here?

Conclusion

“The companies that perform best over time build a social purpose into their operations that is as important as their economic purpose.”

Harvard Business Review
November 2011

E. Mercke Dodd would be pleased to know the evolution of corporate social responsibility in an organization has grown to be accountable to a variety of people and sectors within society. The concern that CSR should be extended to human rights, as raised in recent court cases, illustrates a global aim to continuously raise CSR standards. Regardless of the outcome to be determined, the discussions surrounding the recent court case involving CSR and human rights have left students and business professionals with much to reflect.

Analyzing *Survey 27379: Understanding CSR* has raised personal awareness of the importance of accountability and responsibility. As a student attending University of Detroit Mercy College of Business Administration, I am proud of the service learning opportunities offered around the city of Detroit, which make students accountable for their education. Seeking companies with well integrated CSR initiatives is a similar objective to that of students in Jesuit classrooms pursuing missions of service and learning. Just as they have much to gain from applying lessons learned to their community, companies have much to learn from implanting responsible practices into their organization.

Many companies are applauded for delivering CSR measurably in the form of large donations. Kroger, Safeway, DOW, Bank of America, Morgan Stanley, General

Mills, Xerox, Target and Whole Foods Market were all featured in a special 2011 Forbes article, “American Companies That Give Back the Most”, for contributing charitable donations in 2010 that were a significant share of their 2009 profits (Adams, 2011). The donations ranged from Whole Food’s 3.4% of profits (\$8.6 million) to Kroger’s 10.9% of profits (\$64 million). While these altruistic contributions should be certainly commended, *Survey 27379: Understanding CSR* suggests they alone are not enough to make a corporation socially responsible.

Today’s business students and young professionals look for more than monetary contributions in CSR objectives. Rather, they are proponents of CSR who hold a truly socially responsible corporation accountable to criteria beyond large donations. According to the majority results of this survey, companies who claim to be socially responsible should expect to uphold high standards of consideration to the *whole* social system, and be prepared to advocate for social justice when necessary. The shift in thinking from Berle to a more holistic approach as revealed by *Survey 27379: Understanding CSR* suggests CSR continues to become more deeply embedded in economic, social, ethical and legal spheres and take on a more active and engaged role with time.

The trend of holistic engagement is also spotted by managers in many corporations, including Angie Butterbrodt, Communications and Reputation Management Specialist at Target Headquarters. Target practices ethics and integrity in its business operations, focusing CSR activities in the realms of education, environmental

sustainability, safety and preparedness, responsible sourcing, and being a responsible employer and great place to work for team members (Butterbrodt, 2013).

In moving forward with CSR, respondents have demonstrated a preference for companies to follow guidelines and standards so that CSR may be more measurable. A clear scope of CSR within the organization must be outlined so that CSR actions and practices can be clearly identified and consistently reviewed. Organizations may wish to emulate the model of companies such as Alcoa, who have chosen to adopt formal standards such as the Voluntary International Standard ISO 26000:2010 “Guidance on Social Responsibility” to measurably achieve CSR. Identifying the need for social responsible behavior to contribute to sustainable development of an organization, ISO encourages companies from countries large and small, industrialized and developing, to consider holding themselves accountable to social responsibility in rights, labor practices, environment, fair operating practices, consumer issues, community involvement/development and organizational governance through adherence to ISO principles (ISO 26000 is not formal certification).

Other corporations, such as Target, also utilize tools such as surveys to measure not only adherence to CSR, but how the perception affects reputability across the seven stakeholder groups of consumers, community influencers, policy influencers, vendors/design partners, candidates, team members and retirees (Butterbrodt, 2013). By tracking and reviewing the results on a quarterly basis, Target is able to continuously strive towards improvement. In addition to tracking CSR as it pertains to corporate-level strategy, Target measures CSR on a business unit level by adhering to its publicly

reported goals available on its website and addressing internal concerns related to the business level strategy. Business units work not only to implement and achieve objectives of the company, but to measure up to sustainability goals such as nutritional content of owned brand foods and provide a healthy general wellness assortment of owned and national brand foods in grocery (Butterbrodt, 2013).

Regardless of the way in which the corporation sets out to measure its acts of social responsibility, we must remember that reporting CSR alone does not authenticate a company's genuine commitment. Like many companies, ENRON, was well known for its CSR; however, their dishonest business practices that soon came to light eventually resulted in ENRON becoming a byword for corporate irresponsibility (Musafer, 2012, pars. 5). Similarly, many identify CSR hypocrisy in other ways, such as Forbes contributor Amol Mehra (on the topic of ATS) who questions a company's purported commitment to CSR that also seeks "to gut a law that brings human rights victims a remedy for harm" (Mehra, 2012, pars. 2).

