

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

# **The Relationship between CSR and HRM: A Study of Large New Zealand Organisations**

A thesis presented in partial  
fulfillment of the requirement for the  
degree of

Doctor of Philosophy

in

Management

At Massey University, Albany

New Zealand

**Harshakumari Sarvaiya**

**2014**

## Abstract

Corporate social responsibility (CSR) and human resource management (HRM) are well established research fields. In recent years scholars have evinced greater interest in discussing the interdependence between these constructs. However, there is a dearth of empirical research focusing on the link between CSR and HRM in practice, resulting in limited understanding of how these two notions are linked in complex and dynamic organisational settings. To address this knowledge gap, this exploratory study examines the two-way relationship between CSR and HRM. It is positioned within an interpretive paradigm and employs qualitative research methodology, drawing on data from interviews with 29 CSR and HR professionals from large New Zealand organisations.

The study begins by focusing on the relationship **from CSR to HRM**, examining the relevance of CSR to HRM. From a stakeholder perspective, the empirical results reveal that CSR has some applicability to HRM. The study identifies four HR aspects that are often addressed under the scope of CSR. However, the findings also indicate that such a CSR–HRM interface is contingent upon CSR-related variables, namely the scope of CSR, the stage of CSR development and industry variation in the application of CSR.

Next the relationship **from HRM to CSR** is explored, highlighting the roles of HR in the development and implementation of CSR strategy. The findings, based on Ulrich's HR model, suggest that HR has significant involvement in the implementation of CSR by playing the roles of employee champion, change agent and administrative expert. Contrary to the assumptions outlined in the literature, however, the findings do not support the strategic partner roles of HR in developing CSR strategy. Importantly, these roles cannot be discussed with a 'one size fits all' approach as they are subject to organisational factors, such as CSR structure and roles and the position of HRM.

Finally, the study investigates **CSR–HRM integration** resulting from the two-way relationship. Drawing on the integration theory, the empirical results indicate that collaboration and interaction between CSR and HR professionals develop various levels of CSR–HRM integration, ranging from strong and moderate to weak. This is due to the influence of behavioural factors which emerge against the backdrop of CSR-related and organisational factors. The study concludes that the relationship between CSR and HRM is contextual in nature, and structural variables are more dominant than agency in shaping such a relationship.

Overall, the outcomes of this thesis expound a CSR–HRM relationship framework incorporating contextual factors, and develop a generous understanding of the two-way CSR–HRM link. This may assist scholars of future research and practitioners, both CSR and HR, towards more effective CSR–HRM integration. Hence, the contribution of this study is both theoretical and empirical.

## **Acknowledgements**

I would like to express my sincere gratitude to all those without whom I might not have sustained the long journey of doctoral study at Massey University.

I am most deeply thankful to my supervisor, Associate Professor Gabriel Eweje, for his continuous support and guidance. I am grateful for his mentoring and encouragement, which has helped me shape my final thesis from a very raw piece of data. And not only for my professional growth; Gabriel has also supported me in the setbacks of my personal life, and kept me going. Thank you, Gabriel, for all your support, motivation and patience.

I am also grateful to my co-supervisor, Professor Jim Arrowsmith, for giving the right direction to my work through his critical review. I am deeply indebted to him for his time, effort, support and priceless comments, which helped me to produce meaningful work.

I would like to thank all the managers who participated in my research in the form of granting interviews. Their contribution in terms of time, information and interest in this topic has been invaluable, and has allowed me to draw significant findings and conclusions in my research. I am also grateful to Massey University for providing financial support in terms of a Doctoral Scholarship.

It would have been a lonely exercise without the support of all members of the School of Management, and my friends and fellow PhD students.

Finally, my greatest gratitude goes to my husband and mother-in-law for their unconditional support and love. I am also thankful to my two-year-old son, who experienced the pain and happiness of the PhD from inside my womb. He unknowingly provided me ongoing motivation to complete my study and to be a normal mom! Last but not least, I am grateful to my Lord Swaminarayan for giving me strength and ability, and for sustaining me.

## Table of Contents

<b>Abstract.....</b>	<b>i</b>
<b>Acknowledgements .....</b>	<b>iii</b>
<b>List of Figures.....</b>	<b>x</b>
<b>List of Tables .....</b>	<b>xi</b>
<b>Chapter 1 Introduction.....</b>	<b>1</b>
1.1 Background of the Study.....	1
1.2 Justification for the Study .....	6
1.3 Research Objective, Goals and Questions.....	10
1.4 Research Philosophy and Methods .....	13
1.5 The Significance of the Study .....	14
1.6 Definition of Key Terms .....	16
1.7 Overview of the Thesis Structure.....	19
<b>Chapter 2 Literature: CSR and HRM.....</b>	<b>21</b>
2.1 Introduction .....	21
2.2 Literature on CSR.....	22
2.2.1 Conceptual Development of CSR.....	22
2.2.2 Dimensions of CSR: Internal and External .....	28
2.2.3 CSR in New Zealand .....	30
2.3 Literature on HRM .....	35
2.3.1 Conceptual Development of HRM .....	36
2.3.2 Changing Roles of HR.....	41
2.4 Missing Links between CSR and HRM .....	49

2.5 The Relationship between CSR and HRM.....	53
2.5.1 CSR to HRM .....	55
2.5.2 HRM to CSR .....	58
2.5.3 Integration between CSR and HRM Professionals.....	66
2.6 Conclusion.....	68
<b>Chapter 3 Research Methodology .....</b>	<b>70</b>
3.1. Introduction .....	70
3.2 Theoretical Framework .....	70
3.2.1 Stakeholder Perspective.....	73
3.2.2 Integration Theory .....	78
3.2.3 Contingency Perspective .....	79
3.3 Research Philosophy .....	82
3.4 Research Approach .....	85
3.5 Research Methods .....	88
3.5.1 Data Collection .....	90
3.5.2 Sampling.....	92
3.5.3 Gaining Access .....	93
3.5.4 Interview Procedure.....	95
3.6 Data Management .....	98
3.6.1 Transcription.....	98
3.6.2 Data Analysis.....	99
3.7 Reliability and Validity .....	106
3.8 Ethics.....	109

3.9 Conclusion.....	110
<b>Chapter 4 The Relevance of CSR to HRM.....</b>	<b>112</b>
4.1 Introduction .....	112
4.2 Overview of the Chapter .....	113
4.3 Internal CSR: Addressing HR Aspects .....	115
4.3.1 Health and Wellbeing .....	117
4.3.2 Gender Equality and Diversity .....	123
4.3.3 Work–life Balance .....	131
4.3.4 Training and Leadership Development .....	135
4.4 The Interface between CSR and HRM.....	139
4.4.1 It is Very Confusing .....	141
4.4.2 It is Difficult to Get Along .....	143
4.4.3 It is Pure HR .....	146
4.4.4 CSR Helps to Develop Responsible HR.....	148
4.5 CSR-related Factors .....	152
4.5.1 Scope of CSR.....	153
4.5.2 Stage of CSR development.....	155
4.5.3 Industry Variations in the Application of CSR .....	156
4.6 Conclusion.....	159
<b>Chapter 5 The Roles of HRM in CSR.....</b>	<b>161</b>
5.1 Introduction .....	161
5.2 Overview of the Chapter .....	162
5.3 Development of CSR Strategy: Strategic Partner Role.....	164



5.3.1 HR Role in Developing Internal CSR Strategies.....	166
5.3.2 HR Role in Developing External CSR Strategies .....	167
5.4 Implementation of CSR Strategy.....	172
5.4.1 Change Agent Role.....	174
5.4.2 Employee Champion Role.....	183
5.4.3 Administrative Expert Role .....	187
5.5 Organisational Factors.....	200
5.5.1 CSR Structure .....	201
5.5.2 Degree of Centralisation .....	205
5.5.3 Nature and Roles of HR.....	207
5.6 Conclusion.....	209
<b>Chapter 6 Integration between CSR and HRM.....</b>	<b>211</b>
6.1 Introduction .....	211
6.2 Overview of the Chapter .....	212
6.3 Collaboration between CSR and HR Managers .....	214
6.3.1 Strategic Collaboration .....	214
6.3.2 Administrative Collaboration .....	216
6.4 Interactions between CSR and HR Managers .....	219
6.5 Levels of CSR–HRM Integration.....	222
6.5.1 Strong Integration .....	223
6.5.2 Moderate Integration .....	226
6.5.3 Weak Integration .....	228
6.6 Behavioural Factors.....	230

6.6.1 Perception of HR Managers towards CSR .....	231
6.6.2 Perception of CSR Managers towards HR .....	233
6.7 Conclusion.....	235
<b>Chapter 7 Discussion .....</b>	<b>237</b>
7.1 Introduction .....	237
7.2 CSR to HRM .....	238
7.3 HRM to CSR .....	245
7.4 The CSR–HRM Integration .....	254
7.5 The CSR–HRM Relationship Model .....	260
7.6 Conclusion.....	266
<b>Chapter 8 Conclusions.....</b>	<b>267</b>
8.1 Introduction .....	267
8.2 Overview of the Study.....	267
8.3 Research Findings .....	268
8.3.1 Relevance of CSR to HRM .....	268
8.3.2 Roles of HR in CSR.....	269
8.3.3 The Integration between CSR and HRM.....	270
8.4 Theoretical Contribution .....	271
8.5 Practical Implications .....	277
8.6 Limitations of the Study.....	279
8.7 Suggestions for Future Research.....	280
8.8 Researcher’s Reflections .....	282
<b>References .....</b>	<b>285</b>

<b>Appendix A – Interview Invitation.....</b>	<b>322</b>
<b>Appendix B – Information Sheet .....</b>	<b>324</b>
<b>Appendix C – Consent Form .....</b>	<b>327</b>
<b>Appendix D – Sample Interview Protocol .....</b>	<b>328</b>
<b>Appendix E – Screenshot of Nvivo Project.....</b>	<b>331</b>
<b>Appendix F – Human Ethics Approval Letter .....</b>	<b>334</b>

## List of Figures

<b>Figure 2.1. The Ulrich Model (1997) .....</b>	<b>43</b>
<b>Figure 3.1. The relationship between CSR and HRM .....</b>	<b>71</b>
<b>Figure 4.1. The relevance of CSR to HRM.....</b>	<b>114</b>
<b>Figure 4.2. The CSR–HRM interface.....</b>	<b>141</b>
<b>Figure 4.3. CSR-related factors affecting relevance of CSR to HRM.....</b>	<b>152</b>
<b>Figure 5.1. Roles of HRM in CSR strategy .....</b>	<b>164</b>
<b>Figure 5.2. HRM role in the development of CSR strategy .....</b>	<b>165</b>
<b>Figure 5.3. HRM role in the implementation of CSR strategy .....</b>	<b>173</b>
<b>Figure 5.4. Organisational factors affecting HRM roles .....</b>	<b>201</b>
<b>Figure 6.1. CSR–HRM integration.....</b>	<b>213</b>
<b>Figure 6.2. Levels of integration between CSR and HRM.....</b>	<b>222</b>
<b>Figure 7.1. The CSR-HRM Relationship Model .....</b>	<b>262</b>

## List of Tables

<b>Table 1.1. The research goals of the study.....</b>	<b>12</b>
<b>Table 2.1. A summary of conceptual development of CSR.....</b>	<b>23</b>
<b>Table 2.2. Internal and external dimensions of CSR.....</b>	<b>29</b>
<b>Table 3.1. Industry grouping, profile of participant companies and managers interviewed.....</b>	<b>96</b>
<b>Table 5.1. Position of CSR within organisation .....</b>	<b>202</b>
<b>Table 7.1. CSR implications for HRM .....</b>	<b>243</b>
<b>Table 7.2. HR roles in CSR .....</b>	<b>249</b>
<b>Table 7.3. Integration between CSR and HR Managers .....</b>	<b>257</b>

---

# **Chapter 1**

## **Introduction**

This study explores the two-way relationship between corporate social responsibility (CSR) and human resource management (HRM) by drawing on data from interviews with CSR and HR professionals of large New Zealand organisations known for their commitment to CSR. This chapter introduces the research topic and its objectives and provides a summary of its contribution. First, the background of the study is discussed. The second section presents justification for the study and the context of identified key research gaps. The research objective, goals and questions are outlined in the next section, followed by an introduction to the research philosophy and methods. The last part of the chapter explains the significance of the study, key terms and the structure of the thesis.

### **1.1 Background of the Study**

CSR is concerned with balancing social, environmental and economic concerns in business operations (Branco & Rodrigues, 2006) and treating “stakeholders” of the firm ethically (Hopkins, 2003). Stakeholders are those who have an ongoing interest and relationship with the firm, such as employees, customers, government, suppliers and community (Clarkson, 1995).

Although it is difficult to pinpoint the exact time when the notion came into existence (Dahlsrud, 2008), CSR has been a formal concept for at least six decades (Carroll, 2008). As the field has developed, it has become subject to increasing

academic scrutiny and theoretical enquiry, from various perspectives (e.g., Bowen, 1953; Carroll, 1979; Davis, 1967; Van Marrewijk, 2003; Wartick & Chochran, 1985). The ongoing conceptual development has resulted in the propagation of different definitions (Dahlsrud, 2008), and the evolution of related constructs, such as corporate social performance (Sethi, 1975), business ethics (Epstein, 1987), the ‘triple bottom line’ (Elkington, 1998), and the stakeholder approach (Freeman, 1984). Hence, the field of CSR comprises diverse approaches and terminologies; however, it addresses a common theme of the relationship between business and society. The essence of these concepts lies in incorporating social and environmental issues with the economic aspects of an organisation.

While CSR is a society-oriented concept, HRM is an organisation-oriented concept. Initially, HRM was known as personnel management, which focused on the manoeuvring of human resources to attain organisational performance. Over the past century, considerable changes took place with regard to the scope of HRM, particularly the incorporation of wellbeing concerns for employees. However, the key motive remains the strategic utilisation of human resources. HRM is defined as “a strategic approach to manage people to achieving sustainable competitive advantage, and this can be achieved through a distinctive set of integrated employment policies, programme and practices” (Bratton & Jeffery, 2003, p. 7). HRM includes various functions ranging from strategic to operational in nature. For instance, it is acknowledged that HRM can be a strategic partner with top management by linking strategic priorities in people practices and managing critical changes in organisations (Ulrich, 1997). Similarly, the operational roles of HRM are

significant for organisational performance by focusing on employee engagement and administrative support (Ulrich & Brockbank, 2005).

Based on the above discussion it can be said that CSR and HRM have different origins in management theory and practice. However, there is a growing convergence between these disciplines due to a number of related aspects. This thesis proposes that employees are the common factor linking CSR and HRM. For example, employees are recipients of socially responsible practices (Carroll & Buchholtz, 2008), and they are also a key variable in delivering socially responsible practices to the external stakeholder (Cooke, 2011). Thus, CSR is closely associated with employee-related practices which are covered under the scope of HRM. The HRM department of an organisation has well-established policies, practices and functions. Therefore, the adoption of CSR strategy necessitates a dependence and influence on HRM (Lockwood, 2004). This CSR–HRM link can be explained from two perspectives.

First, emerging literature indicates the relevance of CSR to the field of HRM. Importantly, the application of CSR is two-fold, external and internal. External CSR includes strategies for external stakeholders, such as community, the environment, customers and suppliers (Brammer, Millington, & Rayton, 2006). The internal agenda of CSR basically addresses the ethical and moral concerns of employees (Wilcox, 2006). The stakeholder approach to CSR advocates employees as key internal stakeholders while developing and implementing CSR strategy in organisations (Greenwood & De Cieri, 2005). With regard to the employee group of stakeholders, a ‘socially responsible organisation’ should focus on the welfare of its



employees (Becker, 2011), by offering ethical and socially responsible employment practices (Shen, 2011). This includes people practices, such as quality of work life, equality, work–life balance, job security and equal pay-benefits (European Commission, 2001). HRM is generally responsible for the development and implementation of such employee-centred initiatives. This may generate collaborations between CSR and HRM. For example, CSR may influence HRM to incorporate CSR standards in routine HRM practices. CSR may also be dependent on HRM to attain the objectives of internal CSR through the effective implementation of socially responsible people practices. Thus, there are connections between CSR and HRM due to the internal, employee-related aspects (Garavan & McGuire, 2010; Gond, Igalens, Swaen, & Akremi, 2011).

Second, it is often proposed that the involvement of HRM is inevitable in CSR strategy. This is because the effectiveness of CSR strategy relies on the way it is internalised in the organisation specifically in organisational culture and employees' behaviour (Basu & Palazzo, 2008; Morgeson, Aguinis, Waldman, & Siegel, 2013). Without integrating it into organisational functions and people, CSR is unlikely to progress beyond being a public relations exercise (Porter & Kramer, 2006). Furthermore, the majority of CSR initiatives, such as community involvement and environmental projects, require the direct or indirect participation of employees (Mirvis, 2012). In other words, the implementation of CSR in the organisation necessitates engaging employees in CSR practice (Davies & Crane, 2010), aligning CSR in the routine affairs and functions of employees (Weaver et al., 1999b) and promoting meaningful changes in organisational culture (Dunphy, Griffiths, & Benn,

2003). These people-related CSR aspects may require support from the HR department. This is largely because HR managers are expected to deal with various people-related practices, such as encouraging employee development, engagement and commitment, driving change and promoting employee wellbeing (Ulrich, 1997). Therefore, it is suggested that HRM can support CSR initiatives by promoting CSR-related behaviour among employees (Colbert & Kurucz, 2007), fostering employee participation in CSR actions (Davies & Crane, 2010) and aligning CSR with the routine functions of employees (Orlitzky & Swanson, 2006).

Thus, the link between CSR and HRM can be discussed from two perspectives; the application of CSR to HRM and the roles of HRM in CSR. While the relationship between CSR and HRM is acknowledged by the extant literature, the concept of the CSR–HRM relationship has not been sufficiently well developed (Buciuniene & Kazlauskaite, 2012). Three key gaps are found from the literature, limiting the advancement of such a relationship. First, the published literature relating to CSR–HRM deals mainly with a one-way relationship; either the applicability of CSR to HR (Buciuniene & Kazlauskaite, 2012; Cohen, 2010; Fuentes-Garcia, Nunez-Tabales, & Veroz-Herradon, 2008) or the role of HR in CSR (Lockwood, 2004; Wirtenberg, Harmon, Russell, & Fairfield, 2007; Zappala & Cronin, 2002). Thus, despite the recognised interdependence between CSR and HRM (Gond et al., 2011), the two-way relationship has not been adequately explored. Second, such a two-way relationship may require CSR and HR managers to interact and collaborate in organisational settings. Yet, few studies discuss the relationship between CSR and HRM professionals (e.g., Gond et al., 2011). Third, a few previous studies have

briefly mentioned factors affecting the CSR–HRM linkage (Garavan & McGuire, 2010; Gond et al., 2011); however the contextual variables have not been clearly addressed. This research stream is important because both CSR (Chih, Chih, & Chen, 2010; Zu & Song, 2009) and HRM (Schuler & Jackson, 1987; Truss, Gratton, Hope-Hailey, Stiles, & Zaleska, 2002) are subject to a contingent approach, and the CSR–HRM relationship cannot be understood as a ‘*one size fits all*’ approach.

Thus, there is lack of a clear understanding of the comprehensive and contextual relationship between CSR and HRM. Accordingly, the purpose of this study is to address these key gaps and contribute to CSR–HRM knowledge by investigating the overall dynamic relationship between CSR and HRM.

## **1.2 Justification for the Study**

The above discussion suggests the need for empirical research into the relationship between CSR and HRM. According to Gond et al. (2011), the CSR–HRM association has generated complexity, including in conceptual terms. This is largely because of the existing gaps in literature, which are discussed in this section.

First, the literature proposes some links from CSR to HRM, focusing on the relevance of CSR to HRM. As mentioned earlier, the internal dimension of CSR is concerned with delivering socially responsible people practices, such as equality, diversity, work–life balance, learning and development (European Commission, 2001; Welford, 2005). These employee-related aspects may generate an interface between CSR and HRM (Gond et al., 2011). In particular, CSR may have some alignment with HRM in order to develop socially responsible people practices

(Orlitzky & Swanson, 2006). Nevertheless, this area is relatively under-explored as only a few conceptual studies (e.g., Clarke, 2010; Cohen, 2010; Fuentes-Garcia et al., 2008), and rare empirical research (e.g., Buciuniene & Kazlauskaite, 2012; Deniz-Deniz & De Saa-Perez, 2003; Vuontisjarvi, 2006), have examined this aspect. Furthermore, these studies are often narrow, with limited implications for understanding the organisational politics of CSR and HRM.

For example, Buciuniene and Kazlauskaite (2012) conducted a quantitative research to investigate what CSR-related HR practices are implemented in Lithuanian organisations and how these are linked with performance. The study found that one third of organisations offer health care, maternity leave and training breaks and observed a positive link with performance outcomes. Similarly, Vuontisjarvi (2006) examined how far large Finnish organisations are involved in CSR–HRM aspects. The study reported that the organisations implemented health-wellbeing, training-development and employee involvement; however less attention was paid to equal opportunity and work–life balance issues. It can be said that the aim of these studies was to explore employee practices that are implemented as a CSR-related HR aspect. Nevertheless, there is relatively little understanding of how such HR aspects can be addressed within the scope of CSR, how the interface and overlap between CSR and HRM works, and what the roles of CSR and HRM are in the development and implementation of such initiatives. This calls for further investigation in the field of CSR–HRM.

The second stream of the CSR–HRM relationship is from HRM to CSR, highlighting the roles of the HR department or professionals in CSR. The conceptual literature

often acknowledges that HR can make a profound contribution to the development and implementation of CSR (Lam & Khare, 2010; Lockwood, 2004; Redington, 2005; Strandberg, 2009). For instance, HRM can contribute to the development of the CSR vision, values and strategies by making representation in a CSR committee (Strandberg, 2009). It is also proposed that HR can support CSR implementation by raising CSR awareness among employees (Lam & Khare, 2010), promoting employee engagement in CSR (Lockwood, 2004) and integrating CSR in employment practices (Strandberg, 2009). However, a few studies have investigated these aspects (e.g., Cooke & He, 2010; Harris & Tregidga, 2011; Wirtenberg et al., 2007; Zappala, 2004). There are also key gaps in the previous research due to a limited focus. For example, Harris and Tregidga (2011) explored HR roles with regard to environmental sustainability, whereas Zappala (2004) examined HR involvement in the community initiatives of CSR. Wirtenberg et al. (2007) investigated the HR role in embedding CSR in people management practice, rather than HR contribution in overall CSR strategy.

Interestingly, the conclusion reached by available research is contradictory to what has been proposed in the conceptual literature. For example, Harris and Tregidga (2011), by drawing data from HR managers of New Zealand organisations, argued that HR managers have a marginal contribution to the environmental agenda of CSR due to the lack of priority and resources. Also, the above-mentioned studies examined HR roles without much reference to contextual factors, such as organisation structure, the nature of the industry, the size of the organisation and the strength of the HR department. As there is a dearth of research focusing on the

overall HR contribution to the development and implementation of CSR, further work remains.

Third, the above views indicate two kinds of linkages between CSR and HRM; the relevance of CSR to HRM and the roles of HRM in CSR. This may generate interconnections between CSR and HRM managers (Gond et al., 2011; Pedrini & Ferri, 2011). The integration theory, which is found within the literature of organisational science, explains that the interdependence between two or more functions or managers of organisations develops inter-departmental integration (Chimhanzi, 2004; Kahn, 1996). For the purpose of this thesis, integration is defined as a state of high degree of shared values, mutual goal commitments and collaborative behaviours between two or more departments or managers (Souder, 1988). This integration can be achieved either through increasing interaction (communication) between managers (Ruekert & Walker Jr, 1987), or collaboration (Schrage, 1990), or through both interaction and collaboration (Gupta, Raj, & Wilemon, 1985).

