

Corporate Social Responsibility across Europe: A good example from the Nordic Countries?

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Abstract

Corporate Social Responsibility (CSR) gains special relevance during last years, due to the modification of the international framework that business must deal with. It is considered as a particular business attitude, but from the European Union CSR is presented as an opportunity for businesses competitiveness at the same time they contribute to sustainable development, so they try to create a European reference framework. In this article we will analyze the situation of CSR in several European countries, not only from the point of view of business behaviour, but including the possible strategies and regulatory or guidance public frameworks of the countries considered, and we will wonder about the convenience or not of the existence of these common frameworks. We will review the different initiatives being developed at international level, paying special attention to actions by Northern European countries, which are obtaining very positive results, although still limited.

Keywords: Corporate social responsibility, organizations, public policy, Scandinavia.

JEL Classification: F23, M14

1. INTRODUCTION

Despite multiple definitions for Corporate Social Responsibility (CSR), and the concept evolution across time, it is worthwhile remarking that it's been always considered a voluntary action from companies (Carrol, 1999; Thomas & Nowak, 2006).

A good example of this approach is the definition used by the European Commission: *A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis* (European Commission, 2001). Being socially responsible involves not only being compliant with legal duties, but going beyond those requirements, through investments in human capital, environment, and the relationship with stakeholders. Going beyond legal duties on the social area (training, working conditions, etc) may have a direct impact on productivity, and so, contribute at the same time to the improvement of competitiveness and social development.

Nevertheless, that voluntary action must be confronted over some minimum requirements, some kind of standard which involves a difference between a company behaving the "traditional" way, searching for its own benefit, and a company being socially responsible. When trying to choose which standard to use, we find that the initiatives most commonly referred don't come from the European Union. They have a much more international character, which is understandable in a globalized world as the one we live on. We can mention, as the examples most utilized, the United Nations' Global Compact initiative, or the Global Reporting Initiative (GRI). It can be observed on these examples a clear interaction between private initiative and that of the international organisms, especially United Nations.

From the European Union (European Commission, 2001a; 2002; 2006) companies are encouraged to adopt CSR strategies as a way to increase their competitiveness and improve their results, at the same time they care about the consequences of their activities over environment and the society they take place on. This way, companies would be contributing to that major goal, beyond their operational area, of achieving a sustainable development for the EU. But situation is quite different if we compare member States. Voluntary approach that is considered necessary for CSR

strategies effectiveness makes it difficult to obtain homogeneity within the EU. And there are not only differences between countries, but between productive sectors. It makes sense, as the impact over economy, social issues and environment is not the same for a multinational with thousands of employees belonging to the automobile sector than for a small company dedicated to handicraft cheese production (Porter & Kramer, 2006).

In this article, whose main contribution is to serve as basis for discussion, we will focus on the differences appearing between EU member States, including also Norway due to its similarities with EU Northern countries. We will take the situation in Spain with regard to CSR strategies implementation by business, as the point of comparison. We will study in which cases there is any type of support or initiative from the public sector for the development of these actions, and also the reaction of civil society to this type of initiatives. Once the comparison is made, we will try to foresee if there are prospects for standardization, taking into account the possible influence of the current international economic and financial crisis. We believe that the analysis of CSR is especially relevant in this moment, given the mentioned crisis situation (Ruggie, 2005). Within this context, mistakes that took the system to the current situation could make social risks grow. It would be the case, for instance, of an environment which allows bad practices on human rights. On the other hand, economic crises can be also seen as periods to take advantage of the opportunities for change that may appear. It is in this sense that we think it may be the right moment to make progress all the ideas which can allow reaching the desired level of sustainable development for the future.

