Developing corporate environment and health strategy: review of existing corporate citizenship (CC) models

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Abstract

Corporate citizenship usually encompasses the following responsibilities: business standards; community relations; education and leadership development; employee relations; environment protection; and health promotion.

As corporations around the world extend their vision to society, they require models of corporate citizenship (CC) in order to help develop corporate environment and health strategy. Unfortunately, there is little agreement as to which models may prove suitable in the development of environmental and health strategy, as no systematic review of the major CC models has been undertaken.

As a result, this paper reviews almost fifty CC models (1960–2000), and suggests a new typology for models – one that reflects the process that business practitioners would follow in developing an overall corporate citizenship strategy. Business leaders would first choose a model, next a decision-making tool, then determine processes to be followed with stakeholders, and finally report on their environmental and health performance.

Keywords: corporate citizenship models, environment, health, strategy.

1 Introduction

Because corporate citizenship has been developing since the 1950s, researchers and organizations have proposed a multitude of models, many of which are shown in Table 1.

Table 1:   Examples of corporate citizenship models: 1960–2000.

Date	Model	Author	Summary
1960	Continuum of social responsibility	Eells [15]	social responsibility as a continuum of real organizational behaviours, which range from irresponsible to responsible (describes only the polar ends of the continuum)
1967	Continuum of social responsibility	Walton [39]	expanded Eell's (1960) continuum to include six models of social responsibility
1972	Model of Socio- economic accounting	Linowes [24]	Social accounting/reporting
1975	A Three-State Schema for Classifying Corporate Behaviour	Sethi [31]	a structural framework to facilitate analysis of corporate social activities; table summarizes corporate behaviour according to the states of social obligation, social responsibility, and social responsiveness, and to dimensions such as ethical context, operating strategy, and philanthropy
1977	AKSP Model of Social accounting	AKSP [2]	social accounting/reporting; model identifies the social report (a description of a company's social objectives, measures, and effects), the value-added account (a calculation and description of the company's value-added), and the social impact report (a summary of the company's socially-related expenditures and its directly calculable socially-related returns)
1978	From CSR_1 to CSR_2	Frederick [16]	distinguishes between CSR_1 (corporate social responsibility) and CSR_2 (corporate social responsiveness)
1979	Social Responsibility Categories	Carroll [3]	describes essential elements of total social responsibilities—economic, legal, ethical, and discretionary responsibilities
	Social Responsiveness Categories	Carroll [3]	continuum of social responsiveness
	Corporate Social Performance Model	Carroll [3]	a model of corporate social performance, including social issues, social responsibilities, and social responsiveness; what is included in corporate social performance? What are the social issues organizations must address? What is the organization's model of social responsiveness?

Table 1:   Continued.

Year	Title	Reference	Description
1979	Business Strategies For Narrowing the Legitimacy Gap	Sethi [32]	table showing business strategies for narrowing the legitimacy gap
	Patterns of Industry Response	Sethi [32]	conceptual framework to analyze and evaluate business response patterns under different temporal and socio-cultural traditions
1979	A Four-Celled Model of the Social Responsibility Continuum	Zenisek [42]	partitions continuum of social responsibility into four phases; owner/manager, organization participant, task environment, and societal; the model indicates that to obtain a comprehensive schema of social responsibility, researchers must look at managerial behaviours and organizational behaviours within a framework of societal expectations, which are continually changing and becoming more complex
	Points of Interaction Indicated by the Social Responsibility Model	Zenisek [42]	organizations must attempt to achieve harmony between managerial attitudes
1981	Twelve Questions to Address Ethical Dilemmas	Nash [26]	poses twelve questions to help managers address ethical dilemmas; the questions are notable for: acknowledging that different parties may define the problem differently; comparing intentions against likely consequences; and considering the symbolic value of the decision
1981	Organizational Need Hierarchy	Tuzzolino and Armandi [38]	framework of the socially responsible organization; uses a need-hierarchic construct (similar to Maslow's need hierarchy for individuals)
1982	The Four Faces of Social Responsibility	Dalton and Cosier [8]	each cell suggests a strategy that could be adopted by an organization; recommends that organizations should adopt a legal and responsible strategy
1983	Systems Model of Organizational Social Responsibility, Responsiveness, and Responses	Strand [34]	systems paradigm for organizational adaptation to social environments
1985	The Corporate Social Performance Model	Wartick and Cochran [40]	framework of principles, processes and policies; suggests that corporate involvement rests on principles of social responsibility, the process of social responsiveness, and the policies of issues management

Table 1:   Continued.