As made clear by the variety of responses provided in the survey, corporate social responsibility encompasses different ideas to different people. While 52.70% of business students feel CSR is met by maximizing stakeholder wealth, 83.68% of working professionals are not content with a CSR policy unless it has enhanced the welfare and interests of society, in addition to the economic development of the organization.

CSR proponents must remain continuously astute to the theories of the classroom, decisions of the courtroom, and actions of the boardroom; as the decisions made within all three categories may implicate one another. Just as the litigation on behalf of Shell

executives will define part of CSR in terms of legality and human rights, business students who wish to mold CSR into a powerful tool for helping others have the opportunity to do so presently and in the future. The influence of leadership to define principles of social responsibility is very much applicable to students and alumni attending the University of Detroit Mercy as well as Beta Gamma Sigma members.

Appendix A – Survey

Hello,

My name is Christina Stilianos. I am a student in the College of Business Administration at the University of Detroit Mercy.

I have asked you to agree to be a volunteer in some research I plan to conduct. Before I can accept your consent, I want to make known to you the following information pertaining to the project.

1. **Explanation of the Purpose.** The research aims to understand and classify business student and young professional attitudes regarding CSR. An assessment of the findings will be anonymously analyzed in the context of my Honors Thesis, to be defended spring 2013.
2. **Explanation of the Procedures.** The survey will remain active for a period of 2.5 weeks. The questionnaire asks general close ended questions regarding your background, your opinion of CSR and what you define to be CSR. It will take approximately 15 minutes to complete.
3. **Expected Risks.** There are no attendant discomforts or risks reasonably to be expected.
4. **Expected Benefits.** Other than participating in an important research project, there are no particular benefits, which reasonably might be expected to accrue to you or to others.
5. **Confidentiality.** Responses will be marked anonymously, maintaining confidentiality. The confidentiality of the records will be maintained unless the law requires disclosure. NOTE: In certain cases the FDA may inspect the records, the sponsor may inspect the records, and/or the IRB may inspect the records.]
6. **Offer To Answer Questions.** I hereby offer to answer any questions you might wish to ask concerning the procedures used in this research at this time. Furthermore, I may be reached by e-mail at stiliack@udmercy.edu. If you have questions concerning your rights as a volunteer, you may contact Dr. Elizabeth M. Hill, Chair, UDM Institutional Review Board, 313.578.0405 or hillelm@udmercy.edu.]
7. **Freedom To Withdraw Consent.** If you consent to be a volunteer in this research project, you are nonetheless free to withdraw your consent and discontinue participation at any time without prejudice to you. This will include students participating in research projects within a course and no penalty to a course grade or class standing will precipitate from withdrawal as a subject. You should also understand that the investigator has the right to withdraw you from the research project at any time. For example, participation may be terminated upon the failure of the volunteer to follow the written directions.
8. **Future Data Use.** Occasionally, the same or another researcher will request the permission to review or use previously gathered data from a completed research project for a different project.

By clicking next, you are stating:

- I have read all statements above pertaining to the research project and understand them.
- I hereby consent to voluntarily respond.

There are 28 questions in this survey

Section I: Background Information

1 [BG1]What is your gender? *

Please choose **only one** of the following:

- Female
- Male

2 [BG2]How old are you? *

Please write your answer here:

3 [BG3]Describe yourself. *

Please choose **all** that apply:

- Undergraduate business student at the University of Detroit Mercy
- Graduate business student at the University of Detroit Mercy
- Employed (part-time or full-time)
- Recently graduated alumnus of University of Detroit Mercy
- Beta Gamma Sigma member at UDM or other university

4 [BG4]What is your date of graduation? *

Only answer this question if the following conditions are met:

((BG3_SQ001.NAOK == "Y")) or ((BG3_SQ002.NAOK == "Y")) or ((BG3_SQ005.NAOK == "Y"))

Please choose **only one** of the following:

- 2013
- 2014
- 2015
- 2016 or later
- Graduated

5 [BG5]Why did you choose to enroll in business school? *

Please choose **all** that apply:

- Passion/Ambition
- Recognize opportunities for financial success
- Work/life balance
- Other:

6 [BG6]Indicate the courses you have taken or are currently enrolled in. *

Only answer this question if the following conditions are met:

((BG3_SQ001.NAOK == "Y")) or ((BG3_SQ005.NAOK == "Y")) or ((BG3_SQ002.NAOK == "Y"))

Please choose **all** that apply:

- Undergraduate Leadership Course (UDM Students: 3180 Behavior and Leadership in Organizations)
- Undergraduate Ethics and Social Responsibility Course (UDM Students: 3190 Business and Society)