Similarly, the growing connection between CSR and HRM may require various interactions and collaboration between HR and CSR managers in an organisation, resulting in overall CSR–HRM integration. However, few studies have addressed this aspect (e.g., Gond et al., 2011). According to Gond et al. (2011), CSR and HR professionals experience some tension and politics in the organisation due to the growing territorial overlap. This is because interdepartmental integration is associated with conflict due to the complex task of and lack of understanding among managers (Chimhanzi, 2004). This raises two key questions, which have remained

under-researched; namely how do CSR and HR managers interact and collaborate in organisational settings, and what factors influence their overall integration. These questions necessitate an examination of the integration between CSR and HRM professionals.

Overall, there is an emerging literature that acknowledges the interconnection between CSR and HRM (Buciuniene & Kazlauskaitė, 2012; Gond et al., 2011); nevertheless there is very little research on the two-way relationship, from both CSR and HRM scholars. In other words, the concept of linkage between CSR and HRM is still at an early stage due to the lack of adequate theoretical and empirical support. It is also advocated that researchers need to incorporate HR-related concepts and theories in CSR to achieve a more comprehensive understanding of the association between CSR and HRM (Gond et al., 2011; Morgeson et al., 2013). The ensuing study attempts to focus on these gaps, by integrating CSR and HRM theories and adopting a broader qualitative approach in the investigation of the CSR–HRM relationship.

### **1.3 Research Objective, Goals and Questions**

The purpose of the study is to investigate the relationship between CSR and HRM from a functional and conceptual perspective. Most CSR–HRM research remains narrow, descriptive and either overly theoretical. Thus it is timely, given increasing practitioner and academic interest in the area, to further investigate CSR–HRM issues. In order to attain this research objective, a number of research goals for this study have been set.

The first goal is to identify common themes that link CSR and HRM by exploring the literature. The second research goal is concerned with the relationship from CSR to HRM by examining the relevance of CSR to HRM. This is basically concerned with the applicability of CSR philosophy and standards to aspects of HRM. In other words, the aim is to understand how the adoption of CSR in organisations influences HRM practices and helps incorporate ethical and moral concerns to develop socially responsible HRM. The third goal is to examine the roles of HRM in the development and implementation of CSR, highlighting the linkage from HRM to CSR. This focuses on the involvement of the HR department, HR managers and/or the HR team in CSR strategy. To put it in slightly different words, the purpose is to examine various strategic and administrative HR roles, in designing and executing CSR strategy.

The fourth goal focuses the integration between CSR and HR managers that emerge from the above-mentioned two-way linkages. The intention is to examine what kinds of interaction (communication) and collaboration take place between CSR and HR managers and how this overall partnership works to achieve a mutual goal. The fifth goal is to identify the contextual factors which influence the link between CSR and HRM. This includes investigation under what circumstances the above-mentioned three domains of the CSR–HRM relationship exist. The final goal is to develop a conceptual model on the two-way relationship between CSR and HRM. Table 1.1 outlines the research goals for this study and shows in which chapter or chapters they are addressed.



Based on the consideration of these research goals and the review of literature in Chapter 2, the research questions of this study are as follows:

1. How is CSR relevant to HRM and what factors affect such relevance?
2. What are the roles of HRM in the development and implementation of CSR, and what factors affect such roles?
3. How does the integration between CSR and HRM professionals work, and what factors affect such integration?

Table 1.1. *The research goals of the study*

<i>Goals</i>	<i>Chapter/Chapters</i>
To identify the links between CSR and HRM	Chapter 2: Literature Review
To examine the relevance of CSR to HRM	Chapter 4: The relevance of CSR to HRM
To examine the roles of HRM in CSR strategy	Chapter 5: The roles of HRM in CSR
To examine the interaction, collaboration and integration between CSR and HRM managers	Chapter 6: Integration between CSR and HRM
To identify and examine factors affecting overall relationship between CSR and HRM, including CSR relevance on HR, HR roles in CSR and CSR-HRM integration	Chapter 4: The relevance of CSR to HRM Chapter 5: The roles of HRM in CSR Chapter 6: Integration between CSR and HRM
To develop a conceptual model on the CSR–HRM relationship	Chapter 7: Discussion

Hence, this study aims to contribute to CSR and HRM literature by empirically exploring the two-way relationship between CSR and HRM and by proposing a conceptual model incorporating contextual factors.

#### **1.4 Research Philosophy and Methods**

As is detailed in Chapter 3, this research is conducted from the perspective of the subjective nature of reality and is underpinned by the philosophy of interpretivism, which is based on the logic that all people experience social and physical reality in different ways, and that reality is not objectively determined but socially constructed (Cavana, Delahaye, & Sekaran, 2000). This means that people create and apply their own subjectivity to events and objects as they interact with the world around them.

Interpretivist philosophy is essential in this research, for two reasons. This study investigates CSR–HRM relationship which involves the perceptions and interactions of two sets of social actors. Based on subjective experiences, these actors may have their own perceptions and interpretations regarding the research under consideration, which contributes to their own accepted ‘truth’. This is in line with the perspective that humans do not have direct access to reality; it is only human experiences and perception that represent reality (Denzin, 2001). Second, it is accepted that the researcher’s subjectivity cannot be completely eliminated in the research. For instance, the researcher also acts as an interpreter who interacts with participants and tries to construct meaning from the conversations (Schwandt, 1994). Hence, positioning this research in the interpretivist paradigm serves the aims and focus of this inquiry.

This research inquiry is exploratory in nature, as even though CSR and HRM are well-established research fields, the link between the two has not been adequately addressed. It adopts a qualitative and abductive approach. In particular, a qualitative approach is useful in exploratory study where little is known and the perceptions of

people are necessary to be examined (Saunders, Lewis, & Thornhill, 2009). To understand the CSR–HRM relationship, it is necessary to investigate the views of CSR and HRM managers. Hence, qualitative research seems appropriate for this study. The abduction approach is midway between deduction and induction approaches; it starts with a basic theoretical knowledge before data collection and ends with a new theory or expansion of the existing framework. This approach was adopted to examine the under-researched CSR–HRM links because some guidance was needed from well-developed CSR and HRM literature.

To investigate the perception of managers, the research uses interviewing as the preferred research method. Based on a database of top 200 New Zealand companies (Deloitte New Zealand, 2009), the websites of the top 100 companies were reviewed to find the organisations committed to CSR. This resulted in a list of 30 organisations, of which 16 agreed to be involved in this research. Twenty-nine interviews were conducted with the CSR and HR managers of these organisations. Thematic data analysis was employed using the Nvivo 9 programme.

### **1.5 The Significance of the Study**

Understanding of how CSR and HRM are interrelated has been recently emphasised in the literature (Buciuniene & Kazlauskaite, 2012; Du Plessis, 2012; Gond et al., 2011; Morgeson et al., 2013). However, having reviewed the literature of both CSR and HRM, it appeared this literature lacked empirical evidence on a two-way relationship between CSR and HRM. This study aims to fill this gap by broadening the scholarly understanding of the CSR–HRM linkage and providing an in-depth and

empirical interpretation of the CSR–HRM relationship. The significance of this study will be felt in the following ways.

First, this study attempts to contribute to the CSR literature by investigating aspects of internal CSR, which have remained under-researched. It is argued that CSR should start from home by embedding it in people management practices (Cohen, 2010). By employing a stakeholder perspective, the study suggests that CSR is relevant in the domain of HRM. In particular, CSR values and standards can be embedded in people practices in order to develop socially responsible HRM. However, such a linkage is strongly dependent on various CSR-related contextual factors, such as the scope of the CSR strategy, the stage of CSR development and industry variations in the application of CSR. So it is hoped the findings of the study will significantly improve understanding of the contextual application of CSR to HRM.

Second, there is increasing dependence of CSR on HRM while embedding CSR within an organisation (Garavan & McGuire, 2010). The extant literature often proposes the strategic involvement of HRM in CSR; however empirical evidence is inadequate. This study, by examining the role of HRM in the development and implementation of CSR, indicates that subject to organisational factors, such as the roles of HRM and the position of CSR within organisational structure, HRM has a more substantial role in implementing CSR strategy than designing the strategy. This finding will be significant for both CSR and HRM literature.

Third, based on the findings, the study will propose a two-way CSR–HRM relationship model by incorporating contextual factors. It is believed this will provide a new insight into the relationship between CSR and HRM. This model can also help practitioners to provoke a more integrative relationship and develop strategic alliances between CSR and HRM.

### **1.6 Definition of Key Terms**

The following section defines frequently used terms in this study to ensure a shared understanding of the meaning and consistency of the terms.

#### **Corporate Social Responsibility**

Several related concepts evolved from and are linked closely with CSR, such as corporate sustainability, corporate social performance and corporate citizenship. Some scholars have argued that these constructs have nearly similar meanings and applications (Garriga & Mele, 2004; Matten, Crane, & Chapple, 2003; Montiel, 2008; Wilson, 2003). Others have been keen to separate these concepts (Ebner & Baumgartner, 2006; Garriga & Mele, 2004; Steurer, Langer, Konrad, & Martinuzzi, 2005). The present study, however, follows the earlier philosophy and considers related concepts roughly similar in meaning – and they are referred to as CSR throughout this thesis. The reason is that during the field work of the study, it was observed that organisations used a variety of terminologies for CSR, but the scope and applications were similar. This thesis follows the definition offered by Hopkins (2003):

...treating the stakeholders of the firm ethically and in a socially responsible manner. Stakeholders exist both within a firm and outside. Consequently, behaving socially responsibly will increase the human development of stakeholders both within and outside the corporation. (p. 3)

This definition supports the application of stakeholder theory in this thesis. Furthermore, the study differentiates internal and external stakeholders; the above definition is also consistent with such a classification.

### **Stakeholders**

Freeman (1984) pioneered the stakeholder approach, and defined stakeholders as “groups and individuals who can affect or are affected by the achievement of the firm’s objectives” (p. 25). With regard to the application of the stakeholder approach in CSR, Carroll (1991) explains that this approach identifies specific groups and persons for which business organisations should be responsible, rather than the use of vague word ‘social responsibility’.

Clarkson (1995) in this regard differentiates primary and secondary stakeholders. Primary stakeholders are those who are the key for organisational survival and have transactional relationships with the organisation, such as employees, customers, government, suppliers and community. Secondary stakeholders are those who are not directly involved with organisational transactions. This study focuses on employees as the key stakeholder group while integrating CSR and HRM.

### **Internal CSR**

The European Commission (2001) defines internal CSR as employee-related practices – “within the company socially responsible practices primarily involve employees and relate to issues such as investing in human capital, health and safety, and managing change” (p. 8). The European Commission also recommends some internal CSR practices in the area of HR, which include: continuous learning, better work–life balance, equal pay and professional prospects for women, profit sharing, safety in the workplace, responsible hiring practices and continuous education-training (European Commission, 2001, p. 8).

### **Human Resource Management**

For the purpose of this thesis, HRM is defined as “a strategic and coherent approach to the management of an organisation’s most valued assets: the people working there who individually and collectively contribute to the achievement of its objectives” (Armstrong, 2009, p. 3). In other words, HRM is concerned with the strategic management of people and a comprehensive approach to developing mutually supporting employee policies and practices (Armstrong, 2009). This definition is useful for the thesis as it focuses on the treatment of people as assets, not just costs, and thereby supports the concept of socially responsible HRM.

### **CSR Manager**

The CSR manager is described as any person employed to advance the corporate social responsibility of the organisation (ACCSR, 2007). The role of the CSR

manager is positioned in various departments, such as marketing, human resources, legal and corporate affairs. Furthermore, there is a variety of job titles in the field of CSR – for example CSR, corporate citizenship, sustainability and community relations – even though the jobs may have similar roles and responsibilities (ACCSR, 2007).

According to Pedrini and Ferri (2011), CSR managers have two major responsibilities; first, the development of the CSR vision, values and strategy. This includes the integration of CSR into the firm's strategy and stakeholder engagement. Second, the implementation of such strategies, which requires consulting and supporting departmental managers to integrate CSR into organisational functions (Pedrini & Ferri, 2011). This includes coordinating community partnerships, environmental sustainability, sponsorship, employee engagement, ethical supply chain and external reporting of CSR (ACCSR, 2007).

### **1.7 Overview of the Thesis Structure**

This section presents the flow of chapters. Chapter 2 reviews the extant literature in the fields of CSR and HRM and identifies its relevance with the ensuing research. The conceptual and theoretical development of CSR and HRM is discussed. It critically evaluates connections and disconnections between CSR and HRM in order to isolate gaps in the existing knowledge. Importantly, it covers the three facets of the CSR–HRM relationship in order to develop research questions.

Chapter 3 presents research methods used in the study. It provides an explanation of interpretivism as the appropriate philosophy to be used. Use of research methods in



sample selection, data collection, developing interview questions, data management and data analysis is discussed. Issues such as reliability and validity are also presented in this chapter.

Chapters 4–6 contain findings from the analysis of data. Chapter 4 examines the relationship flowing from CSR to HRM, discussing the relevance of CSR to HRM. By adopting a stakeholder perspective, the findings suggest the applicability of CSR to HRM is subject to CSR-related variables. Chapter 5 discusses the relationship from HRM to CSR, focusing on the roles of HRM in the development and implementation of CSR. The findings are outlined with the help of the Ulrich (1997) model and analysed with the organisational variables. Chapter 6 investigates the integration between CSR and HRM professionals using the integration perspective. It analyses three levels of CSR–HRM integration on a continuum of interactions, from high to low, and collaborations, from strategic to administrative and also discusses behavioural factors.

Chapter 7 integrates the findings, research questions and literature and provides overall discussion on the three major themes of the research, including the relevance of CSR to HR, the roles of HR in CSR and CSR–HRM integration. It also proposes a two-way theoretical framework incorporating contextual factors.

The conclusion is presented in Chapter 8, with empirical findings and the contribution of this study to theory and practice. It also identifies limitations of the research and recommendations for future study.

---

## **Chapter 2**

### **Literature: CSR and HRM**

#### **2.1 Introduction**

This chapter elucidates the literature on two separate but related areas, CSR and HRM. CSR and HRM are well developed and widely researched fields, however the relationship between the two has remained relatively unexplored (Buciuniene & Kazlauskaite, 2012). In order to identify key research gaps in the literature and frame research questions for the empirical research, this chapter provides an outline of the key concepts from within CSR and HRM literature.

The chapter begins with an overview of the CSR literature, discussing in particular the conceptual development of CSR, the dimensions of CSR and CSR growth in the context of New Zealand. The second section reviews the literature on HRM, focusing on the development of the discipline and the changing roles of HRM. Then the missing links between CSR and HRM are discussed. The final section examines three perspectives on the relationship between these constructs in order to explore conceptual and empirical gaps. Hence, this chapter has the following objectives, to:

- introduce the concept of CSR
- overview HRM and its changing roles
- explore the two-way relationship between CSR and HRM.

## **2.2 Literature on CSR**

This section focuses on the existing literature around CSR; in particular, the conceptual development of CSR is reviewed and definitions of CSR discussed. This is followed by a brief discussion on the dimensions of CSR, differentiating the internal and external focus. Finally, CSR is explored in the New Zealand context, demonstrating the necessity for empirical study in the area of CSR and HRM.

### **2.2.1 Conceptual Development of CSR**

The concept of CSR has evolved from being philanthropic in nature to conferring competitive advantage to organisations. It is difficult to pinpoint the origin of the CSR concept, which was discernible around the 1930s (Carroll, 1999). Nevertheless, this study starts its review from the 1950s, as the last six decades have witnessed the conceptual development of CSR, with significant contributions from various scholars. This conceptual development is briefly highlighted in this subsection and presented in Table 2.1.

The notion of social responsibility was presented by Frank Abrams (1951) in a Harvard Business Review article entitled *Management's Responsibilities in a Complex World*. He urged that “management must understand that the general public – men and women everywhere – have a very deep interest in, and are affected by, what is going on” (p. 32). The beginning of the debate on CSR was marked, however, with the publication of a seminal book, entitled *Social Responsibilities of the Businessman*, authored by the American businessman Howard Bowen in 1953. During this time the focus was on the individual responsibilities of managers or ‘businessmen’ towards society in general.

Table 2.1. *A summary of conceptual development of CSR*

<i>Decade</i>	<i>Focus</i>	<i>Contributors</i>	<i>Definition of CSR</i>
1950s	Social responsibility of businessman	Abrams (1951) Bowen (1953)	“The social responsibility of [the] businessman refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society” (Bowen, 1953, p. 6).
1960s	Social responsibility of businessman and corporations Socially responsible business decisions	Davis (1960) Frederick (1960) McGuire (1963)	“The idea of social responsibilities supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations” (McGuire, 1963, p. 144). “Businessmen’s decisions and actions taken for reasons at least partially beyond the firm’s direct economic or technical interest” (Davis, 1960, p. 70).
1970s	Proliferation of definitions Multifaceted view Use of term ‘CSR’ Extension to corporate social performance (CSP) Development of early CSR research	Committee for Economic Development (1971) Davis (1973) Odell (1973) Sethi (1975) Carroll (1977) Carroll (1979)	“A socially responsible firm is one whose managerial staff balances a multiplicity of interests. Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation” (Johnson, 1971, p. 50). “The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (Carroll, 1979, p. 500).
1980s	More diverse concept of CSR Links with stakeholder theory and business ethics Links with financial performance	Epstein (1987) Tuzzolino & Armandi (1981) Wartick & Chochran (1985)	“...corporate social responsibility relates primarily to achieve outcomes from organizational decisions concerning specific issues or problems which have beneficial rather than adverse effects on pertinent corporate stakeholders. The normative correctness of the products of corporate action has been the main focus of corporate social responsibility” (Epstein, 1987, p. 104).
1990s	Increasing concern for balancing social and environmental consequences of business action Evolution of related concepts such as sustainability, triple bottom line	Elkington (1999) Hopkins (1998) Frederick, Post, & Davis (1992)	“Corporate social responsibility can be defined as a principle stating that corporations should be accountable for the effects of any of their actions on their community and environment” (Frederick et al., 1992, p. 7).

2000s	Links with other terms: sustainability, corporate citizenship, competitive advantage Broader scope	Porter & Kramer (2002) European Commission (2001) WBCSD (2000)	“The commitment of businesses to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life” (WBCSD, 2000, p. 5).
-------	---	--	--

A decade later several scholars undertook further development of the concept. Some were still keen to explore individual social responsibility of the businessman (Davis, 1960, 1967), while others extended the definition to the responsibility of corporations in considering social effects of business decisions (Frederick, 1960; McGuire, 1963). The development of CSR proliferated during the 1970s. This was due to the changing relations between business and society and the increasing expectations of the public for business to be morally responsible (Committee for Economic Development, 1971). Key scholars, importantly, advocated that CSR is multi-level and not just limited to the responsibility towards society but affects all facets of business (Carroll, 1979; Committee for Economic Development, 1971; Davis, 1973; Odell, 1973). For instance, Carroll (1979) presented the most popular and frequently cited definition “the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time” (p. 500). During this time use of the term ‘CSR’ began (Carroll, 1977), and it was extended to the concepts of corporate social responsiveness and corporate social performance (CSP) (Sethi, 1975).

The 1980s was also a significant decade as CSR was aligned with stakeholder theory and other related concepts. For example, CSR was explored with the concepts of business ethics (Epstein, 1987) and stakeholder theory (Hopkins, 1998), with indepth studies being carried out in each of these areas (Carroll, 1999). The discussion of

CSR with ethics helped to evolve business ethics as a separate discipline (Maak, 2008). The development of the stakeholder approach by Edward Freeman (1984), gave new insight to conceptualise CSR (Jamali, 2008) by classifying organisational responsibilities towards specific groups rather than the vague term ‘social’ (Carroll, 1991).

The 1990s witnessed a critical time for the corporate world due to some incidents which influenced organisations to improve the social and environmental consequences of their decisions and actions. For example, extensive protest and boycott were encountered by Nike for a child labour abuse issue in Asia, and ruling was issued against Nestlé for the unethical marketing of baby formula in Africa (Husted & Allen, 2006). These issues raised attention to the social concerns of business decisions. Similarly, the after effects of Enron put pressure on academics and practitioners to consider business ethics and social responsibility towards stakeholders in the decisions of organisations (Maak, 2008).

A strong debate for the environmental consequences of organisations was created by the oil spills of Shell and Mobil in Nigeria (Eweje, 2006). From an increasing concern for the environment, the concept of corporate sustainability has been embarked (Schwartz & Carroll, 2008). Corporate sustainability is derived from the concept of sustainable development (WCED, 1987) and concerned with “the ability to ensure economic development is accompanied by progress towards social inclusion, and does not take place at the expense of the natural environment” (Benn & Dunphy, 2009, p. 276). Similarly, to balance environmental and social issues with the economic dimension, ‘the triple bottom line’ (TBL) concept was evolved, which

involves simultaneous pursuit of three dimensions of performance; profit (economic prosperity), planet (environmental quality) and people (social equity) (Elkington, 1998).

These concepts have been closely linked to CSR literature, which helped to broaden the scope of CSR during the 2000s. Although the environmental issues were initially underrepresented in CSR (Dewangga, Goldsmith, & Pegram, 2008), a comprehensive approach to CSR has been gradually developed. For instance, the most cited definition of the European Commission (2001) indicates that “CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (p. 6). In other words, the application of CSR in business organisations aims to: i) focus on economic viability; ii) develop social initiatives, such as community developmental projects, charities, sponsorships and the wellbeing of employees; and iii) promote environmental initiatives, such as carbon emissions, recycling, managing energy and water.

The above discussion shows the conceptual growth of CSR; however, from its inception until today CSR has remained a contested concept. In particular, a stream of critical literature to CSR indicates that the primary relationship between business and society has been economic. For example, during the 1970s, the notion of social responsibility generated much controversy as it was perceived as potentially jeopardising financial returns to businesses. For instance, a debate was created by the economist Milton Friedman in 1970 with his article in *The New York Times Magazine* entitled *The Social Responsibility of Business is to Increase its Profits*. He

strongly argued that corporations are economic institutions, have direct responsibilities to the owners and should anchor their operation in the economic sphere only within the boundaries set by law (Friedman, 1970). This view was much cited to discuss the argument against CSR (Davis, 1973).

Even in the 2000s, scholars argued that the discourse of CSR continues to be an economic one. For example, Banerjee (2008) argues that CSR is a strategic choice influenced by market and competitive factors. The scholar explains that many corporations assess the social and environmental impacts of their business activity due to rising public concern about the social and environmental impacts of economic growth and increased legislation in areas of social welfare and environmental protection. Similarly, Windsor (2001) claims that this transformation is due to corporate interests, not societal interests.

In spite of such criticisms, as indicated by Carroll (1999), CSR is considered an opportunity to create competitive advantage rather than merely a moral and social obligation. According to Porter and Kramer (2002), by linking social and environmental issues with the organisation, CSR can create differentiation and improve competitiveness and innovation. In order to leverage competitive advantage, organisations should integrate CSR in their business operations (Branco & Rodrigues, 2006; Dunphy et al., 2003). In fact, the implementation of CSR strategy directly influences the functional departments of an organisation and their level of concern for CSR (Mason & Simmons, 2011). Therefore, there is growing concern among academics to integrate CSR into organisational functions, such as procurement, production, marketing and HR. For example, some research has



aligned CSR with the supply chain and purchasing (e.g., Carter & Jennings, 2002; Salam, 2009). CSR is also linked with the marketing function through the concept of ‘societal marketing’ (e.g., Podnar & Golob, 2007).

Similarly, the existing literature recommends links between CSR and HRM. There are two possible reasons for such association: first, there is an increasing need to incorporate CSR in HR in order to develop socially responsible HR practices and to promote employee wellbeing, equity and justice in the workplace (Becker, 2011; Shen, 2011). Second, there is a growing reliance on HRM while embedding CSR within the organisation and its employees (Lockwood, 2004; Parkes & Davis, 2013). Due to the inadequacy of empirical evidence, however, the CSR–HRM linkage is unclear (Gond et al., 2011), and it may be timely to investigate the integration of CSR in organisational functions. This research aims to leverage this opportunity by examining the relationship between CSR and HRM.