Though several European countries will be mentioned, especial relevance will be given to Nordic countries, such as Sweden or Finland, which are usually at the top of any ranking related to CSR and sustainability. We have chosen this sample thinking that due to these countries progress on this field, they will have a relevant influence on the possible standards to be applied. Examples of good practices with positive results will be given, as well as the different points of view to apply CSR compared to other European countries. It will also be observed the action from government in different countries in favour of CSR implementation by business, as the EU, through its Sustainable Development Strategy (European Commission, 2001b), gives public action a fundamental role, whether it may be to create a bigger feeling of collective social

responsibility, or to establish a framework for the companies to integrate social and environmental considerations in their activities.

The article is organized in the following sections: We will start with CSR situation in Spain, comparing it with the situation in other EU countries. We will continue focusing on the Northern countries, which stand out thanks to a special positive development on CSR strategies. Having analyzed the current situation, we will summarize the data obtained as a way to conclude.

2. CSR SITUATION IN SPAIN IN COMPARISON WITH OTHER EUROPEAN COUNTRIES

Evolution of CSR strategies in Spain has a lot to do with its integration process with the EU and, as a consequence of that fact, with the internationalization of Spanish companies. It is true that most of Spanish multinational companies started their internationalization in countries linked to the colonial period (Latin America), as historical, cultural and language ties made that process easier (See the examples of big Banks such as Santander or BBVA, or companies like Telefonica). Nevertheless, membership of the EU makes appear the need to have a reputation among the other EU member States, with the aim of expand their operations sphere. To reach this goal it is necessary to follow the example of countries around Spain, which following an international trend, from the year 2000 and in the wake of new initiatives (Global Compact), start formalizing the adoption of CSR strategies.

In Spain, this movement also starts around the year 2000. Even if we find mentions to socially responsible investments in the nineties (Mandl & Dorr, 2007), we can say that we are still in a starting phase and it is not a generalized trend. It is true that there is a growing trend, and each year the number of companies adopting some type of CSR or sustainability strategy is higher, but there are still big differences between sectors and depending on companies' size.

It is observed an outstanding participation of big Spanish companies on international indexes related to sustainability (GRI, DowJones Sustainability Index). In fact, once they are part of these indexes, they are usually in the top positions (Club de

Excelencia en Sostenibilidad, 2009). Being part of these indexes is used as an indicator by stakeholders and civil society, and it improves the companies' image for potential customers. That's why it is considered as an effective marketing strategy. Some studies (Mercer, 2009) already identify carrying out socially responsible investments (SRI) with an improvement on business' financial results.

On the contrary, small and medium enterprises (SMEs) seem to be excluded from this movement. The main reason is usually the lack of economic resources, as most companies identify the adoption of this type of initiatives with an important expenditure. In trying to correct this situation, some Spanish multinational companies (Iberdrola et al, 2010, for instance), include in their own programs some initiatives to help SMEs implementing CSR strategies.

From the Government there is almost no action on this field. In 2008 it was approved the creation of a CSR State Council, which starts functioning in 2009 (BOE, 2008), but mainly as an ideas interchange forum. In 2010 it appears the CSR Initiative for SMEs, from the Industry Ministry (BOE, 2010), but it is still soon to see if it is going to be successful.

The view from Europe is that Spain is in a debate situation, trying to decide between the voluntary nature of CSR strategies adoption and the need of regulation from authorities (Mandl & Dorr, 2007). This debate makes sense if we consider that one of the barriers that companies point out when including environmental aspects in their day to day activities, is the feeling of impunity for those who break the law (Garcés et al., 2004). This factor is an indicator of the need for a strict regulation but also an effective control and surveillance system from authorities, and not so much for CSR strategies to be implemented but to established minimum legal requirements beyond which it is considered that a company is really acting with a socially responsible attitude.

Within this context it is normal that when making comparative studies including several European countries, Spain is located in medium or low positions (Heidrick & Struggles, 2009).