- Undergraduate Strategic Policy Course (UDM Students: 4990 Strategic Policy and Management)
- Graduate Leadership Course (UDM Students: MBA 5250/5270 Organizational Processes and Leadership)
- Graduate Ethics and Social Responsibility Course (UDM Students: MBA 5210 Managerial Perspectives on Personal and Social Responsibilities)
- Graduate Strategic Policy Course (UDM Students: MBA 5900 Strategic Management)
- None of the above
- Not a business major

7 [BG7]What is the level of your position of employment? If not listed, please state in the comments box. *

Only answer this question if the following conditions are met: ((BG3_SQ003.NAOK == "Y"))

Please choose **only one** of the following:

- Intern
- Entry-level
- Buyer or Purchaser
- Manager or Director

Make a comment on your choice here:

8 [BG8]What geographical area does your workplace cover? *

Only answer this question if the following conditions are met: ((BG3_SQ003.NAOK == "Y"))

Please choose **only one** of the following:

- Local
- Regional
- National
- International

9 [BG9]To which industry do you belong? *

Only answer this question if the following conditions are met: ((BG3_SQ003.NAOK == "Y"))

Please choose **only one** of the following:

- Automotive
- Education
- Financial Services
- Government
- Health Services
- Human Resources
- Marketing & Advertising
- Retail
- Not employed

Other

Section II: Defining CSR

Corporate Social Responsibility (CSR) is often referred to as corporate responsibility, corporate accountability, corporate ethics, corporate citizenship, sustainability, stewardship, triple bottom line and responsible business. While there is not a universally accepted definition, CSR at its core is how companies take ownership of the way they do business to make a positive impact. The objective of this section is to form a presently relevant concise and accurate definition.

10 [DEF1]

A corporation should be accountable to... *

Please choose the appropriate response for each item:

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Stakeholders.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Shareholders.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employees.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local community.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11 [DEF2]

Developing and improving CSR goals is the obligation of organization management, or those at the top of the hierarchy. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

12 [DEF3] CSR is the commitment to make decisions and take actions... *

Please choose the appropriate response for each item:

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
That will enhance the welfare and interests of society and economic development of the organization.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
That are not questionable practices and illustrate ethical	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
leadership.					
That obey laws, regulations and contractual obligations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
That will enhance the welfare and interests of society by maximizing sales and providing attractive returns.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

13 [DEF4]Corporations have social responsibilities over and above their fiduciary obligations to their stockholders. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

14 [DEF5]"CSR refers to a company's duty to operate in an honorable manner, provide good working conditions for employees, encourage workforce diversity, be a good steward of the environment, and actively work to better the quality of life in the local communities where it operates and in society at large" *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

15 [DEF6]"In a free economy, there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as its stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud." *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

16 [DEF7]"The idea of social responsibility requires the individuals to consider his (or her) acts in terms of a whole social system, and holds him (or her) responsible for the effects of his acts anywhere in the system." *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

17 [DEF8]Corporations have obligations to do good as well as responsibilities not to do harm. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

18 [DEF9]Leadership behavior at the top of the organizational hierarchy influences employees' engagement in CSR. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

Section III: Shaping Attitudes about CSR

This section attempts to narrow down the many different attitudes regarding CSR.

19 [ATT1]An organization should be accountable as a conduit of social justice. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

20 [ATT2]CSR strategies that provide valuable social benefits and fulfill customer needs may earn a competitive advantage. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

21 [ATT4]Companies use CSR as a tool primarily to promote their brand and polish their reputation. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

22 [ATT5]CSR goals need to be supported with regular initiatives, codes, communications, hotlines and training to be effectively executed. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

23 [ATT6]Simply put, CSR is "the thing to do" for business; meaning, there is not a sincere nor sustainable trend toward business acting with a moral consciousness. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

24 [ATT7]In considering a company, CSR objectives are critical to your search. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

25 [ATT8]It is important for you to work for a company with strong CSR objectives that produce positive social change. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

26 [ATT9]It is important for you to actively participate and directly oversee execution of CSR objectives within your (potential) company. *

Please choose **only one** of the following:

- Strongly disagree
- Disagree
- Neutral
- Agree
- Strongly agree

27 [ATT10]Are you familiar with the CSR objectives of your company? *

Only answer this question if the following conditions are met: ((BG3_SQ003.NAOK == "Y"))

Please choose **only one** of the following:

- Very familiar
- Somewhat familiar
- Not too familiar
- Not at all familiar

28 [ATT11]Which responsibility do you feel your company's CSR most emphasizes? *

Only answer this question if the following conditions are met:

((ATT10.NAOK == "A1" or ATT10.NAOK == "A2"))

Please choose **only one** of the following:

- Economic responsibility
- Legal responsibility
- Ethical responsibility
- Philanthropic responsibility
- Not sure

18.03.2013 – 00:00

Submit your survey.