Year	Model	Author	Description
1986	Interactionist Model of Ethical Decision-making in Organizations	Trevino [37]	the model combines individual variables (moral development) with situational variables to explain and predict ethical decision-making behaviour of individuals in organizations
1991	Pyramid of Corporate Social Responsibility	Carroll [4]	pyramid of essential corporate social responsibility elements—namely, economic, legal, ethical, and philanthropic domains
1991	An Issue-Contingent Model of Ethical Decision-making in Organizations	Jones [20]	an issue-contingent model which calls attention to the moral intensity of the issue that is the focus of an ethical decision
1991	A Systems Model of Corporate Social Performance	Rands [28]	systems model: social responsibilities are the input part of the systems model (i.e. the social demands placed on organizations); social responsiveness represents the throughput portion of the model, and consists of four managerial processes; social responses represent the output portion of the model, and consist of actions taken by the company; and social impacts are the effects on the actual social conditions, or on the opinions of stakeholders
1991	Model of Corporate Moral Development	Reidenbach and Robin [29]	conceptual model of organizational moral development, with five stages and 'dynamics' that move organizations from one level to the next
1991	The Corporate Social Performance Model	Wood [41]	reformulation of the corporate social performance model; principles of social responsibility are framed at the institutional, organizational, and individual levels; processes of social responsiveness include environmental assessment, stakeholder management, and issues management; outcomes include social impacts, programmes, and policies
1992	EFQM Excellence Model	EFQM [11]	introduced as a framework for assessing applications for The European Quality Award; 'most widely-used framework in Europe'; a non-prescriptive framework based on what an organization does, and what it achieves
1994	Integrative Social Contracts Theory	Donaldson and Dunfee [9]	specifies two requirements for an ethical contract; it must conform to universal 'hypernorms' (which entail principles so fundamental to human existence that they serve as a guide for evaluating lower level moral norms) and to local 'micro ethical specifications within an economic community'
1994	London Benchmarking Group Model	London Benchmarking Group [25]	pyramid for classifying community involvement: business basics; commercial interests in the community (practices must give a direct competitive advantage to the company); community investment (business strategy is carefully structured and focused to secure long-term benefits to the company); charitable gift (given with minimal concern for return to the business)

Table 1:   Continued.

Year	Topic	Reference	Description
1994	London Benchmarking Group Matrix	London Benchmarking Group [25]	matrix; inputs (cash value), outputs (leverage), community benefits, and business benefits are determined for each of commercial initiatives in the community, community investment, and charitable gifts
1995	Levels of Analysis	Clarkson [7]	stakeholder framework for analyzing and evaluating corporate social performance; it is necessary to distinguish between stakeholder issues and social issues because corporations and their managers manage relationships with their stakeholders and not society
1995	The Reactive-Defensive-Accommodative-Proactive Scale	Clarkson [7]	stakeholder framework; provides a means of characterizing a company's strategy toward stakeholder issues
1995	Three Aspects of Stakeholder Theory	Donaldson and Preston [10]	stakeholder theory; examines normative validity, instrumental power, and descriptive accuracy, and concludes that the normative base of the theory is fundamental
1995	Level of Analysis, Corporate Identity, and Corporate Responsibilities	Kang and Wood [23]	turns Carroll's (1979) hierarchy upside down; moral responsibilities are framed as most important, followed by social responsibilities, economic responsibilities, and benevolence
1995	Reoriented CSP model	Swanson [35]	framework reorienting Wood's (1991) CSP model; formulates decision-making in terms of ethical and value processes that are linked across individual, organizational, and societal levels
1997	Global Reporting Initiative (GRI)	Global Reporting Initiative [19]	social accounting/reporting; convened by the Coalition for Environmentally Responsible Economies (CERES) in partnership with the United Nations Environment Programme (UNEP) in order to improve environmental and social reporting, and to create a globally accepted framework for corporate reporting
1997	Typology of Possible Social-Financial Performance Relationships	Preston [27]	comprehensive typology of possible relationships between corporate social and financial performance
1997	Structural Classification of Stakeholder Influences: Organizational Responses to Stakeholder Pressure	Rowley [30]	stakeholder theory; uses social network analysis to predict how organizations respond to the simultaneous influence of multiple stakeholders

Table 1: Continued.

