

**TOWARDS A TYPOLOGY OF
CORPORATE SOCIAL RESPONSIBILITY ORIENTATIONS**

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Abstract

This paper develops a new construct of corporate social responsibility orientation based on an organization's stance towards stakeholder relationships, rather than its stance towards discretionary activities such as philanthropy. The sub-dimensions are elaborated within a framework that considers an organization's goals, behavior and transactions in regard to stakeholder relationships. A typology of CSROs is then developed based on combinations of the proposed sub-dimensions. Hypotheses are presented regarding how and under what circumstances each of the organizational types may derive (or not derive) sustainable competitive advantage from its stakeholder relationship strategy.

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Introduction

While much is now known about how strategy-market environment adaptation contributes to performance (e.g., Miles and Snow, 1978), less is understood about how the link between an organization's social strategy and the non-market environment contributes to performance. Typologies such as the Miles and Snow typology of strategic orientations (ibid.) effectively explain complex organizational forms and illustrate how synergistic configurations of first-order constructs can predict a dependent variable, such as performance (Doty & Glick, 1994). A typology of organizational adaptation strategies to the social environment could help explain how such adaptations contribute to performance. As noted by Miles and Snow (1978) typologies provide an "excellent vehicle" for understanding and predicting the behavior of organizations "because their primary strengths are codification and prediction" (ibid, p. 30).

In this paper, we develop the construct of corporate social responsibility orientation (CSRO) as a typological theory for understanding an organization's intended mode of adaptation to the social environment. The social environment is understood to comprise the groups it has a level of responsibility to, i.e., stakeholders. Type methodology is ideally suited to making sense of organizations' stakeholder responsiveness because it accentuates the commonalities between organizations and is useful for "understand(ing) complex, holistic phenomenon" (Doty & Glick, 1994, p. 248; cf. McKinney, 1966).

Following a discussion of type methodology, the limitations a definition of social responsibility as philanthropy is discussed. From this review, a new, relationship-based construct of CSRO is developed that synthesises opposing views of stakeholders, understands CSRO as an expression of strategic intent and postulates stakeholder relationships as a potential source of competitive advantage. A preliminary typology of corporate social responsibility orientations is then constructed

based on combinations of the dimensions of the new definition of CSRO. Finally, hypotheses about the effect of corporate social responsibility orientation on adaptation to the social environment are advanced.

Type methodology and its potential contribution to understanding CSRO

Typologies refer to conceptually inter-related sets of ideal types whereas classification schemes and taxonomies are systems for categorising phenomena into mutually exclusive and exhaustive sets with a series of discrete decision rules (Doty & Glick, 1994). Types are “constructed” by ordering or synthesising a complex set of variables for comparing and measuring objectively probable phenomena (McKinney, 1966). Because types are built around a range of first-order constructs, they provide a means for parsimonious comparison of organizations “without losing sight of the underlying richness and diversity that exist within the type” (Rich, 1992). The use of type construction methodology is considered particularly appropriate for the study of inter-relationships between many variables given that “the type aids in handling complicated, simultaneous interrelations among a relatively large number of variables ... allow(ing) social scientists (to) cognitively ... map broad areas of social phenomena” (McKinney, 1966: 216).

Typologies also meet the criteria for theory-building because they contain constructs or variables on which a theoretical system can be built, they specify relationships between the constructs, and they are empirically testable (Doty & Glick, 1994; McKinney, 1966). Indeed, “typologies are intended to predict the variance in a specified dependent variable because the organization types identified in typologies are developed with respect to a specified organizational outcome” (Doty & Glick: 232).

Resource dependence theory (Barney, 1991) suggests that collaborative relationships with other stakeholders can influence performance (e.g., Dyer & Singh, 1998; Hunt & Morgan, 1995; Litz, 1996). Because corporate social responsibility orientation (CSRO) represents an organization’s posture towards the enactment of relationships with stakeholders, understanding the range or types of CSROs enacted

by organizations may help understand how such relationships contribute to performance.

Stakeholders are defined as any group that effects or is affected by an organization (Freeman, 1984). A stakeholder is only a stakeholder in relation to organizations (or to one another). Stakeholding is thus a relational concept, implicit in which is the level and type of responsibility that parties in the relationship are willing to accept or enact. The amount or type of responsibility an organization is willing to accept can be construed as its corporate social responsibility orientation (CSRO).