### **2.2.2 Dimensions of CSR: Internal and External**

Scholars have endeavoured to develop various dimensions of CSR. For instance, Carroll (1991) introduced four aspects, including economical, legal, ethical and discretionary. Garriga and Mele (2004) classified CSR dimensions into four groups; instrumental, political, integrative and ethical approaches. Some scholars classified more practical categories of CSR by focusing on the implications of CSR in various organisational areas, such as vision, community relations, workplace, marketplace and accountability (Vilanova, Lozano, & Arenas, 2009).

Table 2.2. *Internal and external dimensions of CSR*

<i>Dimension</i>	<i>Content</i>
<b>Internal dimension</b>	Human capital Labour-management relations Health and safety Training and education Diversity Equal opportunity Non-discrimination
<b>External dimension</b>	Local community development Other external stakeholder relations such as, suppliers, customers, NGOs, government Global environmental concerns Human rights

Source: Adapted from Welford (2004) and the European Commission (2001).

The European Commission (2001), based on the stakeholder approach, indicated two categories; internal and external CSR. As the present study uses the stakeholder approach and focuses on the application of CSR within the organisation, the internal and external dimensions seem most appropriate. Based on the classification of the European Commission (2001) and Welford (2004), the above Table (2.2) summarises the internal and external dimensions of CSR. The internal dimension of CSR is associated with internal stakeholders, namely employees. Accordingly, it deals with HRM-related practices, specifically health and safety, employee wellbeing, gender equality and diversity (European Commission, 2001). Welford (2004) examined six HR aspects as internal CSR; non-discrimination, equal opportunities, working hours and wages, staff development and training, freedom of association and protection of human rights.

The external aspect of CSR includes diverse practices for external stakeholders. Welford (2005) identified various elements of external CSR, which comprise supplier-related labour aspects, environmental standards, human rights protection, community engagement and fair trade policies. According to the European Commission (2001),

[External] CSR extends beyond the doors of the company into the local community and involves a wide range of stakeholders in addition to employees and shareholders such as business partners and suppliers, customers, public authorities and NGOs representing local communities, as well as the environment. (p. 11)

This section highlights the conceptual development and dimensions of CSR. The study aims to explore the CSR–HRM relationship in New Zealand organisations; therefore it is crucial to discuss CSR in the New Zealand context. The following sub-section focuses on the growth of CSR in New Zealand organisations and its relevance to the present study.

### **2.2.3 CSR in New Zealand**

In order to frame the research context, this subsection discusses the development of CSR in New Zealand. New Zealand has a ‘clean and green’ image and its organisations have been engaged in CSR over many decades, especially in local philanthropy (Collins, Lawrence, Pavlovich, & Ryan, 2007; Lawrence, Collins, Pavlovich, & Arunachalam, 2006). Yet, it has been also argued that CSR progress has been very slow in New Zealand (Frame, Gordon, & Whitehouse, 2003). Even though New Zealand committed to Agenda 21 (United Nations Conference on

Environment and Development) in 1992, awareness of the term arose only after 1998 (Roper, 2004). In fact, compared to other countries New Zealand is far behind in terms of the formal application of CSR (Brown & Stone, 2007; Goldberg, 2001). Hence, it is believed that while New Zealand organisations may have been involved in informal philanthropy for long time, the concept and application of CSR was not publicly debated until 1998.

Notwithstanding the slow growth of CSR, the New Zealand Government has played the role of mediator by linking environmental and social issues with economic entities (Bebbington, Higgins, & Frame, 2009). The government enacted the Resource Management Act (RMA) in 1991 to promote the sustainable management of natural and physical resources. The RMA focuses on consideration of the Māori people, along with public participation in decision making about natural resources (New Zealand Legislation, 1991). The RMA supports the concept of sustainable development (Brown & Stone, 2007), and helps the stewarding of natural resources on behalf of ancestors for current and future generations (New Zealand Legislation, 1991). Nonetheless, the RMA has been criticised for ambiguities such as the lack of coordination among science, the authoritarian planning framework and the legal framework (Craig, 2004).

The government also took leadership in promoting CSR and sustainability among industries. For instance, during the early 1990s the government involved local councils and more than 200 industries in waste disposal programme initiatives (Bebbington et al., 2009). The Ministry for the Environment published CSR case studies in 1993 to guide corporate firms (Milne, Tregidga, & Walton, 2008). A

sustainability management fund was launched in 1994, which undertook many extensive projects (Ministry for the Environment, 2009). Between 1999 and 2008, successive Labour governments initiated regulatory and normative steps, such as the Sustainable Development Strategy of New Zealand (Bebbington et al., 2009; New Zealand Government, 2002, 2003), the enactment of local legislation and policies as the Local Government Act, 2002 (Roper, 2004) and increasing interaction and information sharing with corporations to implement CSR (Brown & Stone, 2007; Goldberg, 2001). Although these initiatives were dominated by environmental responsibility, some social initiatives were also promoted by the government. For example, in 2001 the first workplace literacy fund was set up to subsidise organisations' workplace literacy and numeracy training programmes (DoL, 2013).

Key consulting organisations have also proven to be significant participants in the development of CSR practices in New Zealand. The first CSR organisation, the Business for Social Responsibility (NZBSR), was established in 1998. It was merged with the Auckland Environmental Business Network, and formed the Sustainable Business Network (SBN) in 2002 (Bebbington et al., 2009). The New Zealand Business Council for Sustainable Development (NZBCSD) was launched in 1999 (Frame et al., 2003). SBN and NZBCSD are now prominent organisations driving CSR and sustainability among small and large business organisations respectively. Non-government organisations (NGOs) have also played an important role in CSR progress. For instance, since the 1990s NGOs have been successfully partnering with corporations for environmental projects such as waste disposal, recycling and reuse (Brown & Stone, 2007). Apart from environmental initiatives, as indicated by Eweje

and Palakshappa (2009), New Zealand companies have also collaborated with NGOs to promote community and social projects.

In the journey of CSR, large New Zealand organisations also took leadership in integrating CSR in their businesses. For instance, Frame et al. (2003) reported that The Warehouse, Orion New Zealand, Macpac, Landcare Research and Snowy Peak have introduced greenhouse gas emissions and renewable energy policies. Eweje and Bentley (2006) mentioned that organisations such as Westpac, Vodafone, Telecom, Air New Zealand, Tower, Goodman Fielder, National Bank, BNZ and ANZ are involved in some form of community projects.

The above discussion shows that New Zealand organisations are involved in various types of *external* CSR initiatives. Nevertheless, how far these organisations implement CSR within their organisations, particularly in the field of HRM, is relatively unknown due to a dearth of research. In fact, CSR research in New Zealand is dominated by two major themes; CSR reporting and environmental practices in small and medium size enterprises (SMEs). First, scholars scrutinised CSR reporting and argued that progress is marginal in New Zealand companies (Bebbington et al., 2009; Davey, 1985; Goldberg, 2001; Milne, Owen, & Tilt, 2001). A survey of the top 200 New Zealand companies reported that only 15 percent had separate environmental reports (Goldberg, 2001). This is probably due to contextual and internal factors, such as firm size, the personal values of managers, overseas ownership and low external pressure on large companies (Collins et al., 2007). For example, 97.2 percent of enterprises are SMEs in New Zealand (Ministry of Business

innovation and employment, 2013). SMEs may have informal CSR practices but are relatively less likely to be involved in formal CSR practices and reporting.

Another major strand of CSR research in New Zealand investigates CSR practices in SMEs, for instance, a series of surveys conducted by the research team of the University of Waikato Management School to measure the environmental responsibilities of SMEs (Collins et al., 2007; Lawrence & Collins, 2003; Lawrence et al., 2006). In a later version of the survey, a few questions on the internal aspects of CSR were accommodated (Collins et al., 2007). The surveys found that the majority of SMEs had some kind of environmental initiative, such as a recycling policy or an environmental management system. About half the firms also offered some internal CSR practices such as staff education, training and workplace diversity.

Simultaneously, Massey University's Centre for Business and Sustainable Development (CBSD) conducted a series of surveys entitled *Corporate Environmental Responsiveness in New Zealand* (Centre for Business and Sustainable Development, 2000, 2001, 2002, 2003). The purpose of the surveys was to investigate environmental performance. A few questions on internal CSR have been added to the final version of surveys (Centre for Business and Sustainable Development, 2005, 2007). The latest survey of 2007 concurs with the studies of the University of Waikato Management School and found that most companies were involved in environmental practices, whereas formal practices related to internal CSR were evident in fewer organisations.

Based on the above studies, key research gaps were found. First, except for a few studies (e.g., Frame et al., 2003), the focus of the above mentioned research has remained on SMEs. For instance, the surveys of the University of Waikato Management School included only SMEs. The Massey University survey covered both large and small organisations; albeit, due to the limited sample size (15 companies) it may not represent the population. Hence, how far large organisations are involved in CSR is relatively under-explored.

Second, the above-mentioned studies have emphasised the environmental sustainability of organisations, which is an external CSR practice. Goldberg (2001) also observed that CSR discussion and research in New Zealand is dominated by environmental aspects. In other words, the internal dimension of CSR has remained under-researched. Except for a few questions on internal CSR in the latest version of the above mentioned surveys, no attempts have been made to understand the HR-related CSR aspects. Therefore, little is known about how large organisations implement internal CSR and integrate it with HRM practices. The present study attempts to fill this research gap by examining CSR–HRM links in large New Zealand organisations.

### **2.3 Literature on HRM**

This study aims to investigate the association between CSR and HRM; therefore, it is important to discuss the HRM literature before discussing its link to CSR. This section overviews the conceptual development of HRM, and demonstrates the need



to develop integration with CSR. It also reviews the changing roles of HRM and its relevance to the present study.

### **2.3.1 Conceptual Development of HRM**

Scholars and practitioners have given extensive consideration to the development of the HRM discipline. Over the past century, HRM was initially identified as employment management, and then personnel management (Hotchkiss, 1923), which was regarded as the execution of personnel policy to control employees (Donald & Donald, 1929). Personnel management included practices such as finding and training employees, salary administration, handling work-related issues and solving problems (Hotchkiss, 1923). It was basically concerned with “the optimum utilisation of human resources in pursuit of organisational goals” (Legge, 1995, p. 3). In other words, personnel management was visible at the shop floor level, where the motive was to attain productivity.

Due to the increasing attention given to social movements, public policies and product-labour market developments, behavioural aspects such as employee motivation and commitment were included under the scope of personnel management (Bratton & Jeffery, 2003). The 1960s and 1970s especially were acknowledged as the period of the new legislation on employment standards and quality of work life, which enhanced the application of personnel functions (Armstrong, 2003). This gradual development of personnel management in response to ever-changing organisations evolved the term HRM in the 1980s (Torrington, 1989). HRM involves processes and practices that aim to attract, develop and retain

the human resources of an organisation (Guest, 1997). Increasing deregulation and competition during the 1980s required organisations to strategically manage human resources (Armstrong, 2009). In this regard, Storey (1995) defines HRM as “a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce using an array of cultural, structural and personnel techniques” (p. 5). In other words, HRM was used as a differentiation strategy – a combination of human resource techniques to strategically manage and retain talented and dedicated employees.

HRM was gradually redefined in terms of strategic human resource management (SHRM) in the late 1980s (Storey, 1989). The recognition of HRM changed from being merely an administrative and supportive function to a potentially strategic business operation and a source of competitive advantage (Huselid, Jackson, & Schuler, 1997). The driving force was to associate HRM with the strategic objective of the organisation by linking external considerations with HRM policies and practices (Schuler & Jackson, 1987; Wright & McMahan, 1992). Putting this in slightly different words, SHRM is concerned with the alignment of HRM functions with strategic imperatives in order to increase effectiveness and organisational performance (Boxall & Purcell, 2008). Hence, the last few decades witnessed a two-fold transformation, from personnel management to HRM and from HRM to SHRM, as indicated by Schuler and Jackson (1999).

From the era of personnel management through to SHRM the aim was to utilise people skills to improve organisational performance (Bolton & Houlihan, 2007). In

striving to become a strategic partner with top management and its emphasis on enforcing productivity and profitability, it has been argued that HRM lost sight of its roots in employee welfare (Pinnington, Macklin, & Campbell, 2007). Guest (2007) argues that HRM considers employees as assets “to be managed, utilized, or possibly exploited to improve organisational performance” (p. 52). Thus, HRM has been often criticised as a rhetorical and manipulative tool to utilise employees (Guest, 1997; Legge, 1995).

Due to the increasing complexity of managing, retaining and motivating human resources, different HRM concepts have been developed. In this regard, Storey (1989) differentiates the ‘hard’ and ‘soft’ approach of HRM. The hard HRM, which is attributed to the Michigan model developed by Fombrun, Tichy and Devanna (1984), considers employees as an instrument to achieve organisational goals. It emphasises the quantitative, calculative and business-strategic approach of managing human resource in the same rational way as any other resource (Armstrong, 2009). Consequently, this model has been strongly criticised on the grounds that it is a reiteration of management controls under a new name which prioritises rational profit maximising (Legge, 1995). Guest (1999) also claimed that the model views employees as resource to be used for the organisational interest and does not consider the wellbeing concerns of employees.

On the contrary, the ‘soft’ approach, originally associated with the Harvard model (Beer, Spector, Lawrence, Quinn Mills, & Walton, 1984), reflected the view that employees are assets. The success of an organisation depends on its employees, therefore they should be provided with a high quality of life, valuable rewards and

training-development to achieve employee commitment and wellbeing (Druker, White, Hegewisch, & Mayne, 1996; Guest, 1987). It has, however, been debated that the soft HRM model appears humanistic on the surface but it limits the ethical application of HRM. This is because the interests of the organisation will always prevail over those of individual employees (Truss, Hope Hailey, McGovern, & Stiles, 1997). The soft approach to HRM is often considered “a wolf in sheep’s clothes” (Greenwood, 2002, p. 272), and manipulative management in the name of paternalism (Legge, 1995). Thus, the reality of soft HRM is also hard as it does not completely manage the wellbeing concerns of employees.

Another innovative HR concept is high-performance work systems. This deals with a ‘bundle’ of HR practices which aims to maximise productivity along with employee competencies and commitment (Appelbaum, Bailey, Berg, & Kalleberg, 2000). High-performance work systems includes practices such as employee involvement, team work, training and growth of employees, employment security, autonomous work teams, quality circles, empowerment, flat structure and innovative compensation (Becker & Huselid, 1998; Harley, 2002). Yet the focus remains on organisational outcomes and employees’ concerns are not given priority. It may look like a mutual gain model (Appelbaum et al., 2000); albeit, it is also considered a sophisticated method for the implicit manipulation of the workforce (Legge, 1995), which fails to incorporate ethical and social issues related to employees.

Within the literature of high-performance work systems, another approach is high-commitment work systems. This is often considered similar to high-performance work systems; although some scholars prefer to differentiate it on the grounds that it

emphasises individual wellbeing along with organisational outcomes (Farndale, Hope Hailey, & Kelliher, 2010). High-commitment work systems comprise any sets of HRM policies and procedures that influence employee commitment, such as team working, functional flexibility, employee involvement and skill-based pay (Wood, 1996). However, some practices such as team work may also negatively affect employees' commitment, trust and satisfaction (Boxall & Macky, 2009). In other words, there is no logical connection between organisational outcomes and individual wellbeing in such innovative approaches (Legge, 1995), but there may be tension in balancing both organisation and individual interests (Kramar, 2006).

Hence, there is significant development in HRM discipline in the last few decades. Nonetheless, HRM and its innovative concepts are frequently criticised for their foremost concern for organisational productivity (Legge, 1995), with least emphasis on wellbeing (Guest, 2007) and the ethical concern of employees (Pinnington et al., 2007). Guest (2002) suggests that organisations should consider employees' wellbeing and satisfaction as 'ends' in the implementation of HRM practices. Similarly, it is advocated that HR professionals should systematically integrate ethical inputs into policy design, and consider human rights and justice in the implementation of such policies (Legge, 1995).

This growing attention to the ethical concerns of employees has given rise to employee-centred concepts such as ethical HRM (Greenwood, 2002; Winstanley & Woodall, 2000) and socially responsible HRM (Becker, 2011; Bierema & D'Abundo, 2004; Ezzedeen, Hyde, & Laurin, 2006; Shen, 2011). These concepts advocate integrating ethical concerns in HR policies and functions. Nevertheless, there is a

lack of any standard framework to incorporate ethical concerns in HRM systems (Winstanley & Woodall, 2000). Furthermore, without formal structures and frameworks these concepts often fail to attach employees' ethical considerations to the strategic orientation of the organisation (Schoemaker, Nijhof, & Jonker, 2006). Therefore, Guest and Woodrow (2012) urge a strong system to incorporate ethical concerns for employees in HRM.

It is proposed that the integration of CSR in HRM may help to value the ethical-social concerns of employees in organisations (Orlitzky & Swanson, 2006; Shen, 2011). The alignment of CSR principles seeks to incorporate the ethical issues of employees in HRM policies and practices (Boyd & Gessner, 2013), and helps evolve socially responsible HR practices (Mason & Simmons, 2011; Shen, 2011). Despite such a promising view on the implications of CSR for HRM (Cohen, 2010), the HR literature has seldom attempted to apply ethical theories and CSR directly to HRM practices (Greenwood, 2002). How CSR can be aligned with HRM is relatively unknown due to the lack of conceptual clarity and adequate empirical support. This study, in an attempt to investigate the implications of CSR for HRM, would help to address this research gap.

### **2.3.2 Changing Roles of HR**

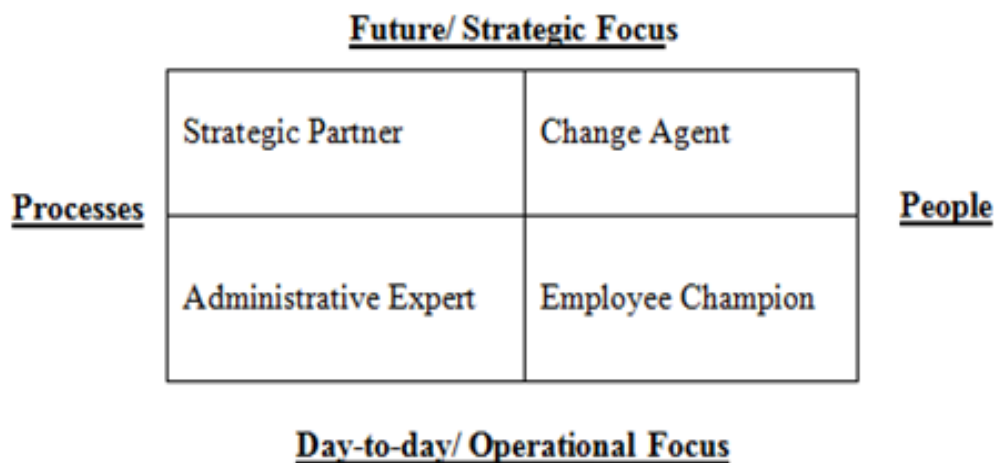
The transformation of HRM from personnel management to SHRM gives an overview of how the changing nature of businesses and organisations has had a profound impact on the scope of HRM (Ulrich & Beatty, 2001). Similarly, the roles and responsibilities of HR professionals have been drastically transformed over the

last few decades. In response to such transformation, numerous attempts have been made to explore the changing roles of HR professionals (Caldwell, 2003; Guest, 1987; Schuler, 1990; Storey, 1992; Torrington, 1989; Tyson & Fell, 1986; Ulrich, 1997). This sub-section outlines a few key approaches.

The role of traditional personnel managers was largely limited to that of an administrative function for improving short-term organisational goals (Guest, 1999). Gradually the strategic roles of HR professionals evolved, highlighting the diverse contribution of HR professionals to organisational performance. For instance, Tyson and Fell (1986) presented an earlier version of HR roles, with three distinct models of HR ranging from least to most strategic; namely the administrative model, the industrial relations model and the employment relationship model. For example, the ‘clerk of works’ role resembled the administrative model, the ‘contracts manager’ role was linked with the industrial relations model and ‘the architect’ role was based on the employment relationship model (Tyson, 1995).

Another key contribution came from Storey (1992), who developed the very first two-dimensional model. Based on case study research in the UK, Storey (1992) proposed four roles for HR managers within two dimensions – strategic/tactical and interventionary/non-interventionary. This included advisors, handmaidens, regulators and change makers (Storey, 1992). For example, the ‘advisor’ role was considered strategic, providing expert advice to line management but in a non-interventionary manner, whereas the ‘changemaker’ role was interventionary with strategic priorities on organisational performance and employee commitment.

Importantly, the classification of Ulrich and colleagues (Ulrich, 1997; Ulrich & Beatty, 2001; Ulrich & Brockbank, 2005), has gained the greatest traction with academics and practitioners (Wright, 2008). This thesis uses Ulrich's (1997) model to analyse the roles of HR in CSR, because it serves the objective of this research and supports the research question of what the roles of HR in the development and implementation of CSR strategy can be. In other words, comprehensive integration of strategic and administrative concerns enables the investigation and evaluation of HR practice in CSR. The model is discussed in detail in this section.



*Figure 2.1.* The Ulrich Model (1997)

Ulrich (1997) developed a framework, describing a proposed value addition through the HR function (see Figure 2.1). Four roles were initiated within two axes, which demonstrate the focus and activities of HRM. As shown in Figure 2.1, the focus ranges from short term/operational to long term/strategic, while activities range from managing processes to people. This combination evolved four roles of HR: strategic partner, change agent, employee champion and administrative expert. These four



roles are described as four means by which the HR function creates value for the organisation (Buyens & Vos, 2001). Ulrich (1997) maintains that the role of the HR functions should be both strategic and operational, focusing on the long-term and short-term implications.

For instance, the roles of strategic partner and change agent have more strategic focus and are future-oriented with long-term implications, whereas administrative and employee champion roles are operational with short-term implications. In addition, the strategic partner and the administrative expert roles are process-oriented; for instance, developing strategies or developing HR systems, whereas the roles of change agent and employee champion are people-oriented, which requires dealing with behavioural aspects such as motivation, engagement and commitment (Ulrich, 1998). These four roles are described in the following sub-sections.

### **Strategic Partner**

The strategic partner role is one in which “HR professionals partner with line managers to help them reach their goals through effective strategy formulation and strategy execution” (Ulrich & Brockbank, 2005, p. 27). In other words, HR should share responsibilities with management in the development and implementation of strategies. It is also concerned with aligning the strategic goals of the organisation with HRM strategy, and developing a culture of learning and change (Truss et al., 2002). As indicated by Buyens and Vos (2001), the strategic partner role of HR can be exercised on a continuum, from proactive involvement in formulating strategy to supportive execution of such strategies. Importantly, it is argued that the strategic

contribution of HR is highly contingent upon organisational, institutional and HR-related factors (Buyens & Vos, 2001; Pritchard, 2010; Truss et al., 2002).

### **Employee Champion**

Ulrich (1997) originally defined the employee champion role as the employees' 'voice' in management discussions, by identifying and addressing employee needs and concerns. The employee champion role can be achieved in two ways; first, by understanding and satisfying employees' needs, providing opportunities and resources for employees' personal and professional growth and ensuring fair and equitable practices (Ulrich, 1997). Second, the role of HR as the employee champion is also to develop strategies and implement actions that enhance the contribution of human capital. It considers the management of intellectual capital to create value, and the process of increasing employee commitment and competence (Ulrich, 1997). For instance, while promoting employee engagement, HR needs to focus on both employee-centred aspects, such as commitment and development, as well as performance-related aspects (Arrowsmith & Parker, 2013). In other words, this role facilitates HR to be a strategic partner with management in delivering value to the organisation (Caldwell, 2003) and wellbeing to the employees (Francis & Keegan, 2006). Importantly, HR has to be clear in their approach towards balancing employees concerns and organisational performance (Arrowsmith & Parker, 2013).