Chart 1. Corporate Governance ranking, 2009

Puntuación (%)	País
77%	United Kingdom
71%	Netherlands
66%	Sweden
64%	Switzerland
62%	Finland
60%	France
53%	Italy
52%	Spain
47%	Belgium
41%	Portugal
39 %	Germany
37%	Denmark
36%	Austria

Source: Heidrick & Struggles, 2009

Anyway, being part of these indexes and the position on them, it's something to be taken carefully, as there is not homogenized criteria on the aspects that each index value (Porter & Kramer, 2006), and for the moment environmental concerns are the ones with the lowest relative specific weight (Mercer, 2009; SAM et al., 2009). What is more, the possibilities to participate on these indexes are conditioned in most cases by the availability of company resources, so bigger companies have more possibilities to be at the top of the rankings.

Once in these rankings and indexes, it can happen that a country can be remarkably positive in one separate aspect but then be at the end of the list on others. If we have a look to the Corporate Governance study taken here as reference (Heidrick & Struggles, 2009), Germany is leader for the first time among the companies with ethics committee, corporate governance and/or corporate responsibility, followed by United Kingdom and France.

In the Spanish case study on CSR (Club de Excelencia en Sostenibilidad, 2009) we see that in Spain, barely fifty per cent of companies taking part on it have a woman in their Management Board, while in Sweden, for instance, there is no company with at least one woman in its Management Board.

From the European point of view we can see that most of the examples mentioned when talking of CSR are related to other countries (that is, Spain is not mentioned as an example), remarking the existence of initiatives before they appear in Spain, especially in the case of public actions. For instance, it can be mentioned the initiative from the Social Affairs Ministry of Denmark in 1994 (“Our Common concern – the social responsibility of the corporate sector”), with the creation of the Copenhagen Centre in 1998, or the designation of a Minister (Minister for Corporate Social Responsibility) on this field in United Kingdom in 2000. The only reference made on a Spanish initiative on this period is a Foundation - Fundación Empresa y Sociedad (European Commission, 2001a).

Denmark, Netherlands, Sweden and United Kingdom are usually the countries with the higher number of positive examples on CSR, both from the institutional and the private points of view. There are also examples from Spain starting to be mentioned. But the approach on this field (CSR) is different in each country.

On the institutional or governmental participation side, the Spanish case can be considered similar to the Italian one. In Italy, central government only got involved on CSR actions after the publication of the European Commission Green Book in 2001 (Albareda et al., 2008). Norway, on the other side, with a highly developed welfare state, focuses its actions on the international scope of CSR, with the ambition to develop in other countries its advanced policies on environment, peace and human rights. It’s trying to give an external projection to its actions, especially to developing countries, though it is observed some lack of internal coordination between the organisms involved on elaboration and implementation of policies. In fact, the main visibility on governmental actions in CSR is under the responsibility of the Foreign Affairs Ministry (Albareda et al., 2008).

United Kingdom's model is different from the above mentioned and it is considered as an innovative one. It appeared as a response to a "social governance deficit", by the end of the XXth century, when industrialized countries suffered an economic crisis which involved companies' closure and serious problems of social exclusion. Since we are currently in a similar situation with regard to consequences, even though it is deeper and much more globalized, it is important to bear in mind every CSR action which can lead to an improvement of the situation. Though the idea of CSR as a voluntary action from business is maintained, and these business have a remarkable influence on the implementation of public policies (more than in other European countries), they usually react on a negative way if they find too many initiatives from the public sector fostering (or forcing in some sense) their participation in social issues. In many occasions these initiatives are perceived as a governmental maneuver to secure funding from the private sector when it doesn't have enough resources to cover some social needs with public policies (Albareda et al., 2008).

To sum up, we can say that we find in Europe a lot of opposed models and approaches to CSR with uneven results.