Thank you for completing this survey.

Appendix B – Tables

Response Summary

Field summary for BG1

What is your gender?

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Female (F)	72	52.55%
Male (M)	65	47.45%
No answer	0	0.00%

Field summary for BG2

How old are you?

<u>Calculation</u>	<u>Result</u>
Count	137
Sum	3764
Standard deviation	10.75
Average	27.47
Minimum	18
1st quartile (Q1)	21
Median value	22
3rd quartile (Q3)	30
Maximum	71

Null values are ignored in calculations

Field summary for BG3

Describe yourself.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Undergraduate business student at the University of Detroit Mercy (SQ001)	54	36.49%
Graduate business student at the University of Detroit Mercy (SQ002)	29	19.59%
Employed (part-time or full-time) (SQ003)	49	33.11%
Recently graduated alumnus of University of Detroit Mercy (SQ004)	11	7.43%
Beta Gamma Sigma member at UDM or other university (SQ005)	43	29.05%

Field summary for BG4

What is your date of graduation?

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
2013 (A1)	58	49.57%
2014 (A2)	28	23.93%
2015 (A3)	4	3.42%

APPENDIX B - TABLES 65

2016 or later (A4)	8	6.84%
Graduated (A5)	19	16.24%
No answer	0	0.00%

Field summary for BG5

Why did you choose to enroll in business school?

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Passion/Ambition (SQ001)	65	43.92%
Recognize opportunities for financial success (SQ002)	84	56.76%
Work/life balance (SQ003)	35	23.65%
Other	18	12.16%

Field summary for BG6

Indicate the courses you have taken or are currently enrolled in.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Undergraduate Leadership Course (UDM Students: 3180 Behavior and Leadership in Organizations) (SQ001)	49	33.11%
Undergraduate Ethics and Social Responsibility Course (UDM Students: 3190 Business and Society) (SQ002)	54	36.49%
Undergraduate Strategic Policy Course (UDM Students: 4990 Strategic Policy and Management) (SQ003)	41	27.70%
Graduate Leadership Course (UDM Students: MBA 5250/5270 Organizational Processes and Leadership) (SQ004)	20	13.51%
Graduate Ethics and Social Responsibility Course (UDM Students: MBA 5210 Managerial Perspectives on Personal and Social Responsibilities) (SQ005)	27	18.24%
Graduate Strategic Policy Course (UDM Students: MBA 5900 Strategic Management) (SQ006)	11	7.43%
None of the above (SQ007)	24	16.22%
Not a business major (SQ008)	5	3.38%

Field summary for BG7

What is the level of your position of employment? If not listed, please state in the comments box.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Intern (A1)	9	18.37%
Entry-level (A2)	16	32.65%
Buyer or Purchaser (A3)	3	6.12%
Manager or Director (A4)	20	40.82%
Comments	9	18.37%
No answer	1	2.04%

Field summary for BG8*What geographical area does your workplace cover?*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Local (A1)	13	26.53%
Regional (A2)	8	16.33%
National (A3)	5	10.20%
International (A4)	22	44.90%
No answer	1	2.04%

Field summary for BG9*To which industry do you belong?*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Automotive (A1)	14	28.57%
Education (A2)	7	14.29%
Financial Services (A3)	7	14.29%
Government (A4)	2	4.08%
Health Services (A5)	3	6.12%
Human Resources (A6)	0	0.00%
Marketing & Advertising (A7)	2	4.08%
Retail (A8)	2	4.08%
Not employed (A9)	0	0.00%
Other	11	22.45%
No answer	1	2.04%

Field summary for DEF1(SQ001)*A corporation should be accountable to...
[Stakeholders.]*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	2	1.61%
Disagree (A2)	1	0.81%
Neutral (A3)	6	4.84%
Agree (A4)	48	38.71%
Strongly agree (A5)	67	54.03%
No answer	0	0.00%

Field summary for DEF1(SQ002)

*A corporation should be accountable to...
[Shareholders.]*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	1	0.81%
Disagree (A2)	2	1.61%
Neutral (A3)	1	0.81%
Agree (A4)	43	34.68%
Strongly agree (A5)	77	62.10%
No answer	0	0.00%

Field summary for DEF1(SQ003)

*A corporation should be accountable to...
[Employees.]*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	4	3.23%
Disagree (A2)	1	0.81%
Neutral (A3)	3	2.42%
Agree (A4)	39	31.45%
Strongly agree (A5)	77	62.10%
No answer	0	0.00%