A typology of CSROs that describes variation in organization stances towards the enactment of stakeholder relationships may predict social environment adaptation and its contribution to performance. We argue in the next section that such a typology needs to be based on a conceptualization of CSR as an organizational stance towards the enactment of stakeholder relationships, rather than as a discretionary activity that uses “slack” resources or diverts profit from the bottom line.

CSRO as philanthropy

In this section we describe the well-tested CSRO construct developed by Aupperle (1984), based on Carroll’s (1979) four-part classification of corporate social responsibility, and argue for a revised construct based on stakeholder relationships. Carroll’s (1979) construct describes organizations moving “up” a pyramid of responsibilities, with the responsibility to maximize profits (economic responsibilities) as the foundation, followed by obeying the law (legal responsibilities), acting within prevailing industry and societal norms (ethical responsibilities) and proactively preventing the decay of society's quality of life (discretionary responsibilities).

Although North American studies have used this construct to study CSRO (eg Aupperle, Carroll, & Hatfield, 1985; Pinkston & Carroll, 1994; Sharfman, Pinkston, & Sigerstad, 2000), the notion of philanthropy as the peak expression of corporate social responsibility does not generalize to Australia, which has stronger state welfare

systems than the USA (e.g., Black, 2001; CCPA, 2000). Inclusion of a philanthropic category in the definition of CSRO has also been criticised as not being sufficiently demarcated from the ethical category, which itself is vaguely defined (Schwartz, 1998). Furthermore, studies using the Aupperle instrument have consistently found an inverse relationship between the economic and discretionary categories, a likely artefact of the forced choice methodology employed. This has the effect of entrenching the theoretical dichotomy between normative and instrumental stakeholder approaches in the field. However, the conceptual separation of economics and ethics is a barrier to improved corporate social performance (Wood, 1991b) and further, recent studies have shown that firm-stakeholder relationships are driven by both normative and instrumental considerations (Welcomer, 2002).

Thus, we argue that a new construct of CSRO is needed -- one that is portable across cultures and geographic areas and that directly addresses the instrumental/normative dichotomy in the business and society literature. Next, we introduce and outline the CSRO construct we advocate.

CSRO as an organizational philosophy

The term “orientation” is described by the Collins English Dictionary (Hanks, 1986:1085) as the act of “adjustment or alignment of oneself or one’s ideas to surroundings or circumstances” or “positioning” in relation to a specific direction. Several aspects of the definition are worth highlighting. First, the concept of orientation involves a specific goal (direction). Second, orientation provides a description of the way one acts as a consequence of the goal. Third, orientation describes the response one adopts when dealing with things external to one’s self. Thus, an orientation can be described in terms of the characteristics of the goal, the goal-directed behavior, and the transactions with the environment and parties threatening or enabling the achievement of the goal (stakeholders). Like other organizational orientations, such as market orientation (Kholi, Jaworski & Kumar, 1993), innovation orientation (Gatignon & Xuereb, 1997) and learning orientation (Baker & Sinkula, 1999), CSRO provides a “map of strategic intent” (Wheeler, Capobianco, Perkin, & Stanford, 2001) and reveals “the mechanisms that aim to

maintain coherence between management’s strategic intent and operational activities” (Atuahene-Gima & Ko, 2001).

Underlying our definition of CSRO is the assumption that stakeholders may have both normative and instrumental value for organizations, and that organizations will define their level of responsibility towards stakeholders according to the balance of normative and instrumental value considerations. The instrumental value of stakeholder relationships may vary over time and between stakeholder groups, but when the intrinsic value of the stakeholders per se is recognized, managers will seek to satisfice competing stakeholder needs over the long term. The dimensions and sub-dimensions of the proposed CSRO construct are described next and summarized in Table 1.

Characteristics of the goal

The goal of social responsibility orientation has the following sub-dimensions: the amount or level of social responsibility accepted (i.e. high-low), the motivation for accepting the specified amount of responsibility (intrinsic or instrumental value of stakeholders), and the scope of social responsibility (See Table 1).

Acceptance of a high amount of responsibility is characterised by a stakeholder engagement goal, whereas acceptance of a minimal amount of responsibility (ie, that which is required by law) is characterized by a compliance goal. As noted by Keith Davis, an early writer on CSR, “A firm is not being socially responsible if it merely complies with the minimum requirements of the law, because this is what any good citizen would do” (Davis, 1977:36).