3. CSR IN SCANDINAVIA

Apart from what was stated in previous paragraphs, we find that Scandinavian countries are really conscious and clear about how to deal with CSR (see study elaborated by FINERGY, Finnish Energy Industries Federation, Aho et. al 2002). In this sense, these "welfare states" consider that CSR should not only be focused in the environment, but in the society as a whole instead. They pay special attention to certain immaterial values, such as human rights, working conditions, corporate ethics and the fight against corruption. For them, it is a fact that corporations have direct impact in society from the moment in which they begin to operate. This is the reason why Scandinavian countries think that these organisations should perform their activities in a responsible way, while trying to maximise profits, in order to avoid undesired effects. So, according to Scandinavian mentality, in this moment, the general corporate aim should evolve from the simple economic value creation, what was applauded over the most part of the 20th century. We could say that the simple generation of profits for

shareholders, as the only corporate objective, is old fashioned nowadays. It should always go together with the creation of gains for the society as a whole.

As a solution for the possible damage that corporations could do to society in absence of CSR, Scandinavian countries propose, first, reducing omissions in this field (Greenberg, 2009). They think that, doing so, the firms are investing today in CSR in order to be able to maintain their future operations. At the same time, these organisations should always think of all the parts affected by their activity or performance. This would entail that not only shareholders, but also clients, the environment or the working force are involved in the corporate processes. And corporations should satisfy all of them. As we could understand, these goals would imply a change in the mentality of firms. They must always take into account the high level of influence they have in society. Going further, corporations should think of “doing well” their activity while the “do good” for society (Crane, Matten & Spence, 2008), what suppose a big change in their traditional search for profit maximization.

3.1 General remarks.

Going back to the intended omissions reduction in the field of CSR, one of the most important lacks we found in this sense was the absence of a generally accepted definition for it that could be used globally. We have not even found, so far, in Scandinavia or in other parts of the world, a proposal of standardised description for it (Marmorat, 2009). This fact shows the low level of development of CSR as a global initiative. At the same time, we saw that there are not global rules or institutions that take care of CSR at a global level (NOU Oficial Norwegian Reports, 2008).

A global environment is the perfect field to realise that, up to now, there are no general accepted rules for corporate governance. And, according to Scandinavians’ opinion, it is necessary to begin to change this fact because, in the absence of a desired set of rules, the society could suffer certain abuses, related to human rights, labour conditions or undesired impacts in the environment. If we take into account what some Norwegian official documents (“White Paper Corporate Social Responsibility in a global economy”, Official Norwegian Documents, 2009) say, avoiding these abuses is a new challenge for corporations. And the best way to help them with it is to design a

clear set of rules to be followed by the world economy as a whole (Lunde & Taylor, 2005). At the same time, it would be desirable to get detailed global protocols to be used by corporations as well as common standards for corporate reporting in CSR (Jelstad & Gjolberg, 2003). It will all be used to implement and develop a successful strategy of CSR

In any case, in any definition for CSR there should always be stressed the fact that with the implementation of sustainable development today, corporations are, really, investing in their own future operating conditions (Crane, Matten & Spence, 2008). So we can say that CSR is related directly with the safeguard of corporate operating conditions in the long term. This could be translated into a competitive advantage for enterprises; if we take into account the good reputation they would acquire doing so. Besides, a good practice in CSR would help them to attract the best employees, clients, financial intermediaries or partners. On the other hand, we also have to think that certain corporations could try to take advantage of showing an unreal interest for CSR. For this reason, one of the aims of Scandinavian countries is to improve the way in which companies demonstrate that they fulfil certain social objectives in their written reports¹. Moreover, up until now, these reports about CSR are, almost exclusively, related to the environment. So there is still enough room for future improvements in reporting. It would be desirable that these reports were turning more and more compromised with CSR and corporate ethics, in general². In Norway, this kind of reports are considered so important for the whole society that Norwegians have created the “Norwegian Accounting Act”³, institution that takes care of CSR and of the correct treatment of the results showed by corporations in these reports.

Once we have pointed out the need for publishing corporate results, Scandinavians think that, apart from it, firms should fulfil the following, as CSR suggests, if they want to operate in a responsible way:

- Being able to identify the impact on society of performing their activity.
- Knowing and fulfilling the existing rules about the environment.