Field summary for DEF1(SQ004)

*A corporation should be accountable to...
[Local community.]*

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.03%
Disagree (A2)	0	0.00%
Neutral (A3)	16	12.90%
Agree (A4)	54	43.55%
Strongly agree (A5)	49	39.52%
No answer	0	0.00%

Field summary for DEF2

Developing and improving CSR goals is the obligation of organization management, or those at the top of the hierarchy.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	10	8.06%
Disagree (A2)	4	3.23%

Neutral (A3)	14	11.29%
Agree (A4)	64	51.61%
Strongly agree (A5)	32	25.81%
No answer	0	0.00%

Field summary for DEF3(SQ001)

CSR is the commitment to make decisions and take actions...

[That will enhance the welfare and interests of society and economic development of the organization.]

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	7	5.65%
Disagree (A2)	2	1.61%
Neutral (A3)	3	2.42%
Agree (A4)	61	49.19%
Strongly agree (A5)	51	41.13%
No answer	0	0.00%

Field summary for DEF3(SQ002)

CSR is the commitment to make decisions and take actions...

[That are not questionable practices and illustrate ethical leadership.]

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	3	2.42%
Disagree (A2)	5	4.03%
Neutral (A3)	6	4.84%
Agree (A4)	44	35.48%
Strongly agree (A5)	66	53.23%
No answer	0	0.00%

Field summary for DEF3(SQ003)

CSR is the commitment to make decisions and take actions...

[That obey laws, regulations and contractual obligations.]

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	3	2.42%
Disagree (A2)	4	3.23%
Neutral (A3)	6	4.84%
Agree (A4)	35	28.23%
Strongly agree (A5)	76	61.29%
No answer	0	0.00%

Field summary for DEF3(SQ004)

CSR is the commitment to make decisions and take actions...

[That will enhance the welfare and interests of society by maximizing sales and providing attractive returns.]

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.03%
Disagree (A2)	11	8.87%
Neutral (A3)	15	12.10%
Agree (A4)	55	44.35%
Strongly agree (A5)	38	30.65%
No answer	0	0.00%

Field summary for DEF4

Corporations have social responsibilities over and above their fiduciary obligations to their stockholders.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	9	7.26%
Disagree (A2)	13	10.48%
Neutral (A3)	24	19.35%
Agree (A4)	49	39.52%
Strongly agree (A5)	29	23.39%
No answer	0	0.00%

Field summary for DEF5

"CSR refers to a company's duty to operate in an honorable manner, provide good working conditions for employees, encourage workforce diversity, be a good steward of the environment, and actively work to better the quality of life in the local communities where it operates and in society at large"

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.03%
Disagree (A2)	1	0.81%
Neutral (A3)	5	4.03%
Agree (A4)	63	50.81%
Strongly agree (A5)	50	40.32%
No answer	0	0.00%

Field summary for DEF6

"In a free economy, there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as its stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud."

APPENDIX B - TABLES 70

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	11	8.87%
Disagree (A2)	33	26.61%
Neutral (A3)	23	18.55%
Agree (A4)	30	24.19%
Strongly agree (A5)	26	20.97%
No answer	1	0.81%

Field summary for DEF7

"The idea of social responsibility requires the individuals to consider his (or her) acts in terms of a whole social system, and holds him (or her) responsible for the effects of his acts anywhere in the system."

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	2	1.61%
Disagree (A2)	11	8.87%
Neutral (A3)	14	11.29%
Agree (A4)	67	54.03%
Strongly agree (A5)	29	23.39%
No answer	1	0.81%

Field summary for DEF8

Corporations have obligations to do good as well as responsibilities not to do harm.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.03%
Disagree (A2)	8	6.45%
Neutral (A3)	10	8.06%
Agree (A4)	57	45.97%
Strongly agree (A5)	43	34.68%
No answer	1	0.81%

Field summary for DEF9

Leadership behavior at the top of the organizational hierarchy influences employees' engagement in CSR.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	2	1.61%
Disagree (A2)	3	2.42%
Neutral (A3)	7	5.65%
Agree (A4)	41	33.06%
Strongly agree (A5)	70	56.45%

No answer	1	0.81%
-----------	---	-------

Field summary for ATT1

An organization should be accountable as a conduit of social justice.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	6	5.00%
Disagree (A2)	11	9.17%
Neutral (A3)	28	23.33%
Agree (A4)	56	46.67%
Strongly agree (A5)	19	15.83%
No answer	0	0.00%