Stakeholder engagement is the involvement or participation of stakeholders in the firm’s operations or the act of bringing legitimate stakeholder interests to bear on the operations of the firm, based on acceptance of a binding obligation to enact a relationship with the stakeholder. This definition recognizes the intrinsic value of stakeholders, while acknowledging that instrumental value is also to be derived from stakeholder relationships. Given that the instrumental value of a given stakeholder relationship is variable over time and can vary between stakeholder groups,

stakeholder engaged firms attempt to balance stakeholder needs, or manage in a “stakeholder tolerance zone” (Doyle, 1992).

A compliance-oriented firm takes the view that corporations meet responsibilities to stakeholders *at an adequate level*, not through a process of engagement, but by compliance with laws and regulations. It may recognize stakeholders as having instrumental value and accept an obligation to enact a relationship with stakeholders but it does not bring stakeholder interests to bear on operations except insofar as required by laws or regulations. It does not attempt to satisfice competing stakeholder needs, but only those addressed by laws and regulations.

Motives for engaging with stakeholders may be driven by either a normative or intrinsic value/duty aligned perspective, or by an instrumental value/economic perspective, or by mixed motives. A duty aligned or intrinsic value perspective of stakeholder engagement sees the task of balancing stakeholder needs as driven by moral beliefs that business should be based on ethical principles such as cooperation and trustworthiness (Jones, 1995). An economic or instrumental value perspective sees the task of balancing stakeholder needs as driven by economic imperatives and a belief that social responsibility will lead to business performance. Given that “one of the most important lessons in life is that something can have *both* intrinsic and instrumental value” (Creel, 2001: 151), high CSRO is represented by a stakeholder engagement goal that is motivated by both the intrinsic/normative value of stakeholders *and* the instrumental value of stakeholder relationships.

The final sub-dimension of the CSRO goal defines the scope of social responsibility and is drawn from Preston and Post’s (1975) concept of public responsibility, which limits social involvement to that arising from the firm’s primary and specialised functional role. Businesses are responsible for solving problems they have caused, and for helping to solve problems and social issues related to their business operations and interests (Wood, 1991a). The social responsibility of business thus has limits.

Characteristics of behavior

Two sub-dimensions of organizational behavior relate specifically to a CSRO. They are ethical business behavior (Davenport, 2000) and value attunement (Swanson, 1999).

Ethical business behavior means the organization is guided by rigorous ethical standards in all of its business dealings. Following Davenport (2000), ethical business behavior is characterised by a) fair and honest business practices, b) high standards of behavior set for employees and c), ethical oversight exercised at executive and board levels.

The extent to which values are consciously incorporated into CSR decision-making processes indicates an organization's value-attunement or value-neglect. This sub-dimension recognizes that CSR is a value-laden process in which policies are formulated, decisions are made and actions selected along a continuum from value neglect to value attunement (Swanson, 1999). Value attunement is “an ideal type of responsiveness that involves the selection, retention, and enactment of organizational values that are consistent with constructive social impacts” (Smith, Wokutch, Harrington, & Dennis, 2001, p. 276). Because the concept of value attunement emphasizes values that are consistent with constructive social impacts, value attunement offers some guidance to determining the legitimacy of stakeholder claims. Given that some organizations count terrorist groups or despotic regimes among their stakeholders, it is clear that organizations are not required to adopt the values of each and every stakeholder group, but are required to constructively formulate value decisions within their social environment. This principle is not at odds with the principle of public responsibility, which requires corporations to evaluate the public policy environment as it pertains to the nature of their business. Instead, the values attunement dimension further defines the concept of public responsibility by specifying that the values leading to constructive social impacts within the organization's domain of endeavour are the values to be selected, retained and enacted. Thus, organizations attempting to satisfy, or balance, competing stakeholder claims over the long term may be guided simultaneously by the principle

of public responsibility and by stakeholder values that are consistent with constructive social impacts.

As described by Swanson (1999), in the alternative scenario, or conditions of value neglect, values are perceived as irrelevant to a factual diagnosis of policy. Senior executives would not recognize social interests as valid unless they coincide with personally held beliefs, making corporate policy invulnerable to broader social values. This “executive myopia” constricts the availability of value information for problem solving. Executives in such organizations see social control as an appropriate response to the environment. For example, value neglect responsiveness can give rise to actions such as the “cash for comments affair” on Australian radio in 1999, when some radio broadcasters were found guilty of accepting cash gifts from some of Australia’s leading companies that required them to make favourable on-air comments (Davies, 2000). The “cash for comments” affair can be understood as a corporate attempt at social control in which the right of listeners to distinguish between advertising and editorial was ignored.

Characteristics of transactions with the environment

The environment transaction dimension of CSRO includes the processes selected for enacting socially responsible stakeholder relationships (dialogue and social involvement), measurement of social impacts, and disclosure of social performance.