¹ See proposal of “Global Reporting Initiative”: www.globalreporting.org. Especially, “Sustainability Reporting Guide on Economic, Environmental and Social Performance”

² See proposal made by the CSR consulting firm “SustainAbility” in www.Sustainability.com

³ Ver: www.regnskapsstiftelsen.no

- Reorienting activities continuously, in case this is necessary, after identifying certain changes that could appear in the environment.
- Being sure, after a financial analysis, that their investments will make possible to continue carrying on with the corporate activities.
- Providing the workforce with welfare, competence development and motivation.
- Promoting good practices and cooperation among employees.

Before applying specifically these points, firms should evaluate the tasks performed by them in their own environments. After that, they have to identify the area of the society in which they have responsibilities. Then, it is required that they assess their positions to be able to determine their needs in the field of CSR. This process will allow them to design their internal protocols that, according to several studies (FINERGY, Finnish Energy Industries Federation, Aho et. al 2002), would help them to attain the desirable level of CSR development. As it can be seen, it is necessary to outline a standard plan to apply, together with certain tools that can be used as guidelines for self evaluation. Managers should always be involved in this process, a fact that is not common nowadays.

Apart from the importance of setting standards in the design of internal protocols related to CSR, Scandinavian countries consider necessary to harmonize some other things that will be explained in the next paragraphs. Unfortunately, there is still a lack of standard plans to follow by enterprises when implementing CSR. In order to mend this fact, Scandinavians make the following proposals.

3.2 Finland: A thee pillars model.

Over the last years, there have been big efforts in Finland to design internal protocols to develop CSR by firms operating in the energy industry. Finnish think that this is a key sector to ensure social welfare and, because of that, energy companies would have to look for efficiency while looking for sustainability. Apart from that, there are more than 200 companies active in this industry, as well as more than 400 plants and around 15.000 employees. Nevertheless, Finland is a net importer of energy, buying especially from Sweden and Russia.

The idea in Finland is to set a three pillars model (Finnish Energy Industries Federation, 2002) to help corporations to attain the desired sustainability. These pillars should be balanced and they are the following:

- Economic responsibility: Every firm should be sure of its short and long term economic viability in order to be able to continue providing customers with the products and services they need. Because of that, financial risks have to be identified, as well as potential changes that could affect the lifecycle of products.
- Environmental responsibility: Every company is obligated to know the impact of its operations in the environment, as well as the law to fulfil. Apart from that, it would always have to be aware of possible changes that could take place on the environment, related to bio diversity, emissions, natural resources or public health, among others.
- Social responsibility: Enterprises will have to take special care of welfare of employees and make sure that they work on a healthy atmosphere, that they use their competences while working and that they are motivated. On the other hand, good practice and cooperation have to be boosted among the workforce. Apart from that, corporations should transfer their experiences in this sense to Universities and ask these organisations for advice and knowledge.

Leaving aside the three pillars model, Finnish also think that the use of certain indicators is considered key to assess the degree of CSR development attained by enterprises. According to their view, this tool would be useful not only for self assessment but also for peer analysis. In the following chart we can see several examples of some self critics that could be made by firms after using the proposed indicators. We would like to stress the relationship that could appear among these indicators, self criticism and CSR.

Chart 2.

Example of self critics (related to CSR) that could arise when using the three pillars model proposed by Finland

We should be proud because...	We should be wise because...
... nothing would work out in society without our products or services	... we should only increase our sales if this fact benefits the society as a whole
... if our prices are low, we help the society to prosper	...very low prices for our products can cause harm to society if we contribute to waste, which might endanger future sustainability
... performing our activity, we contribute to automate certain processes	... automating means, often, increase of unemployment
... we proofed that we know and have our impacts in the environment under control	... Environment and we change. Because of that, we have to be aware of certain changes that could take place, in order to prevent potential negative effects related to those changes
... we fulfil CSR requirements	... maybe we are only taking care of fulfilling the minimum requirements

Source: FINERGY, 2002

Some examples of the aforementioned indicators would be:

- Related to economic responsibility: ROE, ROA, sales increase, input in R+D and customer satisfaction.
- Related to the environment: Specific emissions of products (CO₂/kWh, SO₂/kWh, NO/kWh), volume of waste, investment devoted to environmental protection, use of renewable natural resources, efficiency in the consumption of energy, measures promoting biodiversity and number of fires generated.