Field summary for ATT2

CSR strategies that provide valuable social benefits and fulfill customer needs may earn a competitive advantage.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	6	5.00%
Disagree (A2)	2	1.67%
Neutral (A3)	7	5.83%
Agree (A4)	65	54.17%
Strongly agree (A5)	40	33.33%
No answer	0	0.00%

Field summary for ATT4

Companies use CSR as a tool primarily to promote their brand and polish their reputation.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	3	2.50%
Disagree (A2)	19	15.83%
Neutral (A3)	31	25.83%
Agree (A4)	46	38.33%
Strongly agree (A5)	21	17.50%
No answer	0	0.00%

Field summary for ATT5

CSR goals need to be supported with regular initiatives, codes, communications, hotlines and training to be effectively executed.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
---------------	--------------	-------------------

APPENDIX B - TABLES 72

Strongly disagree (A1)	4	3.33%
Disagree (A2)	11	9.17%
Neutral (A3)	13	10.83%
Agree (A4)	62	51.67%
Strongly agree (A5)	30	25.00%
No answer	0	0.00%

Field summary for ATT6

Simply put, CSR is "the thing to do" for business; meaning, there is not a sincere nor sustainable trend toward business acting with a moral consciousness.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	8	6.67%
Disagree (A2)	36	30.00%
Neutral (A3)	33	27.50%
Agree (A4)	34	28.33%
Strongly agree (A5)	9	7.50%
No answer	0	0.00%

Field summary for ATT7

In considering a company, CSR objectives are critical to your search.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	7	5.83%
Disagree (A2)	16	13.33%
Neutral (A3)	30	25.00%
Agree (A4)	50	41.67%
Strongly agree (A5)	17	14.17%
No answer	0	0.00%

Field summary for ATT8

It is important for you to work for a company with strong CSR objectives that produce positive social change.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.17%
Disagree (A2)	12	10.00%
Neutral (A3)	27	22.50%
Agree (A4)	48	40.00%
Strongly agree (A5)	28	23.33%
No answer	0	0.00%

Field summary for ATT9

It is important for you to actively participate and directly oversee execution of CSR objectives within your (potential) company.

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Strongly disagree (A1)	5	4.17%
Disagree (A2)	19	15.83%
Neutral (A3)	31	25.83%
Agree (A4)	45	37.50%
Strongly agree (A5)	20	16.67%
No answer	0	0.00%

Field summary for ATT10

Are you familiar with the CSR objectives of your company?

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Very familiar (A1)	13	29.55%
Somewhat familiar (A2)	20	45.45%
Not too familiar (A3)	7	15.91%
Not at all familiar (A4)	4	9.09%
No answer	0	0.00%

Field summary for ATT11

Which responsibility do you feel your company's CSR most emphasizes?

<u>Answer</u>	<u>Count</u>	<u>Percentage</u>
Economic responsibility (A1)	4	12.12%
Legal responsibility (A2)	5	15.15%
Ethical responsibility (A3)	13	39.39%
Philanthropic responsibility (A4)	10	30.30%
Not sure (A5)	1	3.03%
No answer	0	0.00%

References

References

- A. Butterbrodt, personal communication, April 16, 2013.
- Adams, S. (2011, October 21). American Companies That Give Back the Most. *Forbes*. Retrieved April 23, 2013, from <http://www.forbes.com/sites/susanadams/2011/10/21/american-companies-that-give-back-the-most/>
- Allen, F. (2011, April 26). The Five Elements of the Best CSR Programs. *Forbes*. Retrieved April 23, 2013, from <http://www.forbes.com/sites/csr/2011/04/26/the-five-elements-of-the-best-csr-programs/>
- Bainbridge, S. (1992). Interpreting Nonshareholder Constituency Statutes. *Pepperdine Digital Commons*. Retrieved April 23, 2013, from <http://digitalcommons.pepperdine.edu/cgi/viewcontent.cgi?article=1642&context=plr>
- Berle, A. A., & Means, G. C. (1968). *The modern corporation and private property*. New York: Harcourt, Brace & World.
- Bevan, C. J. (2007). Chapter 12: Governance Role of Shareholders. In *Corporations law*. Rozelle, N.S.W.: Lawbook.
- Bottom of the pyramid. (2012, September 12). *Wikipedia*. Retrieved January 10, 2013, from http://en.wikipedia.org/wiki/Bottom_of_the_pyramid
- Carroll, A. B., & Buchholtz, A. K. (2006). Chapter 2: Corporate Citizenship. In *Business & society: Ethics and stakeholder management* (pp. 32-46).

Mason, OH: Thomson/South-Western.