A corporation cannot select its social actions in a vacuum. It needs stakeholder input, or dialogue, about its role in society to ensure the actions selected will have a positive impact on the given stakeholder relationships. Dialogue as a sub-dimension of CSRO is therefore defined as the extent to which stakeholder views *about the organization’s role in society* are sought and incorporated into business decisions through formal mechanisms. The nature of the social involvement sub-dimension is defined as the extent to which partnerships with the social sector are pursued that may deliver profitable and sustainable change *for both sides* (Moss Kanter, 1999). The term profitable is interpreted broadly and may not always mean financial profit. At the extreme positive boundary, the social sector is approached, “not as an object of

charity, but as an opportunity for learning and business development, supported by R&D and operating funds rather than philanthropy ... high impact business contributions to the social sector use the core competencies of the business” (ibid. p.132). At the extreme negative boundary, no social partnerships are sought. Points on the continuum include actions that deliver change to one party only, i.e. the social sector partner, through philanthropy, or actions which allow limited change on both sides, but do not necessarily offer “profitable *and* sustained change” for either party, for example employee voluntarism or cause related marketing.

The “metrics” sub-dimension is defined as independent measurement and verification of social performance. The use of independent measures is advocated as it provides “benchmarkability” (Elkington, 1997: 173), which enables stakeholders to compare and rate companies, a requirement for stakeholder accountability and transparency. Use of independent measures also allows companies to identify ways of improving the performance of operations, systems and processes (ibid, p. 394).

Finally, disclosure is a key process or sub-dimension of transactions with the environment. This means that an organization reports publicly about its social performance, even when that means reporting bad news or that objectives have not been met.

The theoretical definition of CSRO proposed avoids the trade-off problem between profits and principles. It is also likely to be more portable across cultures and nations than existing constructs because it removes a specific activity, philanthropy, from the “peak” of CSRO, supplementing instead a broad stakeholder engagement goal with ethical structures designed to facilitate enactment of strategies arising from that goal, and processes which enable stakeholder collaboration. Finally, the proposed definition meets the preliminary requirement for type construction work as it is multi-dimensional (Rich, 1992) and includes first-order constructs that can form the building blocks of traditional theoretical statements (Doty & Glick, 1994:234). In the next section, we specify the theoretical relationships between the first order constructs in order to develop a preliminary typology of CSROs.

Towards a typology of CSROs

Analysis of the possible combinations of sub-dimensions within the CSRO goal reveals 16 hypothetical combinations, of which six are objectively probable (see Table 2). These types will now be described and hypotheses advanced about the effect of each type on adaptation to the social environment.

The Adaptive Type

The *Adaptive* organization accepts an obligation to enact a relationship with stakeholders, brings stakeholder interests to bear on the operations of the firm, attempts to satisfice competing stakeholder needs, recognizes the intrinsic value of stakeholders, sees stakeholder relationships as having instrumental value, and limits the scope of its social responsibilities towards stakeholders to issues related to the impact of its business on stakeholders. Because the Adaptive Type accepts the intrinsic value of stakeholders, it locates the task of legitimizing stakeholders with the stakeholders themselves (subject to stakeholder values being consistent with constructive social impacts). The type is described as adaptive because it is willing to adapt itself to the self-defined reality of stakeholders, rather than pushing a version of sustainability that has been criticised as the new ‘imperialism’ (Banerjee, 2001).

All of the CSRO sub-dimensions are high in Adaptive Type organizations. Adaptive Type organizations place a high emphasis on ethical business behavior and select and enact organizational values that are consistent with constructive social impacts. This organization will use a transactional framework incorporating stakeholder dialogue, social partnerships with mutual benefits, independent social performance monitoring and public disclosure of its social performance. This organization will thrive best in a complex and dynamic environment where an external focus is critical to success. Such organizations are likely to enjoy good stakeholder relationships and use those relationships to negotiate turbulent environments more effectively than organizations with poor stakeholder relationships. For Adaptive Type organizations, stakeholder relationships are likely to constitute a

source of sustainable competitive advantage manifested by a social “license to operate”. Multi-national organizations or organizations with demanding stakeholders are likely to benefit most from this approach. An example of an Adaptive Type organization is Royal Dutch/Shell, which underwent a transformation in the late 1990s to become a more stakeholder-engaged firm than any other major multi-national corporation (Lawrence, 2002). Organizations in relatively static environments that pursue an adaptive stakeholder strategy may find over time that the costs outweigh the benefits.