- Related to CSR: Turnover of personnel, input in training and in leisure activities, accidents and absences caused by illness, benefits to communities, number of participating students and number of summer jobs generated among them.

Apart from the development of internal protocols, Finnish recommend that firms transmit information about CSR in a correct way. For them, it is very important to publish credible reports with data about actions on CSR already taken. It is necessary that then can be proofed by external professionals.

3.3 Denmark: Analysis of the five best known models for achieving CSR.

Several studies performed in Denmark (Broker: 615-622, 1996) show the idea that investing in CSR is not usually a voluntary initiative of firms. They think so because this action does not normally generate results in the short term. Taking this fact into account, Danish try to look for a model to implement in order to achieve the desired level of CSR. They analyse what they call the five best known models. These models are the following:

- Deregulation. This model is based in the view that the long term pursuit of self-interest by the company in itself ensures a desired degree of CSR. As it can be seen, it leaves CSR and social welfare maximization in the hands of market forces. But, as Danish say, Scandinavian history shows that times of *laissez-faire* and no specific regulation for CSR led to high levels of externalisation (Haas, 1981). And this fact made doubtful the possible welfare increase, even if market forces made wealth grow. Being Scandinavian countries welfare states, the deregulation approach does not have any substantial support by them.
- Corporatist model. This approach proposes that managers of companies have more freedom to take care of non-profit goals, without the supervision of a supervisory body (Stokes, 1986). Again, Danish do not like this model. In their opinion, managers would never invest the firms' resources to achieve goals not related to maximization of profits.

- Managerial model. This model is based in the view that managers should be controlled by an external and independent body. This is because, according to this approach, managers are only interested on defending corporate interests (Christensen, 1992). The Danish view of this model is essentially the same as the corporatist one.

- Non-shareholder interest representatives in the board (Farrar, 1991). Among them, there would be employees, consumers, local communities and general public. This is a very modern approach, since the two last groups do not have so far any representation in boards. Danish think that such a model should be imposed by law (Stokes, 1986). One of the problems that could arise would be an occasional absence of one or more groups of non-shareholder interest representatives. Even in that case, this is one of the most preferred models by Scandinavians. In the whole area, there is a very strong desire to use this approach with regard to employee representation.

- More regulation and control. This is the most used model nowadays. An example would be the antipollution regulation. The only problem that this approach could have would be the current degree of application and fulfilment of the existent law, considered insufficient (Doteval, 1989). In order to mend this situation, Scandinavian countries recommend drawing up the rules in detail and applying them with severity. Such an approach would lead to better results than if the regulation was not very detailed or if there was an absence of rigorous enforcement.

3.4 Norway: Non-judicial remedies.

Given the current absence of global laws or institutions related to the implementation of CSR strategies, Norwegians consider desirable that the State takes care of it (Marmorat, 2008). According to their view, the State is the only institution with enough power and access to all the social agents. And this fact makes it easier obtaining a compromise of all of them. With the State intervention, in their opinion, the

equilibrium with the market could be attained, which is very important after the last economic crisis (Stiglitz, 2010).

Apart of it, Norwegians think that the State should pay special attention to the use of non-judicial remedies for achieving CSR. These remedies would be in between a pure voluntary approach and the legal mandates. The idea is to complement the last ones with these “informal” mechanisms, used normally for conflicts resolution, and reinforce CSR implementation (Rees, 2008). Besides, this kind of remedies can be more accessible, cheap and flexible than the use of the law. All of this is very important if we want to correct the most negative effects (UN SRSG, 2008) that enterprises can originate in society.