### **Change Agent**

Ulrich (1997) clarified transformation as adoption of a new culture, while change is adoption of a new work design. HR managers, as the change agents of the

organisation, should drive both transformation and change. According to Ulrich (1997), the critical job of HR is transferring new vision and values into employee beliefs and behaviours. Particularly, HR professionals should facilitate the change management process and ensure all organisational resources are aligned with the desired change, and monitor the progress of key change initiatives (Ulrich, Brockbank, Johnson, Sandholtz, & Younger, 2008). The empirical evidence also supports that HRM is perceived as a means to manage change, and is expected to drive change through developing a time frame for change, overcoming barriers and developing a culture of change (Buyens & Vos, 2001).

### **Administrative Expert**

HR managers should continue to perform their traditional role of administrator with effectiveness and efficiency. It requires HR professionals to redesign traditional HR practices such as recruitment, selection, training, performance evaluation and rewarding (Ulrich, 1997). This is basically a process-oriented role which focuses on routine operational duties and the management of the firm's human capital infrastructure (Hope Hailey, Farndale, & Truss, 2005). The role is not limited to providing a cost-effective infrastructure but is also concerned with the rethinking of HR value creation and the reengineering of the HR system. Ulrich and Brockbank (2005) adapted this role to 'functional expert', and explained that HR professionals make expert contributions ranging from very routine to strategic decisions depending on the nature of the work and areas, such as talent management and rewards. Though there is growing attention among HR professionals to be strategic partners in

organisations (Wright, 2008), empirical evidence shows that most HR professionals are significantly involved in administrative roles (Caldwell, 2003).

Thus, these four roles describe the strategic to operational contribution of HR professionals in organisations. Importantly, this model seems to propose future roles for HR professionals, and is often promoted as a standard that HR managers should seek to attain (Pritchard, 2010), particularly the strategic partner roles (Truss et al., 2002). Nevertheless, Ulrich's model and its proposition for the strategic roles of HRM have been criticised strongly. Although the model focuses on the multiple roles HR professionals should play, it is often argued that the model is prescriptive rather than grounded in relevant theory or evidence (Caldwell, 2003; Pritchard, 2010; Truss et al., 2002; Wright, 2008).

According to Caldwell (2003), rather than highlighting the realistic roles the practitioner should embrace, the prescriptive vision of the Ulrich model has created role ambiguity and conflict. First, a situation of role conflict is often created when a person performs more than one role. Second, competing roles, such as strategic partner and administrative expert, may engender tension for the HR professional or HR team due to increasing professional expertise and organisational expectation. Third, the Ulrich model creates 'role ambiguity' due to pressures between expected, perceived and enacted roles (Caldwell, 2003). However, the intention of Ulrich was to describe a set of functions to be performed by a number of people, rather than a set of roles for the HR professional (Buyens & Vos, 2001). He expressed clearly that these four HR roles should be assumed by managers within their organisation not necessarily within the HR department (Ulrich, 1997). In other words, HR

professionals do not have to fulfil each of the four roles themselves but, according to the need and process of organisational goals, HR professionals can share the work with line managers and employees. Thus, the focus of the model is on what the HR function delivers rather than on what it does.

Another issue raised by critics is that increasing focus on the strategic partner role at the cost of other traditional roles may detract from the original vision of HRM (Francis & Keegan, 2006; Wright, 2008). Nevertheless, as a result of increasing attention on the strategic partner role among HR professionals in the UK, Ulrich and Brockbank (2005) clearly urged that employees remain the key focus and HR professionals should equally focus on the employee champion and other roles. In contrast, some argue that becoming a strategic partner is concerned with strategic involvement in all other HR roles (Buyens & Vos, 2001), rather than the implementation of certain tasks within a new job specification (Pritchard, 2010).

In response to these criticisms Ulrich and his colleagues have updated the original model. For instance, Ulrich and Beatty (2001) recommended HR as a strategic player in place of a partner in the organisation by extending their roles to coach, architect, builder, facilitator, leader and conscience. Later, Ulrich and Brockbank (2005) restructured the original HR model, and proposed five roles – employee advocate, human capital developer, functional expert, strategic partner and leader.

In this thesis, the original model is used to frame the analysis of the roles of HR in CSR. There are three reasons for this; first, although Ulrich and his colleagues have modified some of the key roles in recent versions, they seemed to re-emphasise the

clarity of the original version, which remains highly cited and adopted in both academic and practitioner communities (Pritchard, 2010). Second, although the model is criticised for its implications, it is already well established among UK practitioners (Pritchard, 2010; Reilly, Tamkin, & Broughton, 2007). Based on a large study of the Chartered Institute of Personnel and Development (CIPD), Reilly et al. (2007) suggest that particularly in large organisations Ulrich's model is highly implemented. As this study uses large organisations, it is believed the model can be matched with proposed HR roles in CSR. Third, the CSR literature often proposes roles of HR in CSR as developing CSR strategy, supporting CSR implementation and promoting CSR change and culture (e.g., Garavan & McGuire, 2010; Liebowitz, 2010; Lockwood, 2004). Importantly, these roles appear compatible with the HR roles suggested by Ulrich (1997). Therefore, the model is used as a tool to outline and analyse the findings of the interviews in this study in order to explore how and how far the various HR roles are applicable in developing and implementing CSR strategy in the organisations.

#### **2.4 Missing Links between CSR and HRM**

It is often proposed that there is a growing connection between CSR and HRM (Gond et al., 2011), yet having revised the literature of both CSR and HRM, it appears that CSR and HRM are often not connected in practice. As CSR and HRM disciplines developed from separate fundamentals, until recently they have been discussed separately. The relationship between the two disciplines is underexplored in CSR as well as HRM literature (Preuss, Haunschild, & Matten, 2009); as such CSR and HRM have remained relatively alienated. This may impede advancement of

the relationship between the two. This section presents an overview of the missing links between CSR and HRM and suggests reasons to align these missing links.

While investigating the missing links between CSR and HRM, the present study found three themes from literature. First, HR-related internal aspects are not systematically addressed in CSR. Second, the link from HRM to CSR is also weak. For example, as mentioned in section 2.3.1, HRM does not necessarily employ CSR and ethics theory to promote employee wellbeing. Third, HRM professionals are not significantly connected with or involved in CSR strategy and initiatives.

First, the formal ‘internal’ dimension of CSR deals with HR-related aspects (European Commission, 2011). However, the CSR debate focuses more on external stakeholders (Winstanley & Woodall, 2000), whereas “employees have been rarely covered under the ambit of CSR” (Sharma, Sharma, & Devi, 2008, p. 207). It is argued that in practice CSR may not have formal application to HRM-related issues such as diversity, health and safety, and equality (Davies & Crane, 2010). For instance, a study revealed that most organisations implemented external CSR initiatives, whereas people practices were seldom explored in CSR strategy (Foote, 2001). As HR aspects are not clearly addressed under the scope of CSR, the links from CSR to HRM remain underdeveloped.

Second, HRM is concerned with issues of internal CSR, such as non-discrimination, equal opportunities, human rights and employee wellbeing (Deckop, 2006). Though there is some interface between HRM and internal CSR, HRM is not associated with CSR. Conceptually, HRM has been criticised strongly for more focus on the

effective utilisation of human resources and relatively less concern about the ethical issues of employees (Pinnington et al., 2007). Employee engagement practices, for example, aim for performance with less attention on employees' concern (Arrowsmith & Parker, 2013). In practice, HRM encounters many social and ethical concerns while exercising people practices (Wilcox, 2006). In some organisations, HRM deal with these issues in a limited sense; nevertheless they are not addressed from the broader CSR perspective (Shen, 2011). For example, based on CSR standards developed by UN Global compact, Global Reporting Initiative (GRI) and SA8000, HRM can effectively incorporate the ethical concerns of employees (Fuentes-Garcia et al., 2008). These standards may help HRM to promote socially responsible employee practices (Cohen, 2010). However, HRM scholars and practitioners have seldom attempted to link CSR standards with HRM (Greenwood, 2002; Schoemaker et al., 2006); thus the link from HRM to CSR is also not clear.

The third major aspect limiting CSR–HRM collaboration is the marginal involvement of HR professionals in CSR strategy. For instance, Fenwick and Bierema (2008) found that the majority of HR professionals were not involved in CSR initiatives as they believed they had little association with, interest in and contribution to CSR-related tasks. Similarly, 50 percent of a survey of 500 executives considered that CSR had no concerns with HR as it was related to the environment and community development (Fox, 2008). There are a few, rare exceptions to this view. For example, Wirtenberg et al. (2007) observed that HR professionals can contribute to CSR through training and leadership development, diversity, ethics and employee engagement. Nevertheless, these roles are limited to HR practices, and the HR



contribution to external CSR initiatives is not known (Davies & Crane, 2010). Thus HR roles in CSR are debatable and contribute to CSR–HR disconnections.

Due to the above three factors CSR and HRM are not clearly integrated. However, an emerging stream of CSR–HRM literature advocates that CSR and HRM can converge as there is a growing intersection between them (Gond et al., 2011; Schoemaker et al., 2006). Some aspects necessitate the partnership of CSR and HRM in organisations. In particular, three reasons influence the integration between CSR and HRM.

First, employees are the common factor linking CSR and HRM. Basically, internal CSR is concerned with the fair and ethical treatment of employees (Sternberg, 2000). As employees are the key stakeholders in HRM (Ferrary, 2009), employee-related moral obligations fall under the purview of HRM. Thus, internal CSR has some links with HRM (Yang, Colvin, & Wong, 2013). It is recommended that CSR and HRM may need to collaborate to deliver such socially responsible practices (Orlitzky & Swanson, 2006).

Second, CSR initiatives such as environmental activities and community volunteering programmes require employee involvement (Cooke, 2011). Such initiatives necessitate some contribution from HRM. For instance, community involvement projects require the support of HR in motivating and consulting employees for and about volunteering (Zappala & Cronin, 2002). Hence, employee involvement may initiate some partnership between CSR and HRM (Pless, Maak, & Stahl, 2012).

Third, the implementation of CSR strategy might demand strong change management throughout the organisation. According to Emmott and Worman (2008), “for CSR to be a success, it must become embedded throughout the organization so that it is incorporated in everything that the company and its employees do” (p. 29). This may call for some support from the HR department in transforming CSR understanding, principles and culture throughout the organisation and its people (Garavan & McGuire, 2010). Thus, HR may facilitate CSR-related change among employees (Lockwood, 2004), which is another reason for developing links between CSR and HRM.

The above discussion shows some interdependence and inter-connection between CSR and HRM. Although it is relatively less recognised in the literature, CSR strategy and HRM intersect with each other at many points. This demonstrates the potential need for developing functional collaboration or integration between CSR and HRM (Buciuniene & Kazlauskaite, 2012). The following section examines the proposed relationship between CSR and HRM in detail.

## **2.5 The Relationship between CSR and HRM**

The relationship between CSR and HRM has recently been acknowledged, which is necessarily two-way (Buciuniene & Kazlauskaite, 2012; Pless et al., 2012). One is from CSR to HRM, which looks at the relevance of CSR to HRM policies and practices. Another perspective of the CSR–HRM link is reversed, from HRM to CSR, which focuses on the roles of HRM in the development and implementation of CSR strategy. However, this study proposes that the CSR–HRM relationship cannot be

explored from a *'one size fits all'* approach. So, before developing possible links between CSR and HRM, it is necessary to highlight factors that affect the CSR–HRM relationship.

The existing literature suggests that both CSR (Chih et al., 2010) and HRM (Schuler & Jackson, 1987) practices are contingent upon institutional and organisational variables. Nonetheless, the literature rarely discusses the factors affecting the CSR–HRM relationship. For example, Garavan and McGuire (2010) noted that the roles of HR in CSR rely on various internal and external variables such as organisational size, sector and nature and roles of the HR functions. Similarly, Fenwick and Bierema (2008) found that the involvement of HR in CSR is related to organisational structure and the scope of CSR strategy. For example, if the focus of CSR strategy is on environmental concerns only, HRM may have limited participation. Furthermore, the authors observed that the position and power of HRM within an organisation and the way HRM is perceived by other departments also influence their roles in CSR (Fenwick & Bierema, 2008). Gond et al. (2011) advocate that the integration and relationship between CSR and HRM managers is highly influenced by the organisational culture and structure, particularly the position of CSR functions in organisations.

The above-mentioned studies briefly indicate that the links between CSR and HRM are contingent upon organisational, CSR-related and HR-related factors. However, there is a key gap in the literature on examining and analysing factors affecting the relationship between CSR and HRM within organisations. The present empirical research aims, therefore, to explore this relationship with regard to contextual

factors. By considering such factors, this section examines the two-fold relationship and the resulting CSR–HRM integration in order to address the research gaps and frame research questions.

### **2.5.1 CSR to HRM**

CSR cannot be isolated from issues within the organisation (Deakin & Whittaker, 2007). The European Commission (2001) recommends some CSR practices in the area of HRM, such as continuous learning, better work–life balance, equal pay, safety, and diversity. Other international organisations, such as the UN Global Compact, the SA8000, GRI and the OECD, have also specified basic guidelines and codes of conduct to exercise social responsibility in HRM. For instance, the SA8000 standard suggests the prevention of forced labour, freedom of association, the right to collective bargaining, equal pay, non-discrimination, health and safety, the rights of children and common human rights (SAI, 1997). The OECD (2001) also proposes guidelines on the prevention of forced child labour, training, collective bargaining and appropriate working hours, while GRI, which promotes environmental and social reporting, lays down guidelines for HR-related CSR disclosures, such as occupational health and safety, training and education, diversity and equal opportunities and remuneration (GRI, 2013).

Some scholars have also revealed CSR-related HR aspects. These include equal opportunities, fair wages and working hours, staff training-development, health and safety, flexible working, the treatment of women and minorities and the relationship with employees (Buciuniene & Kazlauskaite, 2012; Castka, Balzarova, & Bamber,

2004; Graafland & Van de Ven, 2006; Welford, 2004). These people-related aspects are obviously covered under the HRM regime. Accordingly, HRM oversees the above-mentioned practices which are considered internal aspects of CSR (Meisinger, 2007). For instance, diversity (Kossek, Lobel, & Brown, 2006), work–life balance (Berg, Kalleberg, & Appelbaum, 2003; Perry-Smith & Blum, 2000; Wang & Verma, 2009), and equality (Demuijnck, 2009) have been explored as contemporary issues of HRM.

An interesting debate can be raised about how such employee aspects are associated with HRM as well as CSR. Two clear views have been observed in recent literature. Some believe that workplace issues set under CSR are primarily a part of HRM. For instance, Collier & Esteban (2007) indicate that the HR department contributes to the stream of internal CSR by exercising socially responsible practices for employees. Furthermore, in practice, managers often consider such CSR aspects as good HR practice (Gond et al., 2011). In contrast, others suggest that the ethical and social concerns of employees cannot be clearly addressed in the pursuit of HRM given its primary consideration of performance and productivity (Schoemaker et al., 2006). Therefore, some ethical issues are examined from the CSR perspective, such as work–life balance (Stropnik, 2010), health and wellbeing (Holmqvist, 2009; Jain, Leka, & Zwetsloot, 2011; Zwetsloot & Starren, 2004), and gender equality (Hart, 2010; Luring & Thomsen, 2009).

This has resulted in a territorial overlap between internal CSR and HRM. Take the example of workplace diversity; some discuss workplace diversity as a part of innovative HR practice (Armstrong et al., 2008), some researchers view it as a

contemporary issue of HRM (Kossek et al., 2006; Shen, Chanda, D'Netto, & Monga, 2009), and others prefer to encompass it within the realm of CSR (Bjerregaard & Luring, 2013; Emmott & Worman, 2008; Grosser & Moon, 2005; Maxfield, 2007). This generates a question on how to address such employee issues in the HR and CSR field.

The literature interprets this association in a variety of ways and has left practitioners more confused. For instance, some prefer to focus on HRM and use the terms 'socially responsible HR' (Becker, 2011; Bierema & D'Abundo, 2004), and 'sustainable HR' (Clarke, 2010; Ehnert, 2009). It is also termed 'corporate social human resources' in the recent book *CSR for HR*, authored by Elaine Cohen (Cohen, 2010). Others consider the social and ethical issues of employees as a component of CSR, and align it with HR through concepts such as 'responsible leadership' (Gond et al., 2011) and 'social enterprise' (Cornelius, Todres, Janjuha-Jivraj, Woods, & Wallace, 2008). A few call it 'CSR-related HRM practices' (Buciuniene & Kazlauskaite, 2012), and 'internal CSR' (Welford, 2004). In contrast, it is also described as employee-related aspects of CSR (Cooke, 2011). Thus, the overlap between internal CSR and HRM is loosely defined by using various labels. Although these terms are slightly different, the essence lies in reflecting the links between CSR and HRM.

However, rather than developing CSR–HRM integration, this overlap has generated key issues. For instance, Gond et al. (2011) noted that the increasing interface between CSR and HRM has resulted in tensions and a territorial battle between CSR and HRM practitioners. This may produce behavioural issues and politics between

CSR and HRM managers, as the functional territory is not clear. For example, Gond et al. (2011) noted that some HR managers believe that CSR is an unnecessary label for HR initiatives offered to employees for years (Gond et al., 2011). In contrast, Fenwick and Bierema (2008) reported that CSR managers argue they face resistance from the HR team as their focus is very narrow.

Hence, scholars endeavour to acknowledge CSR–HR links, yet little is known about how this works in organisational settings. Many unsolved questions can be raised; such as how HR practices are addressed in CSR strategy, how the relationship between CSR and HRM works with regard to overlapping territory and what factors facilitate or impede the relevance of CSR to HRM. This aspect is under explored, and a strong investigation is recommended to evaluate the CSR–HRM overlap (Gond et al., 2011). Hence, the first research question of the present study is:

*RQ.1: How is CSR relevant to HRM, and what factors affect such relevance?*

### **2.5.2 HRM to CSR**

This sub-section overviews another angle of the CSR–HRM relationship, from HRM to CSR, highlighting the proposed roles of HR in the development and implementation of CSR strategy. The extant literature discusses the potential role of HR in evolving and implementing CSR strategy. It is proposed that HR professionals can be involved in CSR strategy from its development stage to actual implementation (Yang et al., 2013), subject to various contingent factors, such as organisational structure, the nature and roles of HRM within organisations and the scope of CSR strategy (Fenwick & Bierema, 2008; Garavan & McGuire, 2010). The contribution

of HRM in CSR strategy is often discussed (Davies & Crane, 2010), but rarely investigated (e.g., Harris & Tregidga, 2011; Wirttenberg et al., 2007; Zappala, 2004). This section elaborates two key themes that emerged from the literature relating to the role of HR in CSR.

### **Role of HRM in Developing CSR Strategy**

Organisations generally committed to CSR need to develop overarching CSR strategy which clearly addresses both internal and external stakeholders. The development of CSR strategies in organisations necessarily deals with establishing CSR objectives, vision, priorities, framework, policy and initiatives (Carroll & Buchholtz, 2008). This is generally driven by top-level management or an organised CSR committee which comprises key directors, managers and CSR experts (Maon, Lindgreen, & Swaen, 2009).

The HR literature frequently recommends that HR professionals are very well equipped to be involved in formulating organisational strategies and integrating them into HRM strategies (Barney & Wright, 1997; Golden & Ramanujam, 1985; Truss et al., 2002). Golden and Ramanujam (1985) established one of the earlier views on HR involvement in business strategy and identified four types of links between HRM and strategy; administrative, where HR supports people-related aspects in strategy; one-way – HR develops systems to support strategy implementation; two-way – HR directly influence business strategy; and integrative – HR is directly involved in strategic decisions.



Similarly, it is proposed HR can perform various strategic roles in the evolution of CSR strategy (Garavan & McGuire, 2010; Preuss et al., 2009; Strandberg, 2009). For instance, Strandberg (2009) indicates that “HR is a strategic partner in the organization and as such, can help drive the formulation of the CSR strategy” (p. 12). This is because: first, HR can initiate conversations with various stakeholders to support decision makers while developing CSR policy (Fenwick & Bierema, 2008), and can review the business codes of conduct and ethics strategy as required (Deckop, 2006; Yang et al., 2013). HR can be represented on the CSR steering committee to take a lead role in CSR-related decision making (Lam & Khare, 2010; Preuss et al., 2009). Second, HRM, where it is seen or sees itself as the conscience of the organisation, can adapt CSR development according to the nature and the culture of the organisation (Yang et al., 2013).

Thus, the emerging literature supports the potential roles of HR in helping to drive CSR strategies. Yet, to date, relatively little research has sought to understand this aspect. Furthermore, the available limited studies rarely confirm this proposal. For instance, Fenwick and Bierema (2008), through a case study of eight CSR-committed organisations, reported that HR professionals have very marginal involvement in CSR decision making as CSR is driven by other departments. The Society of Human Resource Management (SHRM) conducted a study of US organisations and observed that though 66 percent of HR professionals were directly engaged in CSR, only 11 percent were responsible for the *development* of CSR strategy (SHRM, 2007). This suggests that HR professionals may have more involvement in the *implementation* of CSR strategies.

### **Role of HRM in Implementing CSR Strategy**

Implementation of strategy is concerned with the positioning of an organisation's resources, processes and behaviours according to the needs of strategy (Purcell, 2001). It comprises various stages, such as addressing organisational structure, consulting and integrating stakeholders, internalising and communicating CSR within the organisation, and finally monitoring CSR performance (Cannon, 1994; Panapanaan, Linnanen, Karvonen, & Phan, 2003). The execution of CSR strategies often requires changes in organisation structure, initiating consultation with stakeholders, and embedding CSR in organisational strategy, processes and practices (Cannon, 1994).

The HR literature acknowledges that the strategic roles of HR are more likely in executing strategies (Buyens & Vos, 2001; Truss et al., 2002) and translating such strategies into HR priorities (Purcell, 2001; Ulrich, 1997; Ulrich et al., 2008). Similarly, with reference to HR roles in CSR, Yang et al. (2013) indicate that, "HR professionals are more likely to be primarily responsible for implementing their organisational CSR strategies than being directly involved in strategy development" (p. 54). As the execution of CSR strategy requires integration of ethical values and standards throughout the organisation and its people (Orlitzky & Swanson, 2006), a key role of HR is pre-requisite in developing and supporting CSR culture within the organisation (Buciuniene & Kazlauskaite, 2012). Four key themes have evolved from the literature with regard to HR roles in executing CSR strategies:

First, HRM may contribute to raising employee awareness about CSR strategy. For instance, HR professionals may initiate dialogue with employees to ensure uniform

understanding of CSR and its motives (Rimanoczy & Pearson, 2010). HR can also foster CSR awareness and learning through induction and routine training programmes (Bhattacharya, Sen, & Korschun, 2008). Nevertheless, with limited numbers of empirical studies, how far HR contributes in raising employee awareness about CSR is unclear.

Second, most CSR-related activities, such as social-community projects and environmental initiatives, require a significant involvement of employees (Cooke, 2011). The existing literature indicates that HRM can promote employee engagement in such initiatives, again through induction, training and socialisation programmes (Davies & Crane, 2010). Furthermore, HR can develop CSR-related competencies and skills in employees and line managers (Colbert & Kurucz, 2007). This can be achieved by developing CSR training (Sukserm & Takahashi, 2010), management development (Pless et al., 2012) and the coaching of ‘CSR champions’ in organisations (Kwan & Tuuk, 2012). Another contribution HR can make is in motivating employees to participate in the social-community initiatives of the organisation (Lockwood, 2004), by managing community volunteering leave (Geroy, Wright, & Jacoby, 2000), payroll giving programmes (an internal donation programme where employees donate a share of their payroll to a social cause) (Haski-Leventhal, 2013; Zappala, 2004), and linking reward-performance measurements to their involvement in CSR (Liebowitz, 2010). Again however, there is little empirical work on how far HR promotes employee engagement in CSR, with studies generally suggesting a marginal role (e.g., Preuss et al., 2009; Royle, 2005).