Year	Name	Source	Description
1998	Four Faces of Corporate Citizenship	Carroll [5]	the full gamut of corporate citizenship includes its four faces — namely, economic, legal, ethical, and philanthropic faces (see Carroll 1991)
1998	Triple Bottom Line	Elkington [13]	society depends on the economy, and the economy depends on the global ecosystem; the triple bottom line therefore captures the spectrum of values that organizations must embrace: economic, environmental, and social values; in practical terms, triple bottom line accounting means expanding the traditional company reporting framework to take into account environmental and social performance, as well as financial outcomes
1999	Account Ability Framework	AccountAbility [1]	process framework; accountability, performance, and stakeholder engagement to secure ethical and social accounting, auditing, and reporting
1999	Convergent Stakeholder Theory	Jones and Wicks [22]	a class of theories with specific characteristics, and is both normatively sound, and practically viable; the central question addressed by convergent stakeholder theory is, 'what kinds of stakeholder relationships are both morally sound and practicable?'
1999	Value Attunement	Swanson [36]	executive policy making, formal and informal organizational decision-making, and external affairs management are depicted in terms of interrelated value processes
2000	Revolution of Rising Expectations	Carroll and Buchholtz [6]	each succeeding generation expects to have a higher standard of living and quality of life; thus, each generation's expectations of business corporate social performance is higher than that of the preceding
2000	Global Compact's Ten Principles	Global Compact [17]	voluntary corporate citizenship initiative to support the participation of both the private sector and other social actors to advance responsible corporate citizenship and universal social and environmental principles
2000	The Four P's of Ethical Business	Spiller [33]	purpose (to create environmental, social, and financial wealth); principles (e.g. caring, courage, fairness, and honesty); practices (e.g. address stakeholder concerns); and performance measurement (accounting for environmental, financial, and social performance)
2000	Key Business Practices for Stakeholder Groups	Spiller [33]	an integrated model of ethical business, including an ethical scorecard performance measurement; provides a framework for recognizing, understanding, implementing, and evaluating ethical business; identifies ten key business practices for each of six stakeholder groups (community, environment, employees, customers, suppliers, and shareholders)
2000	Ethical Scorecard	Spiller [33]	social accounting/reporting

Table 2: Classification of CC models.

Descriptive	Hierarchical	Decision-Making Tool	Processes	Stakeholder	Social Accounting/Reporting
Frederick ('78) [16] Zenisek ('79) [42]	Eells ('60) [15] Walton ('67) [39]	Carroll ('79) [3] Nash ('81) [26]	Rands ('91) [28] Global Compact ('00) [17] Donaldson and Preston ('95) [10] Jones ('95) [21]	Clarkson ('95) [7] Donaldson and Dunfee ('94) [9]	Linowes ('72) [24] AKSP ('77) [2]
Dalton and Cosier ('82) [8] Strand ('83) [34]	Sethi ('75) [31] Carroll ('79) [3]	Trevino ('86) [37] Jones ('91) [20]	Spiller ('00) [33] Spiller ('00) [33]	Rowley ('97) [30] AccountAbility ('99) [1]	London Benchmarking Group ('94) [25]
Wartick and Cochran ('85) [40]	Carroll ('79) [3]	EFQM ('92) [11]		Jones and Wicks ('99) [22]	Global Reporting Initiative ('97) [19]
Wood ('91) [41]	Sethi ('79) [32]	Swanson ('95) [35]			Elkington ('98) [13]
Preston ('97) [27]	Sethi ('79) [32]	Swanson ('95) [35]			Spiller ('00) [33]
	Zenisek ('79) [42] Tuzzolino and Armandi ('81) [38] Carroll ('81) [4] Carroll ('91) [4] The London Benchmarking Group ('94) [25] Clarkson ('95) [7] Kang and Wood ('95) [23] Carroll ('98) [5] Carroll and Buchholtz ('00) [6]				

2 Discussion

In order to make sense of the above table, this paper suggests the following typology of CC models: descriptive models (explain methods of viewing and understanding CC); hierarchical models; decision-making tools (help executives and managers make decisions concerning CC strategy); process models (provide complex decision-making processes for managers); stakeholder models (require corporations to promote the interests of all stakeholders); and social accounting/reporting models. Table 2 uses the new classification to categorize the models found in Table 1.

3 Conclusion

In conclusion, the above classification reflects the process that business practitioners would follow in developing an overall corporate citizenship strategy. That is, business leaders would first choose a model (descriptive or hierarchical), next a decision-making tool, then determine processes to be followed with stakeholders, and finally report on their environmental/health performance.

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