The reason to choose non-judicial remedies instead of choosing the judicial ones is because the last ones act cutting certain adverse effects that could take place, while non-judicial remedies can be used as preventive method, instead. It would be the case of the existence of organisations to protect human rights in places where they can be affected by industrial activity (Ruggie, 2008) or certain institutions or departments in charge of conflicts resolution, run by psychologists. The intention is to finish with abusive practices before they generate conflict or legal disputes. They could help to obtain quicker and more efficient results that using other methods (Bernal, 1995).

Norwegians see the aforementioned remedies as an important part of their proposed strategy to implement CSR successfully. Because of that, they recommend being extremely careful in the design of these mechanisms. Taking this fact into account, they suggest setting first the objectives that are expected to obtain with their use and to define their functions and the area to apply them. At the same time, they consider necessary to establish the relationship between these mechanisms and the legal system as well as with the persons or institution in charge of managing them. There could even be institutions related with the design and implementation of these remedies within the sphere of the society.

The following examples show several sources that can be used in the design of non-judicial remedies:

- At company level, there could be complaint boxes, hotlines or liaison officers who could find out matters brought up to him or her by employees. This could be used to solve conflicts and to offer solutions. At the same time, enterprises could also hire psychologists with experience as mediators in conflicts resolution. These professionals can be very important, since they could detect potential problems within the firm before they appear, gaining some time in their resolution. Their main tool is the dialogue among the parts involved.
- At industry level, it should exist something similar to the “Voluntary Principals on Securities and Human Rights”⁴.
- At multi-industry level, the “Ethical Trading Initiative”⁵ should be considered as an example to follow.

3.5 Sweden. An empirical evidence of Corporate Social Responsibility: Skandia.

Skandia was founded in 1855, and it is the oldest company on the Stockholm Stock Exchange, where it was listed in 1863. Today it is one of the major players in the arena of Swedish business, offering services to more than twenty countries. The trademark of the company is well established and it has a good reputation for long term safety and stability.

Born as an international insurance company and being little by little transformed into one of the most important financial intermediaries in Scandinavia, it started to hire women since it began to operate. We could say that its work in the field of CSR started then. In the following paragraphs, we will analyse the actions performed by Skandia in

⁴ It was founded in year 2000. Today, the following companies are associated to these principles: Amerada Hess Corporation, AngloGold Ashanti, Anglo American, BG Group, BHP Billiton, BP, Chevron, ConocoPhillips, ExxonMobil, Freeport McMoRan Copper and Gold, Hydro, Marathon Oil, Newmont Mining Corporation, Occidental Petroleum Corporation, Rio Tinto, Shell, StatoilHydro, Talisman Energy

⁵ See: www.ethicaltrade.org

the last years to boost CSR. We will also pay attention to the strategies followed in this sense by other Scandinavian countries. Our intention is to observe if they have been successful in the implementation of CSR. Taking the results found by us into account, we will ask ourselves if the model used by Skandia can be used as an example to follow by other enterprises committed with CSR.

3.5.1 Actions performed by Skandia

In 1987, the management decided, in connection to its foundation, to start a project named “Ideas for life”. Its aim was to diminish violence and crime in society as well as to increase traffic safety. In 2002, the employees were offered to transform two hours per month of labour for the company into two hours to be devoted to this project. It is clear that Skandia takes care of their employees. In this sense, they run the so called “Skandia Future Centre”, open in 1996, and related to the development of “intellectual capital”. Its main goal is to end up considering intellectual capital as important as financial capital. This idea was so admired that BBC produced a documentary series based on it. The title was: “Intellectual Capital as the new wealth of nations”. (Tideman, 2010). One of the members of the project team, Leif Edvinsson, was rewarded the prize “Brain of the Year” by the British Brain Trust 1998.