Third, it is proposed that HR can facilitate CSR-related change in the organisation, for instance, by influencing employees and dealing with their resistance and behavioural change (Garavan, Heraty, Rock, & Dalton, 2010). HR can help to alter the behaviour of employees by offering CSR-related training and adapting job descriptions (Lam & Khare, 2010). Thus, the role of HR in facilitating CSR culture and change seems potentially wide, though research is limited with mixed results. For example, some research observed that HR certainly supports behavioural change in CSR implementation (Redington, 2005) and without HR intervention organisations may face major challenges in aligning CSR in business functions (Hitchcock & Willard, 2006). Conversely, another study reported that HR has a very marginal role in creating CSR-related change in an organisation (Wirtenberg et al., 2007). Thus, there is lack of clear understanding on the role of HR in CSR-related change, which calls for empirical investigation.

Fourth, HRM can directly contribute to the internal dimension of CSR. This is because internal CSR issues come under the remit of HRM. For example, “the activities related to work–life balance are naturally under the duty of the human resources department, which could need only a little support of the CSR officer [CSR Manager] and are mainly part of the human resource managed issues” (Pedrini & Ferri, 2011, p. 184). In this way, HR managers may have a key responsibility in linking CSR standards in people practice and contributing to the implementation of internal CSR strategies (Cohen, 2010). Notwithstanding, how such relationships work is not known due to the dearth of empirical research.

The above provides an outline of the potentially varied roles of HR in the development and implementation of CSR. Indeed, there is speculation in the literature on the substantial role of HR in CSR, yet little investigation has been done to verify the assumptions laid down (Colbert & Kurucz, 2007; Harris & Tregidga, 2011; Parkes & Davis, 2013; Wirtenberg et al., 2007; Zappala, 2004). Furthermore, the studies mentioned here show a different insight into what is proposed in literature. For example, Wirtenberg et al. (2007) found that in four out of the nine organisations studied, HRM had a marginal contribution to CSR. The authors noted that this is because in these organisations the position of the HR department was weak and HRM was considered ‘reactive’ by the leader. It was also reported that HR had a strong input into CSR in terms of training, development, diversity and engagement. Yet the role of HRM was limited in many aspects, such as health-safety, change management and collaboration and team work, as overseen by top management or other departments. For example, health and safety was driven by other than the HR department in many organisations (Wirtenberg et al., 2007).

Zappala (2004) observed that even if employees are involved in community initiatives, the role of HR is marginal. This is because CSR is generally located within the external affairs and marketing department, which leaves fewer roles for HRM. Harris and Tregidga (2011) found that HR managers are hesitant to take CSR responsibilities as they are already occupied with various strategic HR issues and have resource limitations due to economic conditions. These studies highlight the influence of organisational and HR-related factors.

Some empirical gaps are found based on the review of the above studies. First, some of these studies have limited implication as they focus either on the roles of HR in environmental sustainability (e.g., Harris & Tregidga, 2011) or in community initiatives (e.g., Zappala & Cronin, 2002), rather than the overall contribution to CSR. In other words, there is lack of a comprehensive model defining HR involvement in the development and implementation of both internal and external CSR strategies (DuBois & Dubois, 2012). Second, many of the quantitative studies do not necessarily discuss how HR performs various roles in CSR and what kind of experience and issues are faced by HR managers (Parkes & Davis, 2013; SHRM, 2007; Zappala & Cronin, 2002).

Third, as HR roles are highly influenced by institutional, organisational and HR-related factors (Truss et al., 2002), HR involvement in CSR is subject to some situational approaches. Some studies briefly mention the influence of contextual factors on the roles of HRM in CSR, such as the nature of the HR department, the role perception towards HR professionals and the position of CSR within the organisation (Fenwick & Bierema, 2008; Garavan & McGuire, 2010; Wirtenberg et al., 2007). However, analysis of HR roles with regard to contingent factors is lacking. This shows a clear need for further research to investigate contextual HR roles in overarching CSR strategy. This study will help to address these knowledge gaps. Hence, the second research question for this study is:

*RQ.2: What are the roles of HRM in the development and implementation of CSR, and what factors affect such roles?*

### **2.5.3 Integration between CSR and HRM Professionals**

Integration is a process of achieving unity of effort among the various subsystems in the accomplishment of companies' tasks (Kahn & Mentzer, 1998). The integration perspective, which is mainly explored in the area of marketing, suggests that interdepartmental integration is crucial to attain shared organisational goals (Kahn, 1996). Interdepartmental integration can be described in two ways; collaboration and interaction between managers. Collaboration is considered a state where managers from various departments work together to achieve common goals by reducing behavioural barriers, mutual understanding and sharing resources (Kahn, 2001). Interaction is described as communication and contact between managers (Daniel, Berkowitz, & Souder, 2005).

The previous two sub-sections acknowledge there are shared goals between CSR and HRM, and that they are necessarily interrelated and interdependent. In other words, they intersect at some point due to a common agenda (Gond et al., 2011). This may generate integration between CSR and HRM professionals. This aspect, however, has remained unexplored both in theory and practice. This section aims, therefore, to introduce the idea of integration between CSR and HRM professionals.

According to Pedrini and Ferri (2011), there is growing interest among scholars in integrating CSR in functional areas of organisations, though little interest and focus is assigned to the roles of CSR managers and their interaction with functional managers. CSR experts need to interact with operational managers to implement CSR strategy and advocate some CSR standards, such as supply chain, diversity and

codes of conduct (Collier & Esteban, 2007). Based on the above sub-sections, two types of integration between CSR and HR managers are observed (Pedrini & Ferri, 2011). First, according to the discussion in section 2.6.2, internal CSR is linked with HRM (Schoemaker et al., 2006). Therefore, CSR professionals may need to consult HR managers (Pedrini & Ferri, 2011). Second, as indicated in section 2.6.1, HRM has increasing involvement in CSR implementation (Lockwood, 2004). This may require CSR and HR professionals to share some duties. Thus, some collaboration is required between CSR and HR managers.

So, the emergent literature reflects some collaboration and interaction between CSR and HRM professionals, though with differing results. For instance, Gond et al. (2011) reported the lack of integration between CSR and HR professionals. They observed negative perceptions of CSR officers who believed that HR fails to take initiatives in CSR. Similarly, Fenwick & Bierema (2008) reported that CSR participants described HR professionals as ‘micro-functionalist’ (p. 29), and argued that they were not able to support CSR implementation. In contrast, HR professionals do not support the legitimacy of CSR functions and consider CSR an unnecessary repackaging of good HR practices (Gond et al., 2011). Gond et al. (2011) anticipate that the territorial overlap between CSR and HRM professionals may generate political and behavioural battles, and suggest investigation into the relationship between them.

An interesting aspect here is why there is a contradiction between theory and practice with regard to the integration of CSR and HRM professionals. This may be the result of organisational and behavioural factors affecting CSR–HRM integration. For



example, Gond et al. (2011) noted that the way CSR is positioned in the organisation may affect CSR–HRM links. If CSR is evolved from and located in the HR department, strategic integration between CSR and HRM may result. Garavan et al. (2010) mentioned that the behaviour and perception of managers also affect such a link, but this aspect has not been adequately addressed either conceptually or empirically. The third research question attempts to address this research gap:

*RQ-3: How does the integration between CSR and HRM professionals work, and what factors affect such integration?*

## **2.6 Conclusion**

This chapter reviewed the extant literature in two research areas, CSR and HRM, highlighting the scope for integration between these relatively disconnected fields. Given the growing interconnection between CSR and HRM, it is important to explore the relationship between them in both conceptual and practical terms.

Key features in the CSR literature were reviewed, including conceptual development, dimensions and CSR in the New Zealand context. The current development in the HRM field was also discussed with a review of the changing roles of HR. The chapter also outlined the disconnections between CSR and HRM and highlighted the emerging need for developing CSR–HRM collaboration. Factors affecting proposed CSR–HRM links were also introduced. The linkage between CSR and HRM was discussed in detail, followed by a discussion in each sub-section on how the research questions were framed based on the existing research gaps.

The review of literature identified key gaps. First, even though both the CSR and HRM literature is extensive and well developed, there is limited conceptual understanding of the two-way relationship between CSR and HRM, including the relevance of CSR to HRM, the roles of HRM in CSR and the integration between CSR and HRM professionals. Second, how such relationships work in complex and dynamic organisational settings is also not clear, due to the scarcity of empirical research. Third, there is a lack of any standard relationship between CSR and HRM, as both CSR and HRM are contingent upon organisational structure, the positioning of CSR within organisations, the roles and nature of HRM and the scope of CSR strategy. There is also a lack of knowledge of the factors affecting the CSR–HRM linkage. These gaps will be addressed in an attempt to make a conceptual and empirical contribution in this area.

Having explored the conceptual background of the research problem, the next chapter will explain the methodology used in the study.

---

## **Chapter 3**

### **Research Methodology**

#### **3.1. Introduction**

This chapter elaborates on the earlier discussion to propose the theoretical framework used in framing the study before focusing on research methodology, including the research philosophy, research approach and research methods such as data collection and data analysis techniques. In order to investigate the CSR–HRM relationship, the perceptions and experiences of both CSR and HRM managers need to be explored. According to the context of the research, and in alignment with the philosophical predisposition of the researcher, this exploratory study is positioned within an interpretivist paradigm. Governed by interpretivism, this chapter presents qualitative research methodology as the appropriate approach to interpret the experiences of CSR and HR managers. The objectives of this chapter are to:

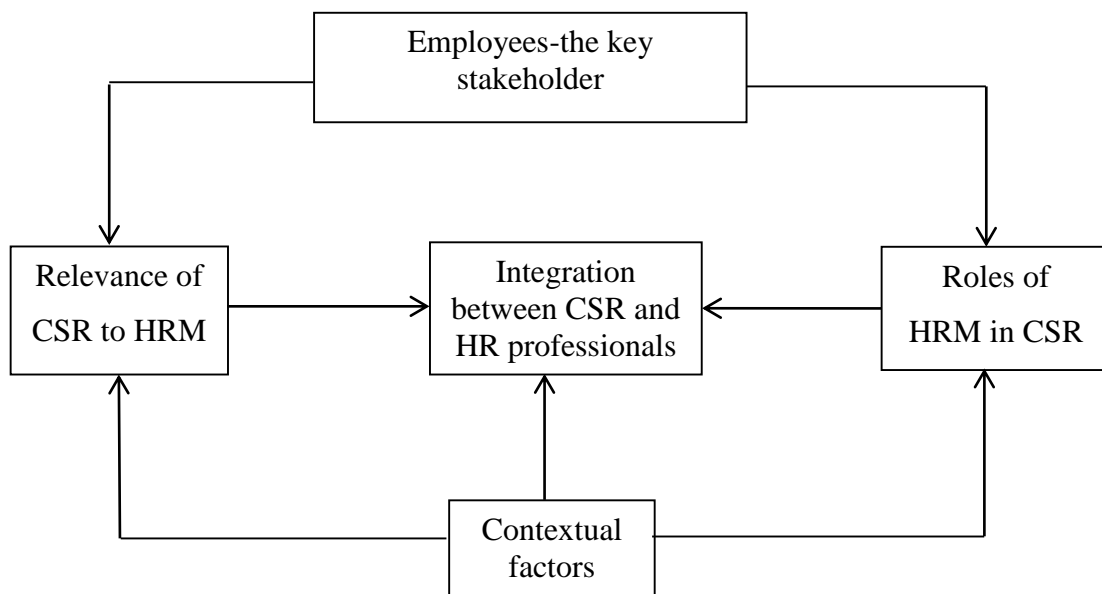
- introduce a theoretical framework
- discuss and justify the philosophical approach
- explain the adoption of an abductive–qualitative research approach
- illustrate the data collection method and data analysis process.

#### **3.2 Theoretical Framework**

Miles and Huberman (1994) argue that “any researcher, no matter how unstructured or inductive, comes to fieldwork with some orienting ideas” (p. 17). Accordingly,

recognition of the theoretical perspective of this study needs to be made explicit. This section proposes the theoretical framework shown in Figure 3.1.

A few previous studies have focused on the interface between CSR and HRM (e.g., Buciuniene & Kazlauskaite, 2012; Gond et al., 2011; Wirtenberg et al., 2007), yet there is a lack of any framework to link these notions. This study uses stakeholder perspective, contingency perspective and integration theory to propose an interconnection between CSR and HRM.



*Figure 3.1.* The relationship between CSR and HRM

Figure 3.1 exhibits employees as the key stakeholder. As employees are the common stakeholder of CSR and HRM, some interface is expected. For example, CSR strategy should cover employee-related aspects, such as diversity, work–life balance and wellbeing, as employees are the key internal stakeholders of CSR. In practice,

these aspects come under the direct purview of HRM. Therefore, CSR standards can be applicable to HRM practices. This generates the first domain of relationship from CSR to HRM, and defines the relevance of CSR to HRM in this thesis as depicted in Figure 3.1. Similarly, employees are the key variable implementing the CSR initiatives of the organisation; for example, environmental actions or community projects. This requires organisations to align the CSR values and philosophy with an employee's work-life. The HR department seems to perform key roles in inculcating CSR within organisations and the way employees do their jobs. This evolves another domain of the CSR–HRM relationship, known as the roles of HRM in CSR.

This thesis proposes that this two-way relationship develops communication and teamwork between CSR and HR managers. Such interaction and collaboration may lead to integration between these professionals; this demonstrates the third domain of relationship as shown in Figure 3.1. The final part of the model is contextual factors. As CSR and HRM both are subject to contingency, it is anticipated that the three domains of the CSR–HRM relationship work against a background of various contextual variables. Based on the findings of this study, this model will be confirmed, extended or a new model will be developed in the discussion chapter. In the following sub-sections, each component of this model is discussed in detail with relation to respective theories.

### 3.2.1 Stakeholder Perspective

This subsection explores how the stakeholder perspective helps to develop a two-way relationship between CSR and HRM. Therefore, before discussing its links to the research, the stakeholder perspective is briefly explained.

The stakeholder approach has been well researched by scholars and highly valued by practitioners. Although the idea of stakeholders was proposed by some scholars (March & Simon, 1958; Mason & Mitroff, 1981), the concept became popular only through R. Edward Freeman's book, *Strategic Management: A Stakeholder Approach*. He defines stakeholders as "any group or individual who can affect or is affected by the achievement of the organisation's objectives" (Freeman, 1984, p. 25). This definition is widely cited, but is criticised for having a wide field of possibilities as to who or what a stakeholder really is (Fassin, 2009).

After the seminal work of Freeman, extensive research was conducted and scholars responded with refined stakeholder models. For instance, Mitchell, Agle and Wood (1997), who based their work on power, legitimacy and urgency variables, classified stakeholders as definitive, dominant, dependent, dormant, discretionary and demanding stakeholders and non-stakeholders. Carroll and Buchholtz (2008) grouped stakeholders according to their influence. This included core stakeholders, who influence organisational success; strategic stakeholders, who influence opportunities and threats for organisational strategy; and environmental stakeholders, who are other than core and strategic ones. Carroll and Buchholtz (2008) saw

employees as the core stakeholders, whose rights and wellbeing should be considered by organisations. This view clearly supports the essence of this study.

As with the concept of stakeholders, stakeholder theory has been discussed from diverse viewpoints. One perspective of stakeholder theory is concerned with theories of firms, and emphasises economic analysis such as transaction cost, property rights and agency problems. Another view is related to Donaldson and Preston's (1995) classification of descriptive, instrumental and normative approaches. The descriptive stakeholder theory explains specific characteristics and behaviours of organisations and managers. According to this concept, stakeholder theory presents "a model describing what the corporation is. It describes the corporation as a constellation of co-operative and competitive interests possessing intrinsic value" (Donaldson & Preston, 1995, p. 66). It is concerned with a value-free statement on what a company can do with regard to stakeholder management (Dentchev, 2009).

In contrast, the instrumental view suggests that if organisations want to achieve something they need to adopt some principles (Donaldson & Preston, 1995). "It establishes a framework for examining the connections, if any, between the practice of stakeholder management and the achievement of various corporate performance goals" (Donaldson & Preston, 1995, p. 67). This view is also reflected in Freeman's (1984) assertion that, "if you want to manage effectively, then you must take your stakeholder into account in a systematic fashion" (p. 48). In other words, it explores the link between the cause and effect relationship of stakeholder management.

According to the normative approach, “stakeholders are persons or groups with legitimate interests in procedural and/or substantive aspects of corporate activity” (Donaldson & Preston, 1995, p. 67). The theory proposes moral or philosophical guidelines for the operation and management of organisations. In other words, it is concerned with what organisations *should* do. For instance, it recommends that organisations should consider the moral responsibilities of various stakeholders, including customers, suppliers, employees, government, society and shareholders, while making business decisions and implementing strategies (Freeman, Harrison, & Wicks, 2007).

The present study follows the normative approach, for two reasons. First, it clearly advocates the implications for organisational decision making (Donaldson & Preston, 1995). Accordingly, the normative approach influences CSR (Jamali, 2008) and HRM decisions (Greenwood & De Cieri, 2005). Second, the normative approach implies that managers should have moral responsibility towards stakeholders other than shareholders – for instance, employees, customers, society, suppliers and government (Clarkson, 1995). In particular, it supports that managers should recognise employees as the primary stakeholder group when formulating structures, policies or processes (Morgeson et al., 2013). Similarly, it guides both CSR and HRM managers on the ethical treatment of employees (Branco & Rodrigues, 2008). Thus, the normative approach seems appropriate for this study; it helps to link CSR and HRM through consideration of employees as the key stakeholder group.



**Employees – the key stakeholder**

Employees have a two-fold stake in CSR. First, employees are the means to deliver external CSR practices and represent the socially responsible face of the organisation (Cooke, 2011). Second, they are also an end to receive socially responsible practices (Carroll & Buchholtz, 2008). The normative approach of stakeholder is considered the moral or ethical view as it emphasises how employees should be treated (Donaldson & Preston, 1995). It provides robust support to valuing employees as key internal stakeholders while implementing CSR in organisations (Carroll, 1979; Freeman, 1984; Panapanaan et al., 2003). Accordingly, it is the organisation's moral responsibility to address employees' concern through workplace safety-security, wellbeing and development opportunities (McWilliams & Siegel, 2001).

Similarly, employees have a two-fold stake in HRM – as recipients of HRM practices and as partners in delivering organisational performance (Ramsey, Scholarios, & Harley, 2000). The debate on ethical HRM also employs the normative stakeholder perspective. It has considerable implications for 'soft' HRM; for example, it suggests that HR managers should act in the interest of employees by considering them more than instruments (Greenwood & De Cieri, 2005). Therefore, HRM should aim to develop employee-centred practices such as equality, family friendly practices, training-development and employee involvement (Appelbaum et al., 2000; Guest, 2002). In this way CSR and HRM can be associated through the normative stakeholder perspective. This reflects that CSR and HRM have some common agendas which can be discussed from the two perspectives of the CSR–HRM model shown in Figure 3.1.

### **Relevance of CSR to HRM**

In accordance with the above view, it can be said that employees are the common stakeholders in CSR and HRM. The normative stakeholder approach advocates both CSR and HRM to consider moral responsibility towards employees and deliver socially responsible people practices (Ferrary, 2009; Guest, 2002; Jamali, 2008). This perspective acknowledges links from CSR to HRM. As the issues of internal CSR come under the direct purview of HRM, CSR may have some relevance to HRM with regard to such employee practices (Cohen, 2010). For instance, CSR standards regarding employees' right and wellbeing need to be integrated in HRM.

### **Roles of HRM in CSR**

As employees are the key factor in delivering socially responsible business practices, CSR needs to be embedded in the people of the organisation. The HR department, having an internally focused remit, can facilitate such integration (Garavan & McGuire, 2010). First, HR can incorporate CSR in the way employees carry out their routine jobs. As HRM has explicit responsibilities for people management, it can help to inculcate CSR values in employees' behaviour by including CSR in employment practices such as induction, training, job descriptions and performance measurement. Second, HR can involve employees in external CSR initiatives. It can motivate employees' to participate in CSR initiatives, for example by offering volunteering leave for community work. In effect, the HR department is ideally placed to facilitate CSR strategy through people management strategies and practices. This reflects another perspective of the CSR–HRM relationship.

### **3.2.2 Integration Theory**

#### **Integration between CSR and HRM professionals**

This study uses integration theory to link CSR and HRM managers. Integration theory has been explored mainly with regard to the interrelation between marketing and other functional units (e.g., Gupta et al., 1985; Kahn, 2001; Ruekert & Walker Jr, 1987). Inter-functional integration is crucial for the attainment of common goals of the organisation.

Interdepartmental integration has been discussed from various perspectives. Some suggest that integration between two functional managers of the organisation relies on interactions between managers (e.g., Moenaert, Souder, Meyer, & Deschoolmeester, 1994; Ruekert & Walker Jr, 1987). Interactions are described as contacts and communication between managers in terms of meetings, conferences or the flow of information and documents (Kahn, 2001). This literature stresses the need for frequent contacts and advocates that increasing communication between two managers promotes integration between the two functions. Others have characterised integration as the result of collaboration or partnership between two managers (e.g., Lawrence & Lorsch, 1986; Schrage, 1990). The collaboration deals with the attainment of common goals, team work and resource sharing (Stank, Daugherty, & Ellinger, 1999). This stream of literature indicates that more collaboration between managers is the source of improved integration between the two functions.

There is also a group of scholars who suggest that integration between two functions is multidimensional and based on interactions as well as collaborations between managers (e.g., Daniel et al., 2005; Gupta et al., 1985; Song & Parry, 1992). This perspective of literature acknowledges that both communication and collaboration between managers are inevitable for successful inter-functional integration (Kahn, 2001). The present research follows the latter philosophy, and proposes that due to the two-way relationship between CSR and HRM, some interaction and collaboration may take place between CSR and HR managers, as depicted in Figure 3.1. In other words, due to CSR relevance in HRM and HRM roles in CSR, these professionals may need to communicate and develop collaborative work to achieve shared objectives (Gond et al., 2011). In accordance with the integration theory, collaboration and interaction between CSR and HRM professionals are assumed to be crucial for the development of CSR–HRM integration.

### **3.2.3 Contingency Perspective**

#### **Contextual factors**

Contingency perspective, which evolved during the 1960s, claimed there is no one best way of management, but such management is contingent on various internal and external factors (Donaldson, 2001). Contingency theory has been discussed particularly in relation to organisations (Luthans & Stewart, 1977) and leadership (Fiedler, 1967). It suggests that both organisations and management are affected by internal and external variables such as firm size, organisational structure, culture and the type of industry (Luthans & Stewart, 1977). By following the contingency

perspective, this study developed an assumption that both CSR and HRM are situational and subject to be influenced by certain contextual factors both internal and external to organisations.

The CSR research has often mentioned the contingent nature of CSR practices. It is proposed that the development and implementation of CSR relies on various institutional factors (Haigh & Jones, 2006). This includes economic conditions, level of competition in the market, the legal environment, private or institutional self-regulation, the environment for business education, employer–employee relations, pressure from NGOs (Campbell, 2007; Chih et al., 2010), and a firm’s association and engagement with institutions and stakeholders (Campbell, 2006). Others believe that the way an organisation integrates CSR is largely dependent on internal factors such as financial capacity, the role of management and the nature of labour (Bhattacharya, Korschun, & Sen, 2009; Husted, 2000; Ullman, 1985). Other internal factors, as identified by Maon, Lindgreen, and Swaen (2010), are an organisation’s stage of development, leadership and culture and the nature of organisational strategy. Similarly, organisational strategic planning and culture are also considered determinants of CSR (Galbreath, 2010; Sabir, Kalyar, Ahmed, & Zaidi, 2012).