P1: Adaptive Types will be more likely to generate sustainable competitive advantage from stakeholder relationships than other CSRO types in a complex and dynamic environment.

The Disengaged Type

The opposite of the Adaptive Type is the *Disengaged* Type. All of the CSRO sub-dimensions are low. In this CSRO type, stakeholders have little value, and the organization may fail to meet even minimum standards of compliance. It places little emphasis on ethical business conduct, is characterised by “value neglect” and is impervious to broader social values. In static or unregulated environments, the Disengaged Type may prosper because it has lower compliance and relationship-related costs than other types. However, the risks of this strategy are high if the organization faces a crisis. For example, Esmerelda Explorations was suspended from trading on the Australian Stock Exchange in June 2000 after the collapse of its Romanian gold tailings dam, which spilled cyanide into the rivers of Romania, Hungary, Yugoslavia and the Ukraine, and polluted the drinking water of 2.5 million people. Administrators were later appointed and the company was threatened with a \$A180 million lawsuit by the Hungarian government.

P2: Disengaged Types may produce better short-term financial results due to lower compliance and relationship management costs, however, in the long-term its high-risk strategy will have a lower likelihood of success than other CSRO types. The Disengaged Type will not adapt effectively to change in its social environment and will not derive sustainable competitive advantage from stakeholder relationships.

The Missionary Type

The *Missionary* Type differs from the *Adaptive* Type in one key respect: its social involvement is not limited to addressing the immediate impacts of its business; it may potentially adopt any cause that permits it to have a constructive social impact, while pursuing profits. Thus, its adherence to the principle of public responsibility is low because it does not limit the scope of its responsibility, yet its “principles” may be very high. The Body Shop’s involvement in human rights issues is an example (http://www.the-body-shop.com/global/values/rights/hr_history.asp). For the *Missionary* Type to be effective, close attention to ethical business behavior, the effective institutionalization of value attunement processes, and commitment to stakeholder dialogue and accountability is needed. This is a difficult strategy to execute well, as business people may lack the expertise to act effectively in the social sphere (Davis, 1977; Mintzberg, 1983) and maintaining a socially entrepreneurial spirit becomes more onerous as the business grows and “gets institutionalized” (Roddick, 2000:49). Perhaps the biggest hazard comes from a failure of any of the behavioral or transactional dimensions of CSRO, which could incur stakeholder disillusionment or wrath, and ultimately, affect profits. The *Missionary* Type’s strategy is also costly, as stakeholders can potentially range far wider than the business would warrant. However, in mass consumer markets, where social marketing tactics can leverage the *Missionary*’s social strategy for a financial premium, the *Missionary* type may prosper through its unique customer proposition to create sustainable competitive advantage.

P3: *Missionary* Types are most likely to reap sustained competitive advantage from their social adaptation strategy in consumer markets when close attention to the behavioral and transaction sub-dimensions of CSRO is supported by effective social marketing tactics.

The Economic Type

The *Economic* Type gives only one type of value to stakeholders: instrumental value. Social responsibility activities are developed in response to the perceived instrumental value of stakeholders, so community sponsorships, cause related

marketing and strategic philanthropy may be pursued. When the behavioral and transactional dimensions of CSRO are high, the Economic Type can be perceived as a socially responsible organization and reap immediate benefits from its strategy. The Economic Type may be lauded as socially responsible for its philanthropic activities when the business generates constructive social impacts. However, if failure to attribute intrinsic value to stakeholders leads to conditions of value neglect, the Economic Type risks poor stakeholder relationships despite its apparent commitment to do good. For example, the Australian national airline, Qantas, has a long history of philanthropic support for sport, the arts, and welfare organizations, yet it was one of the firms which attempted to disguise advertising as editorial in the “cash for comments” affair on Australian radio noted above. When the Economic Type is in a business with destructive social impacts, for example, tobacco companies, even extensive philanthropy or community sponsorship is insufficient to enable the Economic Type to reap advantage from its social responsibility strategy.

P4: Economic Types will derive sustainable competitive advantage from their social adaptation strategy only when the behavioral and transaction dimensions of CSRO are high. In particular, the institutionalization of effective value attunement processes is critical to the success of this strategy.