College of Business Administration Mission. (n.d.). *College of Business Administration Home Page*. Retrieved April 23, 2013, from <http://business.udmercy.edu/about/mission/index.htm>

Crane, A., Matten, D., & Crane, A. (2007). *Business ethics: Managing corporate citizenship and sustainability in the age of globalization*. Oxford: Oxford University Press.

Czaja, R., & Blair, J. (2005). *Designing surveys: A guide to decisions and procedures*. Thousand Oaks, CA: Pine Forge Press.

Daft, R. L., & Marcic, D. (2004). *Understanding management*. Mason, OH: Thomson/South-Western.

Dahlsrud, A. (2006, April 24). How Corporate Social Responsibility Is Defined: An Analysis of 37 Definitions. *Norwegian University*. doi: 10.1002/csr.132

DesJardins, J. R., & McCall, J. J. (1990). Sustainable Business: Environmental Responsibilities and Business Opportunities. In *Contemporary issues in business ethics* (pp. 409-415). Belmont, CA: Wadsworth.

Dodge v. Ford Motor Co | Casebriefs. (n.d.). *Casebriefs*. Retrieved April 23, 2013, from <http://www.casebriefs.com/blog/law/corporations/corporations-keyed-to-klein/the-nature-of-the-corporation/dodge-v-ford-motor-co/>

Elhauge, E. (2003). Sacrificing Corporate Profits in the Public Interest. *Harvard*

University. Retrieved April 23, 2013, from http://www.hks.harvard.edu/m-rcbg/Events/Papers/RPP_2-12-04_Elhauge.pdf

Epstein, J. (2012, October 17). The Six Reasons Why Companies Actually Wind Up Embracing CSR. *Forbes*. Retrieved April 23, 2013, from <http://www.forbes.com/sites/csr/2012/10/17/the-six-reasons-why-companies-actually-wind-up-embracing-csr/>

Friedman, M. (1970, September 13). The Social Responsibility of Business is to Increase its Profits, by Milton Friedman. *The New York Times Magazine*. Retrieved April 23, 2013, from <http://www.colorado.edu/studentgroups/libertarians/issues/friedman-soc-resp-business.html>

Gallagher, J. (2013, January 9). A plan to save Detroit: Report calls for a smaller, stronger Motor City. *Detroit Free Press*. Retrieved January 11, 2013, from <http://www.freep.com/article/20130109/BUSINESS06/301090119/A-plan-to-save-Detroit-Report-calls-for-a-smaller-stronger-Motor-City?odyssey=obinsite>

Godelnik, R. (2012, June 6). Back to Basics: What is CSR Reporting? *Triple Pundit RSS*. Retrieved April 23, 2013, from <http://www.triplepundit.com/2012/06/csr-reporting/>

Hansen, M. T. (2013, January 7). HBR Blog Network. *Harvard Business Review*. Retrieved April 23, 2013, from http://blogs.hbr.org/cs/2013/01/can_companies_both_do_well_and.html

- Hill, C. W., & Jones, G. R. (1998). *Strategic management theory: An integrated approach*. Boston, MA: Houghton Mifflin.
- Holton-Basaldua, C., & Caruvana, D. (n.d.). Kiobel v. Royal Dutch Petroleum (10-1491). *LII*. Retrieved April 23, 2013, from <http://www.law.cornell.edu/supct/cert/10-1491>
- Iannone, A. P. (1989). Corporate Responsibility in a Changing Legal Environment. In *Contemporary moral controversies in business* (pp. 573-579). New York: Oxford University Press.
- Ikea 'regrets' removal of women from Saudi catalogue. (2012, January 10). *BBC News*. Retrieved from <http://www.bbc.co.uk/news/world-europe-19786862>
- J. (2012, April 19). Bottom of the pyramid selling. *The Economist*. Retrieved January 6, 2013, from <http://www.economist.com/whichmba/bottom-pyramid-selling>
- Johnson, L., J.D. (2010, July 21). Law and the History of Corporate Responsibility. *History of Corporate Responsibility Project*. Retrieved April 23, 2013, from http://www.cebcglobal.org/uploaded_files/Corporate_Law_and_History_of_CR_-_Johnson_working_paper_-_final.pdf
- Jones, D. G. (1982). *Business, religion, and ethics: Inquiry and encounter*. Cambridge, MA: Oelgeschlager, Gunn & Hain.
- Jones, D. G. (1982). Negative and Affirmative Responsibilities. In *Business*,

religion, and ethics: Inquiry and encounter (pp. 35-43). Cambridge, MA: Oelgeschlager, Gunn & Hain.