Correspondingly, the nature and roles of HRM within organisations are found to be contingent upon organisational and institutional variables (Delery & Doty, 1996; Schuler & Jackson, 1987). In particular, the scope of HRM practices is highly dependent on institutional factors such as the legal environment and industry associations (Gooderham, Nordhaug, & Ringdal, 1999; Paauwe & Boselie, 2003).

Organisational factors such as industry section, organisation size, strategic orientation, organisational structure and unionisation also impact on the roles of HR (Jackson, Schuler, & Rivero, 1989; Schuler & Jackson, 1987). Organisational leadership, organisational culture (Murphy & Southey, 2003) and the strategic orientation of the organisation (Schuler & Jackson, 1987) are also influential organisational variables with regard to the application of HRM.

Thus CSR and HRM are subject to the situational approach. It can be argued therefore that the relationship between CSR and HRM may also be influenced by contextual factors. As shown in Figure 3.1, all facets of the CSR–HRM relationship – namely, the relevance of CSR to HRM, the roles of HR in CSR and the integration between CSR and HR professionals – can be affected by different contextual factors. This includes organisational factors such as the nature and size of the organisation, the roles of HR (Fenwick & Bierema, 2008) and CSR configuration within the organisation (Gond et al., 2011). Some behavioural factors, such as the perception of HR and CSR managers, also impact on the overall CSR–HRM linkage (Garavan et al., 2010). The model suggests, therefore, a lack of any standard relationship between CSR and HRM.

By employing the theoretical framework demonstrated in Figure 3.1 this study seeks to contribute to the CSR and HR literature in three ways; first, by using a stakeholder perspective, the framework integrates two different disciplines, CSR and HRM which have remained relatively alienated so far. Second, by utilising integration theory, the framework acknowledges a third domain of the CSR–HRM linkage – the integration between CSR and HR professionals. Finally, based on contingency

theory, this research gives insight into the CSR–HRM linkage by exploring contextual factors with the three facets of the CSR–HRM relationship.

### **3.3 Research Philosophy**

Research philosophy is concerned with assumptions about the way in which the researcher views the world and understands social reality (Saunders et al., 2009). Indeed, research methods are not neutral tools but are closely linked with and dependent on different philosophies about the nature of social reality and how it should be examined. Accordingly, it is believed that philosophical assumptions of ontology and epistemology directly underpin the use of research strategy and the research methods in this study (Creswell, 2007).

Ontology is concerned with the nature of reality. It refers to the question that asks whether the reality to be investigated is objective or subjective in nature (Crotty, 2003). In general, objectivism means that truth and meaning of objects reside in the object itself independently of any consciousness (Cavana et al., 2000), and beyond the influence of social actors (Lincoln & Guba, 1985). In contrast, subjectivism says that meaning is imposed on the object by the subject because objects have no meaning independently of any consciousness of them (Cavana et al., 2000; Crotty, 2003). The research objective of this study is to understand the relationship between CSR and HRM through the investigation of the experiences and perceptions of CSR and HRM of managers of organisations. In other words, the research seeks to examine managers' understanding of the links between CSR and HRM in the organisational setting. Therefore, the research fits within the ontological assumptions

that social phenomena and their meanings are continually influenced by the perception and actions of managers (Saunders et al., 2009).

Epistemology is linked to the question of what is regarded as acceptable knowledge in a discipline (Bryman & Bell, 2011). It is the way of understanding and explaining how we know what we know. In other words, it is concerned with the relationship between the researcher and reality. In this study, it is believed that the social world cannot be understood in the same way as the world of natural science. Therefore, the research adopts the epistemological view that the researcher's subjectivity cannot be completely eliminated while collecting or analysing data.

Within the axis of objectivism and subjectivism three philosophies play an important role in business and management research; positivism, interpretivism and realism (Cavana et al., 2000). Positivism adopts the philosophical stance of natural science and is based on the belief that social reality is objective. It states that research produces facts and accounts that correspond to an independent reality, which is value free (Saunders et al., 2009). Moreover, it ensures objectivity during data gathering and analysis, as well as replicability and verification of the results (Lee & Lings, 2008).

In contrast to positivist epistemology, interpretivism focuses on the importance of the role of human or social actors in research. It considers that people and their institutions are fundamentally different from natural science (Bryman & Bell, 2011; Denzin, 2001). Therefore, study of the social world requires a different logic – that people experience social and physical reality in different ways, and that reality is not



objectively determined but socially constructed (Cavana et al., 2000). Realism, particularly critical realism, is another philosophical position, considered to be mid-way between positivism and interpretivism. It assumes that reality is objective and independent of the mind, yet it is received subjectively by the social actors (Cavana et al., 2000).

This study is underpinned by the interpretivist paradigm, as this drives the research questions and personal philosophical beliefs of the researcher. First, the objective of this study is to understand the relationship between CSR and HRM, through the examination of questions such as the role of HR in CSR, the interaction between CSR and HRM managers and the relevance of CSR to HR. Based on their subjective experiences, these managers may have their own perceptions and interpretations regarding the research questions. This is in line with the assertion that “it is the complex world of lived experience from the perspective of those who live it” (Schwandt, 1994, p. 118). Hence, the context of the current research is directly associated with subjective reality.

Second, the process of the CSR and HRM relationship is not independent of human involvement. Human action and interference is an essential part of the whole process. The formation of internal CSR policies, the implementation of CSR initiatives and teamwork between CSR and HR managers are influenced by the interference of managers. It can be said that these processes are based on the meaning systems and subjective experiences of CSR and HR managers. Thus, in accordance with the interpretivist assumption, the study believes that managers

create and apply their own subjectivity to events and objects as they interact with the world around them (Sekaran & Bougie, 2010).

Third, the researcher will try to construct an objective experience with the study; although the researcher's subjectivity cannot be completely eliminated. With regard to management research, Locke (2001) claims that to understand a particular social reality in an organisation the researcher must engage with, participate in and actively interpret the social world that is the object of their inquiry. The researcher acts as an interpreter who interacts with participants and tries to construct meaning from the conversations (Schwandt, 1994). Accordingly in this study, due to the researcher's involvement, subjectivity in data collection, interpretation and judgement is expected.

Because of the reasons mentioned above, This study believes that humans have no direct access to reality; only human perception represents reality (Denzin, 2001). Accordingly, this study is based on a subjective view of reality and assumes that the social world is constructed by people through their subjective reality. More importantly, the nature of the philosophical stance directly influences the selection of research approach. This is discussed in the following section.

### **3.4 Research Approach**

The objective of this study is to investigate how the relationship between CSR and HRM works. Since this study is exploratory in nature – governed by the interpretivist paradigm – it adopts a qualitative and abductive approach. According to Denzim and Lincoln (2003), “qualitative researchers stress the socially

constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situation constraints that shape inquiry” (p. 13). This is in line with the assumption laid down in this interpretivist study.

The qualitative approach is often used in conducting research where little is known about the issue (Saunders et al., 2009), and where it is important to understand the meanings and actions of individuals and groups in the social world (Patton, 2002). It is helpful particularly when the researcher needs to understand a complex issue in detail by examining the perceptions of people, hearing their voices and developing themes from this (Creswell, 2007). To explore the linkage between CSR and HRM, this research investigates the views of CSR and HRM experts. Eventhough, CSR and HRM are based on different philosophical grounds, they are also complementary and overlapping (Morgeson et al., 2013). This may develop complex roles, relationships and interactions between CSR and HR managers. Quantitative and standardised comparisons between variables is therefore inappropriate. To understand this social issue, the researcher needs to understand “the way in which people [managers], through social interaction, actively constitute and reconstitute the culturally derived meaning, which they deploy to interpret their experiences and organise social actions” (Johnson, Buehring, Cassell, & Symon, 2006, p. 135). Hence, this study follows a qualitative research design.

Generally, deduction is associated more with positivist philosophy and quantitative research, and induction with interpretivism and qualitative inquiry (Saunders et al., 2009). There is also a combination of deductive and inductive approaches known as the abductive approach or abduction (Andreewsky & Bourcier, 2000; Dubois &

Gadde, 2002). The philosopher Charles Peirce (1931–1958) introduced abduction for the first time as a form of reasoning. Abduction is concerned with systematised creativity or educated guessing based on the logical analysis of available information in order to develop new knowledge (Kovács & Spens, 2005).

Peirce (1931–1958) developed abduction as a third way between deduction and induction in order to leverage the benefits of both the deduction and induction processes. For example, the deductive approach is a scientific process which begins with a theoretical proposition about the relation between two or more variables, and develops a hypothesis. It then moves towards concrete empirical evidence for the collection of data and the testing of the hypothesis to examine specific outcomes of the inquiry (Dul & Hak, 2008). In contrast, the inductive approach begins with detailed observations of the world and moves towards generalisations and ideas in order to develop a theory (Cavana et al., 2000).

According to Peirce (1931–1958), deduction is very certain reasoning, whereas inductive reasoning is difficult to prove. Both approaches have limitations in creating discovery (Hanson, 1960). Abduction reasoning leverages the benefits of both the deductive and inductive approaches, and facilitates the systematic discovery of knowledge (Dubois & Gadde, 2002). As abduction is nearer to induction, the process starts with some theoretical knowledge or framework and moves to real-life observation to collect data; then a process of systematic matching and combining take place to find a new theory or to expand the existing theoretical framework (Kovács & Spens, 2005).

Similar to induction, abduction is used mainly by research based on interpretivism (Andreewsky & Bourcier, 2000). This interpretive study is compatible with the abductive approach for the following reasons; first, the approach is based on the formation of a theory using available information to guide data collection. Abduction is effective when some guidance is needed during the initial research phase. The relationship between CSR and HRM is a relatively underdeveloped area; however both CSR and HRM are very well established disciplines, which certainly guide the linkage between the two. Second, in line with the view of Miles and Huberman (1994), that even inductive research starts with background ideas, this research started with a basic theoretical framework (see Figure 3.1), developed from a review of literature to guide the process of research. In accordance with the abductive approach, the theoretical framework will be extended in the Discussion chapter, based on the empirical results of the data.

Thus, this study aims to contribute to current knowledge in expanding and generalising theories and by combining existing theoretical knowledge with new empirical insight. In this way the study has been conducted within the characteristics of a qualitative and abductive approach, and research methods have been selected accordingly. These are covered in the following section.

### **3.5 Research Methods**

Research methods are the techniques or procedures used to gather and analyse data related to specific research questions (Crotty, 2003). The selection of an appropriate method depends on the nature of the study and the issue being investigated

(Saunders et al., 2009; Taylor, 2000). In particular, studies adopting a qualitative approach generally use non-statistical methods such as ethnography, interviewing, focus group, case study and discourse analysis (Bryman & Bell, 2011). Within an interpretive qualitative approach, these techniques are widely used in management research (Locke, 2001). Guided by interpretivist philosophy and a qualitative abductive approach in an attempt to investigate the perceptions of managers, this research uses interviewing as the preferred research method.

Interviewing is defined as a conversation with a purpose; in particular, a purpose to gather information (Patton, 2002; Rubin & Rubin, 2004). Interviewing is a very useful research method when the objective of the research is to access individual perceptions and values which cannot be achieved through a formal questionnaire or observation (Silverman, 2006). According to Fontana and Frey (2003), interviews are widely used in interpretivist research where the purpose is to collect indepth data on how individuals understand and give meaning to their own experience. Interviewing is also effective when the desire is to know the personal feelings, opinions and experiences of the experts (Patton, 2002) which cannot be observed (Rubin & Rubin, 2004). Thus, interviewing is an appropriate technique to describe a participant's perception on the research topic.

This interpretive research uses interviewing, as it provides access to specific topics and events by investigating participants' experiences and perspectives. It is believed that CSR–HRM links can be best studied by interviewing CSR and HR professionals, to probe their own experiences and perceptions. Some direct questions can provide detailed information on the CSR–HRM relationship in organisational

settings; questions such as how do CSR and HR managers work together, what kind of relationships exist in the organisational structure, what can the role of HR in CSR be and how do managers integrate CSR in HR practice. Thus, interviews can help to generate data on the overall relationship and integration between CSR and HRM. Methods of sampling, data collection and data analysis are selected in accordance with the interviewing method. These methods are discussed in the following subsections.

### **3.5.1 Data Collection**

#### **Semi-structured interviews**

Interviews are categorised as structured, semi-structured or unstructured; directive or non-directive, and open-ended or close-ended. Qualitative research mainly uses unstructured and semi-structured interviews, which collectively are better known as qualitative interviews (Bryman & Bell, 2011). Unstructured interviews provide detailed and diverse data but lack focus. Therefore this research uses semi-structured interviews which allows for flexibility as well as a sense of standardisation (Gilham, 2000).

In the present study the researcher had a list of questions or specific themes, referred to as an interview guide. The scope of the interviews was not limited to the given questions, as semi-structured interviews allow variations from interview to interview according to the flow of conversation (Saunders et al., 2009). In other words, though there was a topic guide with list of themes and questions, the researcher allowed flexibility according to individual discussion and interest (Lee & Lings, 2008).

### **Development of interview guide**

The objective of the data collection was to remain somewhat structured so that the interview stayed ‘on track’ and all required information was collected. Based on the review of existing literature, four major topics of discussion were found to explore the two-way relationship between CSR and HRM;

1. general CSR and HR structure and practices
2. the relevance of CSR to HRM
3. the role of HR in CSR
4. the interaction and collaboration between HR and CSR.

Questions were developed within these four themes. However, according to a participant’s knowledge, interest and experience, variations were allowed in each topic and in the order of the questions/discussion. Probes or questions generated from ongoing discussion were also accommodated in order to get detailed information on a given issue. Interview guides were common for both CSR and HR professionals, with minor changes in the way questions were asked with a view to getting their perceptions on common issues.

As the relationship between CSR and HRM is an underdeveloped area, pilot interviews were conducted to ensure effectiveness in interviewing (Marshall & Rossman, 2006). Two face-to-face interviews were conducted with the CSR and HRM managers of an organisation. The objective was to verify clarity, content and the flow of questions and the researcher’s involvement. Constructive feedback was provided by these interviewees, and it certainly helped to polish the interview guide.



Some interview questions were adjusted according to feedback. For example, as the CSR and HRM relationship is in the developing stage in many organisations, rather than direct questions, some introductory and general questions were advised. For example, ‘how is CSR integrated into HR practices?’ may not sound clear to interviewees and should be prefixed with simple introductory questions such as ‘do you think your CSR strategy is linked with HR or employee-related issues?’

### **3.5.2 Sampling**

In order to generate rich and relevant data about the research topic, appropriate sampling is a prerequisite. Qualitative research necessitates a systematic and well-defined sampling plan which allows the researcher to justify each participant selected (Lee & Lings, 2008). Accordingly, this research uses purposive sampling where samples are purposively selected according to the research objectives (Saunders et al., 2009).

The objective of the study is to explore large New Zealand companies to investigate the relationship between CSR and HRM. Large companies are more likely to have CSR and HRM functions as well as strategies and associated practices. The sample selection was based therefore on two criteria: first, the company should be a large New Zealand company according to revenue and the number of employees, and second, the company should have a CSR strategy and practice. To select large New Zealand companies Deloitte New Zealand (2009) database was used. Deloitte New Zealand published a list of the top 200 New Zealand companies and the top 30 banks and financial institutes in 2009. The websites of the top 100 companies and top 15

banks were reviewed to explore their commitment to CSR. It was believed that companies committed to CSR practice may have disclosed CSR reports or other information about their CSR-related performance on their websites (Chen & Bouvain, 2009; Fenwick & Bierema, 2008). Following an examination of the websites, 30 companies were found with extensive information on CSR, either in the form of reports, specific web pages on CSR or other detailed information on their main webpages. The remaining companies did not disclose detailed information on CSR, so were removed from the list. Thus, in the first stage of sampling, with the help of this database, 30 organisations were selected. The second stage was an attempt to gain access to conduct interviews with the managers of these organisations. This is discussed in the next section.

### **3.5.3 Gaining Access**

Establishing contact with potential participants and gaining access for an interview proved a challenging task, particularly in the initial stage. The objective was to first conduct interviews with CSR managers of these organisations so that data could be collected on the overall CSR strategy and its implications for HRM. The interviews with HR managers were intended to be conducted in the second phase of field work. The basic plan was to find the relevant contact email address of the sample organisations from their websites and send an email stating the intention to interview the CSR manager. While reviewing the websites, it was found that 14 of the 30 organisations did not provide an email address but managed an automated online inquiry format. An email was sent to the remaining 16 organisations providing basic information about the researcher, outlining the research project and requesting

contact details of CSR managers (or that the email be forwarded to the correct person). Only two emails received a response; one organisation rejected the invitation due to company policy and the other one forwarded it to the right person. The latter ended up as the first confirmed interview with a CSR manager. For those organisations not able to be contacted through email, a plan was made to contact them by phone. However, many companies do not provide direct phone numbers but disclose only general toll-free numbers. The process to find relevant contact details proved, therefore, to be time consuming, tedious and frustrating.

Gradually, after much trial and error, the organisations were contacted by phone and inquiries conducted about the CSR manager or the manager who looks after CSR. Most companies had a specific CSR manager position, although in a few organisations CSR was managed by an HR manager. A database was finally prepared, with the names and contact details of CSR managers of these companies. Attempts were made to contact three to four CSR experts at a time with whom to have focused communication. Following a telephone conversation with the CSR professional of each organisation, a formal email was forwarded with an official invitation and information sheet. Few managers confirmed an interview on the receipt of a formal invitation. Some replied back with queries and confirmed interviews after two or three emails, whereas a few required follow up with many emails, and confirmed interviews only after a long time due to busy schedules. For instance, one manager granted an interview after four months of communication.

Finally, the CSR managers of 16 organisations accepted the invitation, an approximate 50 percent response rate. The remaining 14 companies/managers

declined to participate for one reason or another – such as company policy or the busy schedules of managers. In the second phase of field work, the 16 companies who accepted the invitation were further contacted to arrange interviews with their HR managers. The industry grouping of the sampled organisations is presented in Table 3.1.

#### **3.5.4 Interview Procedure**

The researcher preferred face-to-face interviews to interact with interviewees (Rubin & Rubin, 2004) and to obtain non-verbal clues such as body language and facial expression (Seidman, 1998). Most of the organisations in the study had head offices in Auckland or Wellington. Due to the feasibility of time and cost, all the interviews were conducted face-to-face. In the first phase of data collection, 16 face-to-face interviews were conducted with CSR managers between August 2009 and December 2010. Seven interviews were based in Wellington, one in Taupo and the remaining nine interviews in Auckland. Except for one organisation, where the HR manager looked after CSR activities, all the organisations had a separate CSR manager position. Thus, as shown in Table 3.1, out of 16 interviews, 15 were conducted with CSR professionals whereas in one organisation the HR manager looked after CSR, so the HR manager was interviewed in this capacity.

Participants were provided with the information sheet and introduced to the nature of the research through emails as well as at the time of the interview. Their questions and any doubts were cleared at that time. The consent sheet provided details of their rights as a participant and was received back with the participant's signature.

Table 3.1. *Industry grouping, profile of participant companies and managers interviewed*

No.	Industry	Revenue (NZ\$000) 2009	Number of employees	CSR manager interviewed	HR manager interviewed
1	Construction 1	7,140,000	16,500	✓	✓
2	Construction 2	1,867,063	4,916	✓	✓
3	Airline	5,073,000	10,726	✓	✓
4	Petroleum	3,666,816	1,850	✓	-
5	Energy	1,901,832	1,053	✓	✓
6	Postal services	1,273,284	8,000	✓	✓
7	Retail	1,700,128	14,800	✓	✓
8	Banking 1	10,98,000	9,000	✓	✓
9	Banking 2	5,879,000	5,238	✓	✓
10	Banking 3	6,012,000	5,573	✓	✓
11	Telecommunication 1	5,640,000	8,535	✓	✓
12	Telecommunication 2	414,000	1,050	✓	✓
13	IT	405,657	1,167	✓	-
14	Forestry	494,000	1,200	✓	✓
15	Manufacturing	489,779	2,000	HR manager had CSR responsibility	✓
16	Railway	727,000	4,100	✓	✓

At the end of the interview, CSR participants were asked to name other appropriate participants from the HR department who could best discuss similar topics from the HR viewpoint. Some provided contact details while some directly introduced HR managers to the project and helped grant the interview. A few could not suggest an appropriate person from the HR department. For instance, one CSR manager replied that he did not know the name of the HR manager. In such cases the researcher contacted HR managers directly with the help of the administration departments.

In the second phase of data collection, from March to July 2011, 13 interviews were conducted with HR managers. In one organisation, the HR manager was already interviewed in the first phase as in-charge of CSR, whereas in two organisations HR managers did not grant interviews due to lack of time or convenience. Additional probes/questions were added, according to the interview with the CSR professional of a particular organisation, to get the detailed views and perceptions of HR managers.

Thus, a total of 29 interviews were conducted, representing 16 CSR-committed organisations (15 CSR managers, 13 HR managers and 1 HR-CSR manager – all managers were at corporate level). Interviews ranged in length from 45 to 90 minutes.

## **3.6 Data Management**

### **3.6.1 Transcription**

All interviews but one were tape-recorded with prior permission from participants, and important notes were also taken at the time. There are two options in transcribing interview tapes; the first is to transcribe all the material, and the second to transcribe selective parts of the data (Bryman & Bell, 2011). The former approach was adopted since transcription not only represents and guides the data but also gives an analytic focus on a given set of data (Gibson & Brown, 2009). As suggested by Dey (1993), data must be recorded and transcribed fully and accurately to enable accurate recall and analysis.

The researcher used ‘Express Scribe’ software, which is professional audio player software for the PC to assist with transcribing. It helps to manage audio playback with keyboard shortcuts while transcribing, in order to increase efficiency. The software also allows control of the speed of conversation for effective transcribing.

All the transcripts were then sent back to participants for verification, as promised at the time of interview. Some changes advised by a few participants were accommodated in the final transcripts. The transcripts were then processed for systematic data analysis, as discussed in the following sub-section.

### **3.6.2 Data Analysis**

#### **Thematic analysis**

Qualitative data analysis deals with “breaking data down into bits and then beating the bits together” (Dey, 1993, p. 31). It deals with systematic procedures to identify meaning, features and relationships (Wolcott, 1994). According to Marshall and Rossman (2006), “qualitative data analysis is a search for general statements about relationships and underlying themes” (p. 154). This research follows the view of Gibson and Brown (2009), which suggests that qualitative data analysis is the relationship between the data and the research problem.

A variety of formal approaches is used in qualitative data analysis depending on the data gathering technique employed, such as discourse analysis, thematic analysis, narrative analysis, critical incident analysis, grounded theory, semiotic analysis and ethnographic analysis (Gibson & Brown, 2009; Silverman, 2006). Thematic analysis is considered a foundation method in qualitative data (Braun & Clarke, 2006), particularly for interview research (Meier, Boivin, & Meier, 2008). It comprises three steps – “identifying, analysing and reporting themes within data” (Braun & Clarke, 2006, p. 79).

This study used thematic analysis for the purpose of creating meaning and relationship between the data and the research objective. First, thematic analysis is very useful in analysing interviews where concepts and categories are identified by



examining data line by line from the transcripts in order to form a theme or series of themes (Minichiello, Aroni, & Hays, 2008). As this study used the interview method, thematic analysis seemed an appropriate method to create meaning from the interview conversations across organisations and occupational functions. Second, it is a very flexible method which allows the researcher to easily communicate findings and interpretations to others (Boyatzis, 1998). Third, thematic analysis is considered a very compatible method for using with some software programmes, such as Nvivo (Bazeley, 2007). This aspect is discussed in detail in the following sub-section.