The Compliance Type

Like the Economic Type, the *Compliance* Type organization understands its sphere of business limits its social responsibility and attributes only instrumental value to stakeholders. However, the Compliance Type considers it meets social responsibilities at an adequate level by complying with relevant laws and regulations. If it exhibits ethical behavior, this is likely to be the result of top management philosophy rather than an institutionalized value attunement process. Indeed, its value neglect puts it at risk of unethical behavior even though it may be philanthropic. The compliance type can be a cost-effective strategy in a relatively static environment with undemanding stakeholders. However, the failure to attend to stakeholder relationships leaves it without relationship-based resources on which to draw in event of a crisis and puts at risk its social “license to operate”. The compliance type may be a variation of the economic type.

P5: The Compliance Type strategy will be effective in a relatively static environment due to lower relationship-based costs, but its social environment adaptation strategy is unlikely to be a source of sustainable relationship-based competitive advantage.

The Duty Type

The *Duty* Type is like the Adaptive Type, except that it places no instrumental value on stakeholders and sees only their intrinsic value. Because business cannot be divorced from its economic purpose, this type is less likely to be found in business, but is more characteristic of successful not-for-profits or NGOs. Its key stakeholders are likely to be donors and program beneficiaries, so careful attention to the alignment of behavior and transaction dimensions of CSRO is critical to success. An example of the Duty Type may be the international relief organization, World Vision.

P6: The Duty Type will occur less in the business than in the not-for-profit sector. Sustainable competitive advantage can be obtained from stakeholder relationships in this type if careful attention is paid to aligning the goal, behavior and transaction dimensions of CSRO.

Conclusion

This paper has described the dimensions of a new construct of CSRO, developed a typology of CSROs based on combinations of the sub dimensions, and advanced hypotheses about how each of the types may derive (or not derive) sustainable competitive advantage from its social adaptation strategy.

The CSRO typology uses the dimensions of goals, behaviors and transactions, to develop its types. An organization will select its CSR goals according to the value it gives stakeholders and stakeholder relationships, and the limits of its responsibilities towards them. The particular configuration of goal sub-dimensions indicates a selected CSR strategy. The choice of strategy will lead to behaviors that are either

ethical or unethical, and value attuned or value-neglectful. The behavioral dimension of CSRO thus forms an ethical structural platform for the enactment of the chosen strategy and the selection of implementation processes which are described as transactions with the environment.

The CSRO typology presented meets the requirements for theory-building because it contains first order constructs (described in this paper), specifies inter-relationships among the constructs, and is empirically testable. The next step, as recommended by McKinney (1996) and Doty and Glick (1994), is to test the typological theory by examining the extent to which deviation from the ideal types predicts the dependent variable specified in the grand theoretical assertion, that is, that the types predict adaptation to the social environment and thus, relationship-based competitive advantage.

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Corporate Social Responsibility Orientation	
Characteristics of the goal	Stakeholder engagement
	Intrinsic & instrumental value
	Public responsibility
Characteristics of goal directed behavior	Ethical business behavior
	Value attunement
Characteristics of transactions with environment	Dialogue
	Social Actions
	Metrics
	Disclosure

Table 1: The dimensions of corporate social responsibility orientation

	Stakeholder Engagement	Instrumental Stakeholder Value	Intrinsic Stakeholder Value	Public Responsibility	
1.	High	High	High	High	Adaptive
2.	High	High	High	Low	Missionary
3.	High	High	Low	High	Economic
4.	High	Low	High	High	Duty
5.	Low	High	High	High	
6.	High	High	Low	Low	
7.	High	Low	Low	High	
8.	Low	Low	High	High	
9.	Low	High	High	Low	
10.	High	Low	Low	Low	
11.	Low	High	Low	Low	
12.	Low	Low	High	Low	
13.	Low	Low	Low	High	
14.	Low	Low	Low	Low	Disengaged
15.	High	Low	High	Low	
16.	Low	High	Low	High	Compliance

Table 2: Goal-derived CSRO types

Ten hypothetical combinations are rejected as objectively improbable because:

- a. An organization with a high stakeholder engagement orientation must give stakeholders some value, so combinations in which stakeholder engagement is high but both types of stakeholder value are low, are rejected, i.e. types 7 & 10.
- b. Combinations which give stakeholders instrumental value, but low public responsibility (i.e., the organization’s scope of its responsibility is not limited by the firm’s specialised role) are rejected as not logical as instrumental value by definition is value that leads to business performance, therefore types 6, 9, 11 & 15 are rejected.
- c. Combinations that have low stakeholder engagement are unlikely to give stakeholders either type of value, so types 5, 8 and 12 are rejected.
- d. Type 13 is rejected, as an organization that does not engage with stakeholders and sees no value in stakeholder relationships sees no social responsibility that requires delimitation by the public responsibility principle.