K. (2012, May 28). Why Companies Can No Longer Afford to Ignore Their Social Responsibilities. *Business Money Why Companies Can No Longer Afford to Ignore Their Social Responsibilities Comments*. Retrieved January 11, 2013, from <http://business.time.com/2012/05/28/why-companies-can-no-longer-afford-to-ignore-their-social-responsibilities/2/>

Klein, P. (2011, August 12). Where Is Apple's Social Purpose? *Forbes*. Retrieved from <http://www.forbes.com/sites/csr/2011/08/12/where-is-apples-social-purpose/>

May, S., Cheney, G., & Roper, J. (2007). *The debate over corporate social responsibility*. Oxford: Oxford University Press.

Mehra, A. (2012, October 03). Shell, Corporate Social Responsibility and Respect for the Law. *Forbes*. Retrieved April 23, 2013, from <http://www.forbes.com/sites/csr/2012/10/03/shell-corporate-social-responsibility-and-respect-for-the-law/>

Mintzberg, H. (1983). The Case For Corporate Social Responsibility. *Journal of Business Strategy*, 4(2), 3-15. doi: 10.1108/eb039015

Musafer, S. (2012, October 21). Corporate social responsibility: Measuring its value. *BBC News*. Retrieved April 23, 2013, from www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0CDUQFjAA&url=http%3A%2F%2Fwww.hks.harvard.edu%2Fm-

rcbg%2FEvents%2FPapers%2FRPP_2-12-04_Elhauge.pdf&ei=RihmUb3pLumXyAGQ5YDIBw&usg=AFQjCNGkcS_vCV2OW4EUETTUXdc5Ef7AaQ&sig2=51Xu2tXIMHEwXVA1jFd4Xg&bvm=bv.45107431,d.aWc

- Palmiter, A. R., & Partnoy, F. (2010). Corporate Social Responsibility. In *Corporations: A contemporary approach*. St. Paul, MN: Thomson/West.
- Prahalad, C., & Hammond, A. (n.d.). *What Works: Serving the Poor, Profitably*. Retrieved from http://pdf.wri.org/whatworks_serving_profitably.pdf
- Schminke, M. (2010). *Managerial ethics: Managing the psychology of morality*. New York: Routledge.
- Schumpeter. (2012, May 19). Good business; nice beaches. *The Economist*. Retrieved January 5, 2013, from <http://www.economist.com/node/21555539>
- Simanis, E. (2012, June 15). At the Base of the Pyramid. *Wall Street Journal*. Retrieved January 5, 2013, from <http://online.wsj.com/article/SB10001424052970203946904574301802684947732.html#printMode>
- Solomon, R. C., & Hanson, K. R. (1985). Why Social Responsibility? In *It's good business* (pp. 181-224). New York: Atheneum.
- Swanson, D. L., & Fisher, D. G. (2011). *Toward assessing business ethics education*. Charlotte, NC: Information Age Pub.
- Target Corporate: Social Responsibility, Careers, Press, Investors. (n.d.). *Target*

Corporate: Social Responsibility, Careers, Press, Investors. Retrieved April 23, 2013, from <https://corporate.target.com/>

Thompson, A. A. (2007). *Crafting and executing strategy: THE QUEST FOR COMPETITIVE ADVANTAGE*. Maidenhead: McGraw-Hill.

Torres-Rahman, Z. (2012, May 4). The Bottom of the Pyramid Approach: Responsible Capitalism or Business as Usual? - Business Fights Poverty. *Bottom of the Pyramid Approach: Responsible Capitalism or Business as Usual?* Retrieved January 10, 2013, from <http://www.businessfightspoverty.org/profiles/blogs/the-bottom-of-the-pyramid-approach-responsible-capitalism-or>

Treviño, L. K., & Weaver, G. R. (2003). Conducting Business Ethics Research in the Future. In *Managing ethics in business organizations: Social scientific perspectives* (pp. 328-341). Stanford, CA: Stanford Business Books.

Tuleja, T. (1985). Chapter 9: A Sixth Stakeholder? In *Beyond the bottom line: How business leaders are turning principles into profits* (pp. 135-149). New York, NY: Facts on File.

Velasquez, M. G. (1992). Business Ethics: Concepts and Cases. In *Ethics and Moral Reasoning* (pp. 17-43). Englewood Cliffs, NJ: Prentice Hall.

Weiss, P. (2012, February 25). OP-ED CONTRIBUTOR; Should Corporations Have More Leeway to Kill Than People Do? *The New York Times*. Retrieved from <http://www.nytimes.com/2012/02/25/opinion/should-corporations-have-more-leeway-to-kill-than-people-do.html>

Werhane, P. H. (2010). *Alleviating poverty through profitable partnerships:*

Globalization, markets and economic well-being. New York: Routledge.