### **Nvivo programme**

There is increasing use of computer programmes, known as computer-assisted qualitative data analysis software (CAQDAS), in qualitative data analysis. This study used CAQDAS for analysing the data. A wide variety of software is available on the market, based on differences in coding and retrieving themes to support various approaches of qualitative research (Bryman & Bell, 2011).

CAQDAS play an important role in qualitative data analysis due to their key advantages. They support efficient management of large volume of data. They help to assist fast and flexible coding, storage, retrieval, data linking, memoing, data analysis and theory building (Silverman, 2006). They are, however, not without limitations. Lee and Fielding (1991) argued that CAQDAS may divert qualitative research towards “quick and dirty” analysis with premature theoretical closer (p. 8). This is possible when researchers rely on ‘auto coding’ tools without knowing the

data and its patterns (Denzin & Lincoln, 2003). There is a fear of disconnection between the researcher and data (Bazeley, 2007), which may limit the process of learning about research (Lee & Fielding, 1991). For instance, repetitive use of such tools may make coding a standardised process and leave less opportunity for the emergence of new codes or relationships.

This reflects that, while using CAQDAS, the researcher should be aware of these limitations. It is understood that these programmes cannot analyse data by themselves (Marshall & Rossman, 2006). The researcher is responsible to develop understanding of the data, applying codes and categories, and linking and analysing (Silverman, 2006). Hence, in accordance with the guidelines of Denzin and Lincoln (2003), short cuts such as ‘auto coding’ or ‘word search’ were not used in this research. These software programmes were used as a means to support data analysis rather than an end in themselves. To develop a connection with the data, the traditional approach was initially used – all the transcripts were printed and read for several times for data familiarisation and primary coding was manually applied.

The selection of appropriate programmes requires analysis of the needs of the research and researcher, the research approach and the nature of the data (Denzin & Lincoln, 2000). This researcher considered these factors. First, the research involved textual data from 29 interviews; the need here was to manage such data and support flexible, speedy and effective coding and retrieval of data. Second, to support vigorous data analysis, apart from basic coding and retrieval, there was a need for

powerful memoing and annotation. Third, as this research was exploratory in nature, the researcher needed to continuously link the literature with the empirical data (Silverman, 1985). With these factors in mind, it became obvious that Nvivo 9 was the preference for this research.

Nvivo is a very effective programme that helps code, link and retrieve transcribed data. It provides ‘drag and drop’ text options for coding interview data. Moreover, it allows flexibility in term of adjusting, merging, moving and changing codes and sub codes (Gibbs, 2002). It also reduces analysis time and allows flexibility, revision, easy retrieval and storage for the future (Bazeley, 2007). Nvivo also allows memos and annotations, which is very important in qualitative analysis. With the help of these tools, the data can be analysed critically and linked to create theory from raw codes or to extend the theoretical framework. As well, in accordance with the requirement of study, Nvivo version 9 has features that allow pdf articles to be exported, and to code and link them to themes in the research findings. This is why Nvivo was used in the coding and analysis of data in this research (Lee & Fielding, 1991).

### **Coding**

Coding is the central part of thematic analysis. Analytical or purposeful coding is not about simply reducing or labelling data but it is used to generate meaningful topics out of raw data (Saldana, 2009). Code and theme are common concepts used in coding. According to Saldana (2009), ‘code’ is a word or short phrase that

symbolically allocates a summative and salient attribute to a portion of data, and ‘category’ may be a list of codes that are related. ‘Theme’ is a device to represent commonalities in data which represent similar codes and categories (Gibson & Brown, 2009).

There are several ways to develop a code but basically codes are either inductive/data driven or deductive/theory driven (Boyatzis, 1998; Braun & Clarke, 2006). Deductive/theory driven codes are generated from previous theories and literature (Braun & Clarke, 2006), whereas inductive/data driven codes are identified from the raw information itself without any preconception from literature or theory (Boyatzis, 1998). As this study is an abductive approach, the researcher’s theoretical assumptions cannot be avoided fully while coding the data (Braun & Clarke, 2006). Therefore, initial codes were developed from the available, limited literature and large numbers of codes were generated from the data.

### **Thematic analysis using Nvivo**

The research adopted the thematic analysis process suggested by Braun and Clarke (2006) using Nvivo software.

Step 1: Data familiarisation – all the interviews were transcribed word for word. Once transcripts were ready, they were read and re-read word for word and important notes taken to ensure data familiarisation.

Step 2: Generating initial codes – this is concerned with the generation of open codes from the transcripts. All the interview transcripts were imported into Nvivo software. Codes are known as nodes in Nvivo. The coding process in Nvivo began by developing basic nodes from the existing literature. Thirty-five nodes were initially developed from the literature. At first six transcripts were coded in Nvivo, which generated large numbers of nodes. These nodes were continually compared with the literature and research questions. To maintain a balance between wide and manageable nodes, all the nodes were reviewed many times; this also ensured they related to the research question. This resulted in a coding manual. All the remaining transcripts (23) were then processed and coded. The existing coding manual was used as a guide to code the transcripts, but at the same time allowed flexibility for new nodes emerging from the transcripts. Finally, all 29 transcripts were processed, resulting in 357 nodes.

Step 3: Searching for themes – this included the reduction of codes where codes with a similar meaning and application are merged together to ensure more meaningful and analytical coding. All the nodes were reviewed to search for themes, and nodes that were similar were merged. Furthermore, node trees were organised with related sub-nodes grouped under a major node. Nvivo allowed a lot of flexibility in merging, moving and changing nodes as the process is driven by the researcher, rather than the software. This ‘sorting’ finally resulted in 147 nodes.

Step 4: Reviewing themes – all 147 nodes were reviewed again and unnecessary or repeated nodes merged or removed. This abstracted the nodes to 137, developed into six major themes, with various node trees (see Appendix E).

Step 5: Defining and naming themes – the resulting six themes were named and defined. Node trees were reviewed and organised within the given themes. Appendix E shows the screenshot of Nvivo project, and demonstrates node tree with six major themes and nodes and sub-nodes within these themes. For instance, the first theme ‘CSR factors’ has nine nodes, which evolved from various sources (transcripts), and linked with various number of references (quotations of interviewees) as shown in column two and three. Similarly, the remaining themes and their nodes trees are displayed in Appendix E.

Thus, the basic coding process was accommodated within the Nvivo programme. Apart from this, the annotation functions of Nvivo were used to enable the creation of relationships among nodes, research questions and the literature review. After completing the coding process, each node and the text quoted within that node were reviewed. Annotations were linked to a particular node or text, to store arguments, ideas and comments. These annotations were tracked back to review comments on an individual node and text in order to generate meaning and reading-interpreting between the lines. For instance, one HR manager quoted a few times that HR should not be responsible for CSR; even though she mentioned good CSR and HRM integration in her organisation. This contradiction was noted in the annotations. A

similar view was found in other interviews. The annotations were therefore revisited, and were later discovered to be helpful in finding similar behavioural issues among managers with regard to CSR–HR territory and relationships. In other words, annotations helped with reflection and interpretation through analytical coding and by sparking critical questions. Thus, apart from basic thematic coding, Nvivo was helpful in supporting the interpretation and critical analysis of codes.

### **3.7 Reliability and Validity**

It is very important that reliability and validity are maintained in the qualitative research process in order that findings and conclusions should be trustworthy (Bryman & Bell, 2011). Reliability is concerned with consistency in the operations of research, such as the data collection method or data analysis method, in a way that they can be repeated with the same results (Sekaran & Bougie, 2010). However, consistency in the sense of replicability or generalisability is questionable in a qualitative study due to the contextual, dynamic and interpersonal nature of the research inquiry (Creswell, 2007). In this qualitative study the focus of reliability is in terms of attentiveness and consistency in the interviewing process and data analysis, as indicated by Silverman (2006).

First, reliability can be achieved through various cautions within interviews, such as pre-testing of the interview, training of the interviewer, more fixed-choice questions, the digital and effective recording of the interview, accurate transcribing and the presenting of long extracts of raw data (Silverman, 2006). In this research, the

interview guide was prepared with four themes, and questions within such themes, to maintain consistency in interview agenda and technique. The interview schedule was first tested with another PhD student who was familiar with this topic and the wording of questions edited accordingly. Moreover, two interviews were conducted as pilot interviews, and according to the feedback of participants some questions and flow were adjusted. All the interviews were recorded by a digital recorder and transcribed word for word using Express Scribe software. Transcripts were sent to participants for verification and modified accordingly.

Second, reliability can be improved in qualitative data at the analysis stage by verifying the coding and categorising. In this study, care was taken to use interrater reliability, which means the coding was verified with another person who codes the same detail (Boyatzis, 1998; Silverman, 2006). Initially two transcripts were coded, and the same two also coded by another PhD student familiar with the subject matter. Contradictory codes were adjusted accordingly. Furthermore, as mentioned in the previous subsection, data analysis was carried out using Nvivo to ensure consistency with coding, categorizing and analysing data.

Validity refers to “the extent to which the research results accurately represent the collected data and can be generalized or transferred to other context or settings” (Sekaran & Bougie, 2010, p. 384). However, such validity issues are generally discussed with reference to quantitative research and are not appropriate for qualitative research (Maxwell, 1992). In fact, validity in qualitative research should



be considered as truth value, credibility or authenticity (Lincoln & Guba, 1985). In particular, validity in interview research depends on proper sampling, an effective environment for interviewing and sufficient interpretation and display (Ritchie & Lewis, 2003). Following these criteria, this research used purposive sampling where those managers who can best discuss the research problems were selected. The research included large New Zealand organisations committed to CSR, where samples were taken from the top 100 companies, based on a detailed review of their CSR practices. Sixteen organisations from a variety of industry groupings were covered for better representation. All the managers interviewed were at corporate level, and interviews were organised at the convenience of participants in terms of both time and place. For example, some interviews were conducted in a café, as advised by participants. In order to validate the interpretation of the researcher, the transcription along with an outline of findings, was sent to participants. The aim was to avoid the influence and misinterpretation of the researcher. Data display was managed using the Nvivo programme where raw data was attached to the given codes and themes.

Another issue of validity in qualitative research concerns inference (Maxwell, 1992). Data triangulation is considered an important approach to avoid such issues where information is collected from different sources to increase the validity of the research (Patton, 2002). The study at hand attempted to get information from two sources; CSR and HRM managers. In the first phase, CSR managers of 16 organisations were interviewed. Interviews were conducted with HR managers of these organisations in

the second phase. This phase used a similar interview guide; however additional questions and probes were added based on the previous interview of the CSR manager in order to ensure an element of data triangulation.

### **3.8 Ethics**

As ethical issues are very critical for social research and a requirement of the university, ethical approval must be given prior to data collection. The ethical status of this research was discussed with supervisors to review risk factors, based on the Code of Ethical Conduct for Research, Teaching and Evaluation involving Human Participants. Ethical approval was obtained from the Massey University Human Ethics Committee (see Appendix D). This project was evaluated by peer review at a meeting held on 25 March 2010 and judged to be low risk. Although it was low risk research, the researcher was concerned with several ethical issues, such as informed consent and the protection of confidentiality of the participants and organisations.

Participants were informed about the nature and aims of the research beforehand. Participants' rights were clearly mentioned on the consent sheet, such as freedom to withdraw from the research, the right to ask questions or express doubts, the right to allow or disallow use of a tape recorder and the right to be informed about publication details. A detailed information sheet and consent sheet were provided to the participants at the time of their interview. The identity of participants and organisations sampled in the study was and will be held in confidence. All the transcripts, tapes, filed notes and analysed data are stored under fictitious names to

ensure the anonymity of participants and their organisations. Furthermore, interviews were conducted according to the convenience of the participants in terms of time and place.

### **3.9 Conclusion**

This chapter covered two related foundational aspects of the study; the theoretical framework and the philosophical-methodological stance involved in the study. The extant CSR–HRM literature suggests the existence of a relationship between CSR and HRM. However, little is known on how CSR and HRM generate implications for each other and under what conditions and how they can be integrated in organisational settings. The purpose of this study is to contribute to this knowledge gap by systematically investigating the linkage between CSR and HRM. Therefore, using the stakeholder perspective, contingency perspective and integration theory, a theoretical framework was proposed to guide data collection and analysis.

The chapter outlined various philosophical approaches and established that the research fits within an interpretive paradigm and believes in the subjective construction of social reality in investigating the research questions. The research approaches were discussed, and the adoption of an abductive and qualitative approach was justified. Afterwards, research methods were explored in detail, including the justification for the use of the interviewing method and semi-structured interviews as the data collection technique. Sampling and data collection procedures were also discussed.

Another key part of the research method used was illustrated in the data management sections; this covered the methods of transcribing and analysing interview data, and highlighted the use of thematic analysis as accommodated by the Nvivo programme in coding and analysing interview transcripts. Finally, key aspects of the study such as validity, reliability and ethical issues concerned with the study were presented. Based on the use of such research philosophy and methods, Chapters 4, 5 and 6 will now discuss the key findings of the research.

---

## Chapter 4

### The Relevance of CSR to HRM

#### 4.1 Introduction

This chapter focuses on the first research question: *'How is CSR relevant to HRM and what factors affect such relevance?'* and marks the first of three chapters discussing the findings and analysis from the empirical study. The internal dimension of CSR deals with HRM-related aspects, such as diversity, work–life balance, equality and leadership development (Welford, 2005). Accordingly, it is often proposed that CSR is closely applicable to HRM practices (Clark, 2000; Cohen, 2010). A few studies have investigated the implementation of such CSR-related HR initiatives (Buciuniene & Kazlauskaitė, 2012; Vuontisjarvi, 2006). However, there is limited understanding of how HR aspects can be addressed from the CSR perspective and what the role of CSR and HRM can be.

Furthermore, with regard to the above-mentioned HRM-related aspects, there is an increasing overlap between internal CSR and HRM. This overlap has given rise to a degree of complexity and confusion between CSR and HRM, in both academic and functional terms. In fact, how and under what circumstances such an interface works remains unknown, largely because previous research has seldom explored this issue (e.g., Gond et al., 2011). This chapter, therefore, has the following objectives, to:

- discuss HR aspects addressed within the ambit of CSR
- critically evaluate the perception of managers regarding the interface between CSR and HRM
- examine factors affecting the relevance of CSR to HRM.

An overview of the chapter is presented in the first section. The second section discusses four overlapping aspects of CSR and HRM. The third section examines the perception of participants towards the intersecting of CSR and HRM. A discussion of contextual factors influencing the relevance of CSR to HRM is provided in the last section.

#### **4.2 Overview of the Chapter**

This empirical research adopts a stakeholder perspective to establish a link from CSR to HRM. This is because the application of the stakeholder approach guides CSR as well as HRM to address the ethical and social responsibilities of employees (Greenwood & De Cieri, 2005; Jamali, 2008). As argued earlier, employees are the key stakeholder group of CSR and HRM. Therefore, it is advocated that CSR and HRM can be linked through the shared objective of promoting employee-centred practices (Buciuniene & Kazlauskaite, 2012; Deniz-Deniz & De Saa-Perez, 2003). In accordance with this view, the ensuing study reported that CSR and HRM are certainly linked through some employee-related practices.

The main themes that emerged from the data (using Nvivo) are shown in a node tree (Figure 4.1). These themes are expanded throughout the chapter to highlight resulting sub-themes. The node trees are the organising device for the chapter and they illustrate the interconnections between themes.

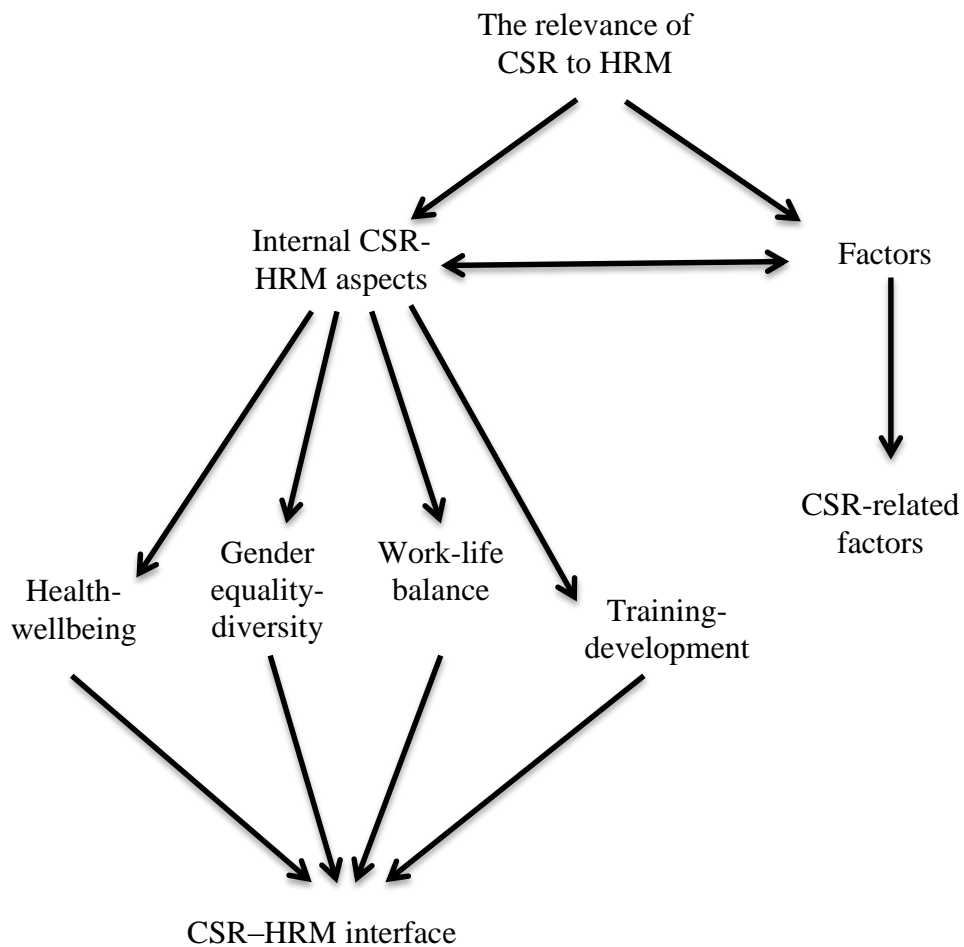


Figure 4.1. The relevance of CSR to HRM

As shown in Figure 4.1, the study reported four key themes often covered under internal CSR and HRM, namely health–wellbeing, gender equality–diversity, work–life balance and training–development. These practices are discussed as ‘the overlapping zone’ between internal CSR and HRM, which may result in a CSR–HRM interface, as depicted in Figure 4.1. The chapter analyses the perception of CSR and HR managers regarding such an interface. Importantly, the chapter argues that the relevance of CSR to HRM is associated with contextual factors, in particular CSR-related factors. These factors are also examined in the chapter. Each of the themes presented in Figure 4.1 is elaborated in the chapter. Relevant comments from participants are presented and, where appropriate, findings are compared with the existing conceptual literature and empirical studies.

#### **4.3 Internal CSR: Addressing HR Aspects**

Internal CSR is concerned with the implementation of CSR within the organisation. Specifically it deals with internal stakeholders, namely employees, including managers, and addresses HR-related aspects within the CSR paradigm. However, the application of CSR to HRM is relatively un-explored in organisations (Sharma et al., 2008), and this impression was reflected in a few of the interviews of the present study. For example, I-CSR Manager asserted:

...I found that CSR is perceived as an external activity and internal CSR is still missing in organisations. CSR experts have an idea about [the] internal component of CSR but if I ask others who are not experts, they will talk to me about recycling or community projects as CSR practices of the company.



The above-mentioned participant argued that CSR is mainly implemented as an external initiative, and does not involve HR-related internal issues. As a result, CSR is perceived as an external exercise encompassing community and environmental initiatives in the organisation. In contrast, some participants proposed a different view, that HR-related CSR is crucial for the organisation. For example, K-Sustainability Manager stated: “In New Zealand it is said that we need to look after our own backyard before looking at things externally. So employee welfare is really a key thing and we are very much keen to focus on our employees first.” L-HR Manager supported this view by indicating: “If you think about community but if you don’t care your own employees, then it will be a terrible issue. Charity begins at home, so in a way, when you are responsible for your people it is a part of CSR.”

The comments reflect the significance of the internal dimension of CSR. The participants mentioned above revealed that the application of CSR in HRM is important because it is the fundamental responsibility of organisations to look after employees’ ethical concerns. This reflects the view that organisations committed to CSR should have an internal CSR strategy to enhance wellbeing of the employee group of stakeholder (Vuontisjarvi, 2006). As shown in the above conflicting views, however, employees’ concerns are addressed differently in CSR strategies. This demonstrates that the application of stakeholder approach to CSR varies from firm to firm. How the stakeholder approach is compatible with the overall findings will be explored in Chapter 7.

During the interviews of the present study, when asked what employee aspects are comprised within internal CSR, participants repeatedly mentioned a few HR initiatives. For example, J-CSR Manager noted: “Wellbeing and welfare policies are a big part of CSR. I have an umbrella view of CSR, which also covers some HR elements such as leadership development, diversity, work–life balance and equality.” Similarly, A-CSR Manager asserted: “We currently have the programmes that we do in relation to our employee CSR, which largely focus on health and wellbeing, diversity and leadership.” B-CSR Manager also shared his company’s practices: “We have a separate framework and objectives for employee-related aspects which include women leadership, equal opportunities, employee wellbeing, and flexible working.”

Four HR-related aspects, namely health and wellbeing, gender equality and diversity, training and development and work–life balance, were repeatedly mentioned by participants as components of CSR. The following sub-sections discuss these aspects in detail, including the types of initiatives offered in each aspect and its link with CSR.

### **4.3.1 Health and Wellbeing**

For the purpose of this study, health is defined as “a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity” (WHO, 2002, p. 3). According to this definition, wellbeing is also considered a component of individual health (Page & Vella-Brodrick, 2009; Wojtaszczyk, 2008).

The organisations under scrutiny were keen to promote employee health and wellbeing beyond the standards of legislation. For example, F-HR Manager stated: “New Zealand has specific standards, but in addition to that we have a quite long list of health practices for our employees. We have a very well equipped gym outside; we have a welfare fund and much more.” C-HR Manager also pointed out a few programmes:

We have an occupational health clinic on site which provides free services.

We also found that asthma, diabetes, obesity are the key contributors to absenteeism. So our clinics look at the key areas, and arrange educational programmes.

Employees were offered a variety of health-related facilities. This endorses the view that generally organisations are greatly concerned about health of their employees, not only to meet mandatory requirements but also to promote quality of life and employee performance (Wright, Cropanzano, & Bonett, 2007; Wright, 2006).

Besides such physical health programmes, participants of the present study illustrated some wellbeing programmes. For instance, G-HR Director stated: “We provide free employee counselling for their personal problems such as relationships with their partners or children, financial problems. We fund three counselling sessions for the employee.” F-Sustainability Manager also discussed wellness programmes: “There are a number of wellbeing initiatives that we offer, such as programmes on healthy eating, weight-reduction methods and seminars around

parenting teens, to name a few.” These examples demonstrate that organisations promote employee wellbeing through various initiatives, which aim to achieve the social and mental wellbeing of employees. The findings reveal that most of the organisations under scrutiny (11 out of 16) were keen to offer health and wellbeing initiatives in order to ensure healthy and happy workplaces.

With regard to CSR relevance to the health and wellbeing aspect, three sub-themes emerged from the data: *CSR is linked with health and wellbeing*, *CSR extends the wellbeing focus*, and *CSR is not linked with health and wellbeing*. The first sub-theme is that CSR is directly related to health–wellness initiatives. For instance, J-CSR Manager asserted: “I am actually on the steering committee of health and safety in our business, which is run by HR but I put forward CSR values and international standards in these programmes.” M-Sustainability Manager confirmed this view: “We have a wellbeing manager from HR and we have been working together on a ‘wellbeing month’. So this is an idea that came from my team, where we organised a particular week for nutrition, exercise, disease preventions and mental wellbeing.”