Moreover, the “Skandia Future Centre” contributed to fund employees’ personal and professional skills development, since they chose the training programs in which they were interested in taking part. It did not matter if these programs were related or not to their daily activities in the company. Other actions performed in the “Skandia Future Centre” were the fight against discrimination of women at work and racism among young people. There was even something called “Butler Service”, through which, the employees were provided with different services in order to make their day to day easier. These services included the purchase of flowers, medicines, postal services or tickets for the cinema, for example, in order to improve their welfare.

As a result of these actions, in 2002 Skandia appeared at the “Fortune” magazine, after being chosen as the 10th better firm in which to work by its employees. We can see that the corporation takes care of its own employees, who act as the best

ambassadors for Skandia. For this reason, among others, it is very convenient to look after them.

Unfortunately, even after the success of Skandia's actions in order to implement CSR, most of these initiatives and programs have been closed down (Greenberg, 2009). We believe that Skandia was following the right strategy. Probably, its mistake was thinking in the long term when implementing CSR, but trying to develop a strategy through short term actions or corporate projects. We think that these projects should have been taken as part of a permanent strategy, instead. We consider that the best way to establish a successful strategy to implement CSR is thinking about it as a long term bet. In this sense, permanent initiatives are the ones with opportunities to survive. It is also very important to select the proper managers, who must be really committed with CSR, because they are of vital importance for obtaining successful results.

4. CONCLUSIONS

Throughout this paper we have studied CSR, beginning with general remarks. Our intention was analysing its current situation in Spain. For that, we have compared the implementation of CSR in Spain with its implementation in the countries considered leaders by us. In this sense, we paid special attention to Scandinavian countries. We think that the present moment is adequate to ask ourselves about this issue. This is because we believe it is very important to pay attention to CSR now because of the current world economic crisis. This crisis could lead to social risks and abuses, considered unacceptable by us. On the other hand, we also consider the present situation as an opportunity to begin to implement the right strategy for the proper development of CSR, as there are some changes that should be done in the system if we want to avoid the aforementioned risks. Some of these changes would be related to CSR and could have important repercussions in corporate productivity and future sustainability.

One of the main findings of our research is the current general lack of homogeneity for anything related to CSR. Up to now, there is not even a general accepted definition for it. On the other hand, most of the descriptions found show that its implementation should be a voluntary decision to be done by enterprises. We believe that this fact would make even more difficult the existence of common criteria among

different countries in order to design a standard way to implement a proper strategy of CSR. And we consider that certain minimum standard requirements should be common to countries committed with the development of CSR.

Once we have analysed the general remarks related to CSR, we studied its current situation in Spain. In this country, its implementation has been related to the processes of internationalization followed by firms. Enterprises are still in an initial stage of introduction of CSR strategies, with only a minimum contribution by the State. We expect big corporations to lead the process as well as an onwards trend for its development.

In order to look for a global strategy to follow to implement CSR in the future, we paid special attention to Scandinavian countries. After analysing their proposals and performance in this field, we consider that the first thing to do is to reduce the existing lacks regarding this issue. Besides, it should be required that enterprises think that acting today in a socially responsible way means investing in a long term strategy. For that reason we believe that it would be preferable that corporations choose permanent CSR strategies, instead of short term projects. Our next idea in order to implement CSR properly is finishing with the voluntary decisions about it that are claimed today by enterprises. All the opposite, we consider that a trend towards homogeneity is required, as well as enacting a new law about CSR or increasing surveillance and control by the authorities. It would also be desirable to mix voluntary measures, as non-judicial remedies like centres for conflict resolution run by psychologists, and obligatory measures.

We would like to emphasize the importance of publishing the results achieved by firms implementing CSR. For an efficient outcome, reports written by corporations should be credible. This means that it has to be possible to prove them. In this sense, it would be a good idea for companies to design standard internal protocols to follow.

As the last conclusion of our findings, we believe that it is very important to pay special attention to the three pillars model proposed in Finland. It shows that economic, environmental and social responsibility must be considered with the same importance within corporations. Another remarkable proposal has been made in Denmark. It offers

the possibility to take part in the board to non-shareholder interest representatives in order to boost CSR.

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