The above shows that CSR professionals are involved in health and wellbeing practices. In particular, CSR managers help to embed CSR guidelines in health and wellbeing in two ways; first, they try to integrate values such as integrity and openness in existing health and wellbeing programmes, and second, they incorporate CSR standards into routine health and wellbeing programmes. Many organisations (9 out of 16) sampled in the study, for example, adopted international reporting

standards, such as GRI. GRI (2013) establishes guidelines on health and safety indicators such as information on health and safety committees, types of injury, rates of injury, occupational disease, absenteeism and work-related fatalities. This framework is used 'for not only what should be reported but also for what should be done' (SHRM, 2012, p. 15). Thus, this sub-theme suggests that CSR can help to develop systematic frameworks for health and wellbeing programmes by employing international standards.

The second sub-theme is related to the influence of CSR on wellbeing aspects of HRM. HR participants pointed out that the health–wellbeing agenda is driven by HR, yet CSR helps to broaden focus on employee wellbeing along with occupational health. For example, D-HR Manager indicated: “We would be doing a bunch of programmes around health and safety anyway. Probably, the thing that changed since we started [the] CSR path is focusing not just on safety but on personal wellbeing as well. We have now a broader context for wellbeing.” The K-HR Manager shared a similar view, by stating:

We have been doing some safety and wellbeing initiatives for years. But we have definitely noticed some change over the last three years since we adopted CSR strategy as these are also covered in CSR. So now we have been monitoring wellbeing things like diabetes in our workforce. We might not have this wellbeing stuff without a CSR focus.

The participants' comments demonstrate that the emphasis of HRM remains on occupational health and safety. The adoption of CSR in organisations helps HRM to address employee wellbeing. In other words, CSR widens the scope of operational safety and health towards overall employee wellness, and offers more opportunity to HRM in this regard. This is because HRM, being organisation-oriented, focuses on legislative requirements and performance aspects of health and safety, whereas CSR reinforces its original welfare philosophy (Cohen, 2010). The objective of internal CSR is to promote employee welfare beyond mandatory or instrumental requirements (Carroll & Buchholtz, 2008). Therefore, the finding here offers a broader perspective and suggests that CSR can assist HRM to develop 'CSR-inspired' wellbeing initiatives.

While the above two sub-themes support the application of CSR to health and wellbeing aspects of HRM, the third sub-theme suggests that health and wellbeing are purely HR practices and not related to CSR. For example, B-HR Manager asserted: "We have got a really strong health–wellbeing policy for our staff and it remains a major focus of HR but to be frank it is not a part of our CSR strategy." This view was confirmed by G-CSR Manager who stated: "As far as health and wellbeing expertise goes, HR is all over it... so health–safety and wellbeing are much more as what they do as standard HR practice; however we do report it under our workplace CSR piece."

The participants quoted above were reluctant to discuss the integration of CSR in health and wellbeing practice. They claim a distinct insight into what is acknowledged in the literature, that health and wellbeing should be addressed under the CSR remit (European Commission, 2001; Segal, Sobczak, & Triomphe, 2003; Zwetsloot & Starren, 2004). The finding here does not support the view that “safety and health at work is very much an integral part of the CSR concept” (Zwetsloot & Starren, 2004, p. 5), but reveals that in some circumstances health and wellbeing are not addressed under CSR, except for the disclosure of health–wellbeing data in CSR reports. This reflects that the application of CSR to health and wellbeing is contingent upon various variables. For example, it was observed that CSR strategy in the above-mentioned organisations was limited to external initiatives, such as community projects and sponsorship, and there was no linkage with HRM. In this instance, as suggested by Jain et al. (2011), CSR may have marginal relevance to health and wellbeing issues, with HR driving the agenda based on mandatory occupational safety and health guidelines and standards.

Furthermore, it was found that the nature of the industry directly affects the link between CSR and health–wellbeing. For example, in the banking sector where employees are less prone to occupational hazards and disease, the HR department managed health and wellbeing initiatives. This was different in the construction industry, conversely, with its increased risk of accidents and hazards. For example, two construction organisations in this study had specific environmental managers in

their CSR divisions to look after health and wellbeing issues from a CSR perspective. These contingent factors are further explored in section 4.5.

The above discussion shows that the relevance of CSR to employee health and wellbeing relies on contextual factors, specifically the scope of CSR within the organisation and the nature of the industry. The finding proposes that the link between CSR and health–wellbeing is not as straight forward as outlined in the literature (Patton, 2010; Wojtaszczyk, 2008; Zwetsloot & Starren, 2004). It recommends that health and wellbeing can be addressed under the ambit of internal CSR subject to the above mentioned contextual factors. Within these variables, there may be two broad implications of CSR for health and wellbeing; first, that health and wellbeing programmes can be redesigned in accordance with CSR standards. This helps to provide context to HRM by measuring these initiatives from a CSR perspective. Second, that CSR helps to broaden the scope of occupation safety and health to include the social and mental wellbeing of employees.

#### **4.3.2 Gender Equality and Diversity**

Gender equality in the workplace deals with equality in recruitment, training, pay and career advancement for men and women (Vuontisjarvi, 2006). Diversity is a broader concept which may encompass equality (Grosser & Moon, 2008). According to Emmott and Worman (2008), “Diversity consists of a range of characteristics, such as gender, race, disability, religion, belief, sexual orientation and age, as well as personal characteristics, such as work style, personality and culture” (p. 30). Thus



diversity is concerned with the employment and leadership of employees from different ethnicities, and according to gender, age and social class (Prasad, Pringle, & Konrad, 2006).

There is a growing interest among organisations to promote equality and diversity in the workplace. In New Zealand, the last two decades have witnessed considerable changes in the demography of the population (DoL, 2013). Accordingly, organisations need to change their employment policies. The participants mentioned that they provided equal opportunities to multicultural groups. For example, A-CSR Manager said:

Diversity is a part of our business as we recruit multicultural groups. We also have got multicultural network groups, such as Indian, Maori, Pacific Island group, Chinese, Asian... [we have] even got which is called GLBT – Gay, Lesbian, Bio-sexual and Transgender group.

The above shows the most common way of promoting diversity by increasing the numerical representation of historically excluded groups. However, this is a very basic form of diversity in terms of equal employment opportunities. According to Prasad et al. (2006), the scope of diversity goes beyond such basic affirmative action. This view was supported by H-HR Manager:

So in diversity we have got three classifications. So one is about women or gender equity, another is the multi-generation workforce, and then cultural

diversity. And we keep in mind these groups while implementing HR functions throughout the organisation. We also have action groups around these areas, and they get together, come up with action plans with what we can do to improve these areas.

This reflects a broader application of diversity, by adapting HR policies and functions and by including the diverse workforce in organisational decision making and leadership. As acknowledged in literature, the organisations under scrutiny implemented diversity by two methods; first by employing a diverse workforce in terms of age, gender and ethnicity; and second by initiating changes in recruitment, selection, training, leadership development and promotion (Gardemswartz & Rowe, 2010; Shen et al., 2009; Wilson & Iles, 1999).

Four sub-themes were initiated with regard to the application of CSR to equality and diversity: *equality and diversity are material issues for CSR, CSR broadens equality–diversity practice, CSR provides context to HRM, CSR is not linked to equality–diversity.*

First, equality and diversity are considered material issues to be addressed by CSR. Material issues are those that have a direct or indirect impact on an organisation's ability to create and preserve economic, environmental and social value for itself, and its stakeholders (GRI, 2013). For instance, H-CSR Manager stated:

We are pulling statistics on gender equality in terms of pay equity. What we saw in last year's report is really a red flag for us, to be honest! We have some serious pay equity issues, which is obviously our key material issue and we need to work on it.

M-Sustainability Manager also asserted:

So the aging population of the country is a material issue, and we have to change accordingly. In future we are going to be increasingly diverse workforce and we need to work with our HR people to sort out this by following diversity standards of CSR.

I-CSR Manager illustrated the underrepresentation of women as an issue for the organisation:

Having done an assessment that women are not as represented in senior management role as men are, it has now become our material issue to be addressed. For instance, there is 70% of women in our workforce, but only 20-25% of senior management are women.

Materiality is about specific issues relevant to specific stakeholder groups. The organisations in the present study encountered various material issues related to employee stakeholder groups; namely an aging population, pay inequality and the underrepresentation of women in leadership. CSR reports are centred on matters that are really critical to achieve the organisation's goals and manage its impact on

society. In fact, diversity and equality are one of the top 10 material issues reported by organisations in GRI (GRI, 2013). This necessitates that CSR managers deal with these issues from a CSR perspective to find sustainable solutions. In other words, being a sensitive issue for organisations, gender equality and diversity is associated with CSR. In accordance with the view of Grosser and Moon (2005), the finding here suggests that organisations should examine internal issues and shape their CSR programmes accordingly.

Second, CSR helps extend the scope of equality and diversity issues. CSR respondents in this empirical research stated that although diversity was driven by HRM, they needed to deal with key issues. B-CSR Manager stated: “Diversity is from HR obviously, and they did some work. But the result was not so great due to [the] narrow application of equal opportunities. So it required our support in order to meet CSR-related standards.” Similarly, I-CSR Manager asserted: “We have made some commitments in our CSR objectives to promote women’s equality in accordance with the GRI guidelines. For instance, the development of a mentor programme for women. And HR has to just carry on such commitments.”

These CSR participants revealed that HRM obviously oversees diversity and equality initiatives, yet requires assistance from CSR. This is because the HR approach towards diversity and equality may be limited to equal opportunities in hiring and the compliance of legitimate rights. In such cases, CSR can facilitate a broader application of diversity and equality by following the CSR standards

recommended by international institutions (such as GRI and the Dow Jones Sustainability index). This helps ensure that diversity and equality is applied not only to recruitment but also to training, development, pay and promotion practices. Thus, participants recognised that whereas HR actually implements diversity and equality initiatives CSR can help set the commitments and standards around such practices.

The third sub-theme is that CSR provides context to HRM with regard to diversity, as specified by the HR participants. For instance, D-HR Manager asserted:

The diversity initiative was kind of swimming under the sea, we didn't have any context rather than 'yes we wanted to do something'. And then as a group we decided to participate in an international CSR index called GRI, which had a separate workplace section which included diversity. So all of a sudden we got a huge context in terms of CSR. And that certainly helped because as we got a real business context of doing that and our diversity policy and practice got polished under CSR criteria.

J-People manager also provided a similar assertion:

I can give an example how these sorts of initiatives counter fly over CSR. Back in 2006, we decided to promote increasing the number of women in leadership positions... We did a huge survey of women across the group and we came up with some initiatives that we are going to do. However, we did not have any commitment until we decided to have CSR reporting which also

contains disclosure on women in the workplace, and that gave us lot of context to organise this area. And we really did well after that!

This shows that diversity and equality initiatives are redesigned by adopting international CSR indicators. For example, GRI has provided indicators on diversity, such as the diverse composition of employees and diversity in promotion and development (GRI, 2013). Similarly, the Dow Jones Sustainability Indices (2013) advocate equality indicators, such as the composition of women in the total number of employees and the number of women in top and middle management. Such CSR indicators can be incorporated in diversity and gender equality policy to develop a systematic framework. An additional business context is therefore applied to HRM by implementing, measuring and externally reporting diversity and equality aspects from a CSR perspective.

Contrary to the insight suggested in the above views, the fourth sub-theme points out that gender equality and diversity are '*pure HR*' functions based on mandatory requirements. This is illustrated by L-CSR Manager who stated: "Diversity is a key thing but it does not sit in our team's role but it is very much something that they [HR] drive it really." Some, in contrast, considered diversity as a legal requirement; for example, B-HR Manager: "There is legislation on equality so we have that policy so there is nothing additional in that. We generally look after the policy, and CSR is not involved at this stage." A few others also linked diversity with organisational values; for instance E-HR GM pointed out: "So we do value diversity, as it is a part

of our cultural value and we look after diversity. So that is a big case for us but I don't think it's CSR!"

The above participants were reluctant to associate diversity with CSR. This is due to the fact that diversity, in its limited sense, is considered a legal obligation (Hart, 2010; Shen et al., 2009), or an organisational value (Perrini, 2005) primarily executed through the HR department (Alcazar, Fernandez, & Gardey, 2013). The finding here suggests that the relevance of CSR to diversity is not uniform but varies from firm to firm in accordance with contextual factors, such as the scope of CSR. For example, in the above-mentioned cases, the focus of CSR is on external initiatives and the organisations were not committed to CSR reporting. This is because they were in the early stage of CSR adoption. In such circumstances CSR may not have much influence on HRM and therefore on the diversity issue.

In contrast, as earlier mentioned in the comments of D-HR Manager and J-People Manager, organisations that adopted generous CSR strategies and reporting based on GRI or the Dow Jones sustainability index, developed separate targets related to equality and diversity practices. In these cases, CSR has a direct relevance to HRM, due to the fact that these organisations have had CSR for many years and have well-balanced CSR strategies. Hence, the extent to which CSR is involved with diversity is contingent on the scope and application of CSR – and the stage of CSR development – in an organisation. These issues are further elaborated on in section 4.5.

The above discussion explains that, subject to contextual factors, namely the scope and application of CSR, diversity and equality are addressed under CSR from two perspectives: first, the application of diversity and equality are broadened by employing CSR standards. Diversity and equality can be promoted throughout the organisation by embedding CSR standards with recruitment, remuneration, promotion, and leadership development. Second, CSR standards around diversity and equality help to give some context to HR by measuring diversity and equality performance from a CSR perspective. This shows that as diversity and equality can be a part of the CSR paradigm, CSR helps HRM to develop standards around diversity and equality aspects, whereas HR endorses them by implementing various initiatives. Thus, findings confirm that diversity and equality can be addressed from a CSR perspective to develop extensive policy (Bjerregaard & Luring, 2013; Luring & Thomsen, 2009; Maxfield, 2007), but also point out the subjective association between CSR and HRM.

### **4.3.3 Work–life Balance**

The third important element to be discussed under the scope of internal CSR is work–life balance. It is defined as “the extent to which an individual is equally engaged in – and equally satisfied with – his or her work role and family role” (Greenhaus, Collins, & Shaw, 2003, p. 513). Work–life balance can be promoted through various initiatives, such as flexible working, extended parental leave, free social events for families, opportunities for career breaks, onsite support for



childcare and referral and financial resources for child and elder care (Batt & Valcour, 2003; Berg et al., 2003; Stropnik, 2010; Vuontisjarvi, 2006). During the interviews for this empirical study, flexibility was frequently mentioned by the interviewees as one of the most familiar work–life balance initiatives offered by organisations. For instance, D-CSR Manager stated: “...so flexible working hours are those kinds of policies which contribute to the greater good. It allows them [employees] to work part-time or in flexi-hours which complement with their life style and family situation.” E-HR GM described their work from home practice:

We have looked at new ways of dynamic working, for example working from home, flexi-time schedules and part-time jobs. We have a flexible HR model; we have policies and practices that enable people to manage their transition whether it is study, family, or retirement.

Many of the organisations under scrutiny (10 out of 16) offered flexible working as a work–life balance initiative. It follows the findings of research that flexibility is a popular work–life balance practice compared to other work–life balance initiatives such as free child care, extended maternity or parental leave advantages and study or career leave are less popular in organisations (Vuontisjarvi, 2006). This is due to the fact that organisations can easily extend flexibility practices to a large group of employees and reduce the cost on office space and facilities (Stropnik, 2010). Furthermore, flexibility helps to reduce absenteeism and stress, improves productivity (Wang & Walumbwa, 2007) and attracts women employees

(Buddhapriya, 2009). This sub-section focuses on flexibility as a key work–life balance initiative. Two sub-themes were observed from the data: *CSR is somewhat related to flexibility and CSR is not linked with flexibility.*

First, participants uphold that CSR has marginal application for flexibility. For instance, H-CSR Manager maintained: “So HR offers flexible working. Now there is a CSR theme in that, and we particularly report it under the CSR framework.” D-CSR Manager also discussed a similar implication: “Yes we do report flexibility stuff under CSR, however HR drives it really.” As reflected in these responses, flexibility is being disclosed under CSR reporting. Nonetheless apart from reporting, CSR is not strategically linked with flexibility. CSR does not seem to have significant implication for HRM with regard to flexibility. In accordance with the view of Gond et al. (2011), this falls in a category of the CSR–HRM link where HR-driven practices are often externally reported as internal CSR without any actual implication.

The second theme suggests that flexibility is addressed under the scope of HRM. Some CSR and HR participants argued that flexibility was an HR initiative not associated with CSR but part of their culture or legislative initiatives. For example, L-CSR Manager clarified that: “I think we don’t explicitly link flexibility with CSR as it is a part of our overall culture.” K-HR Manager considered flexible working part of their routine obligations: “We manage a practice which gives employees an opportunity to drop some hours per week, but it is offered in the collective agreement of employees,

and has nothing to do with CSR.” B-HR Manager illustrated flexibility as a legal responsibility: “We offer flexible working which is open to all employees. So it is about legislation and any employee can request flexible working. I don’t think it is CSR!”

The above examples highlight that flexibility is influenced by organisational culture and mandatory requirements driven mainly by HRM. This is in line with the view that HRM offers a variety of flexible initiatives due to legal requirements (Muster & Schrader, 2011) and organisational culture (Perry-Smith & Blum, 2000). In other words, the above-mentioned participant stated that generally flexibility is managed as a part of routine or innovative HR practices. This view does not support a study which reported that work–life balance initiatives were inspired by CSR (Stropnik, 2010).

The above view is due to the fact that the connection between CSR and HRM is influenced by contextual drivers related to CSR. For instance, CSR strategy which does not have internal focus may have few implications for flexibility. Similarly, if the organisation is not committed to CSR reporting, flexibility aspects may not be addressed under the CSR regime. Sectorial differences also influence this aspect. Two public sector organisations that participated in this study were more inclined to have a broader application of CSR and CSR reporting, and focused on HR aspects including flexibility. This aspect is further expanded in section 4.5.

While some scholars suggest an association between CSR and flexibility (e.g., Gellert & Graaf, 2012; Stropnik, 2010), the finding here offers a slightly different insight; in particular, unlike previously discussed aspects, CSR is not very relevant to the issue of

flexibility. The possible reason for this difference is that health–wellbeing and equality–diversity are generally identified as material issues of CSR, and therefore addressed from the CSR perspective. However, flexibility is not often considered a material issue, even though it is reported under CSR. Therefore, the finding does not support that CSR has any implication in the issue of flexibility, except for CSR reporting.

#### **4.3.4 Training and Leadership Development**

The last indicator of internal CSR covered in this section is training and development, which basically includes all kinds of programmes and policies that increase the skills and abilities of employees (Pfeffer, 1994). Organisations offer various training and development programmes to their employees as they directly influence individual and organisational performance (Noe, 2013). Similarly, the participants of this study acknowledged a variety of training and development initiatives. For example, E-HR GM pointed out: “We have lots of stuff on training; we have a new leadership development programme. So there is a kind of a whole big piece of management programmes for high potential staff.” A-People Manager also shared: “Every year we have many training and leadership development programmes and have courses on employee leadership and communication, and many more things to provide [an] environment for our future leaders.”

The participants discussed training and development initiatives that range from basic operational training to leadership development. In accordance with the recent literature, the participants also revealed that training and development are discussed from the CSR

perspective (Becker, 2011), which aims to develop sustainable and long term talent (Pless et al., 2012). In particular, three sub-themes emerged with regard to the applicability of CSR to training and development: *CSR is linked to training–development, CSR incorporates ethical concerns, and CSR is not linked to training–development.*

First, training and development are addressed under the realm of CSR. For example, K-Sustainability Manager indicated: “Our HR released a new leadership development programme and I worked on how to link these initiatives with measures for CSR, and to integrate and measure the leadership programme that HR runs.” G-CSR Manager also asserted:

We have a global leadership programme which is a CSR one and it is also very much a HR leadership development theme. You have been given an opportunity to be on internal project for six months and to develop leadership skills in different culture and background. So that programme has an HR component in it as it is very much a leadership development programme but we cover that under our CSR agenda.

The above examples demonstrate that training and development practices are addressed and measured from a CSR perspective. This is because training and development are also identified as one of the top 10 material issues of organisations (GRI, 2013). Accordingly, GRI (2013) has provided indicators, such as average hours of training by gender and employee, programmes for skills management and

lifelong learning, management of career ending (retirement) and the percentage of total employees receiving a regular career development review. Thus, training and development initiatives are measured using CSR indicators and disclosed under the workplace dimension of the CSR report.

The second sub-theme is concerned with embedding ethical concerns of CSR in training and development programmes. For example, D-CSR Manager stated: “Apart from leadership development we also manage non-performance as a part of our CSR. So if somebody does not attain the performance expectations, we work it out positively, guide and give them good employee experience.” I-HR Manager provided another example in considering ethical issues in training programmes: “Career progression opportunities are also from a CSR point of view... So we have remodelled hard training programmes, for example sales training. We don’t have [a] script of selling but have very holistic need-based sales training which focuses on employee empowerment.”

Interestingly, some CSR-inspired aspects of training and development are reflected in the above comments. As mentioned, CSR encourages learning for non-performing employees and motivates needs-based training. Because the essence of internal CSR remains on wellness, it influences the development of sustainable employees through long-term learning and employability. In other words, the finding here shows that CSR-inspired training and development programmes focus on overall employee wellbeing, rather than just achieving organisational performance. This view confirms

the finding of a study which reported that CSR-inspired training programmes included funded skill training for the average worker and lifelong learning to support non-performance (Vuontisjarvi, 2006). It also follows the view of Wilcox (2006) that CSR influences the provision of development opportunities to marginalised employees. Thus, the finding here endorses that CSR can help to embed the ethical concerns of employees in training and development programmes and promotes overall wellbeing.

The last sub-theme is that training and development are HR functions and not related to CSR. This can be illustrated by E-HR GM's comment: "Our training and leadership development programmes do not have a CSR component .... I think some other HR things will be linked to it, kind of indirectly, but not leadership development." F-HR Manager also confirmed this view: "We have lots of training and development programmes because the majority of our workforce is unskilled. But it is our routine HR training to upgrade employees' standards and we don't consider it CSR really."

The above-mentioned participants describe training and development as "*pure HR*" and not concerned with CSR. This is due to the fact that training and development of employees is an obvious HR responsibility. The key reason, however, for the unwillingness of participants to link CSR and training-leadership is the limited application of CSR. As these organisations did not embed CSR in HRM, CSR did not have influence on training and development. This supports the view of Fenwick

and Bierema (2008) that the HR managers of organisations with externally focused CSR may hesitate to discuss training and development with CSR.

The finding suggests that training and leadership development is an HR initiative; yet CSR can have considerable impact, subject to the scope of CSR in the organisation. In particular, the integration of CSR in training and development helps to develop socially responsible initiatives by considering social–ethical issues and providing long-term training and leadership development rather than just the attainment of individual skills. Furthermore, measuring training and development using CSR indicators promotes more effective and broader applications of such initiatives. This is in line with the literature which suggests that the objective of CSR in training and leadership is to consider the wellbeing and interest of employees alongside organisational interests (e.g., Mankelow, 2008; Wilcox, 2006).

To sum up, it can be said that the relevance of CSR to the above-discussed HR components, namely health–wellbeing, gender equality–diversity, work–life balance and training–development is complex and diverse as it relies on contextual factors related to CSR, such as the scope of CSR, industrial differences affecting CSR application and the stage of CSR development in the organisation.

#### **4.4 The Interface between CSR and HRM**

The above section discusses four people practices that fall into the remit of HRM and CSR. It shows that while addressing employee aspects from HRM as well as CSR



perspective, an interface between CSR and HRM emerges. Participants have various perceptions regarding such a CSR–HRM interface as shown in Figure 4.2.

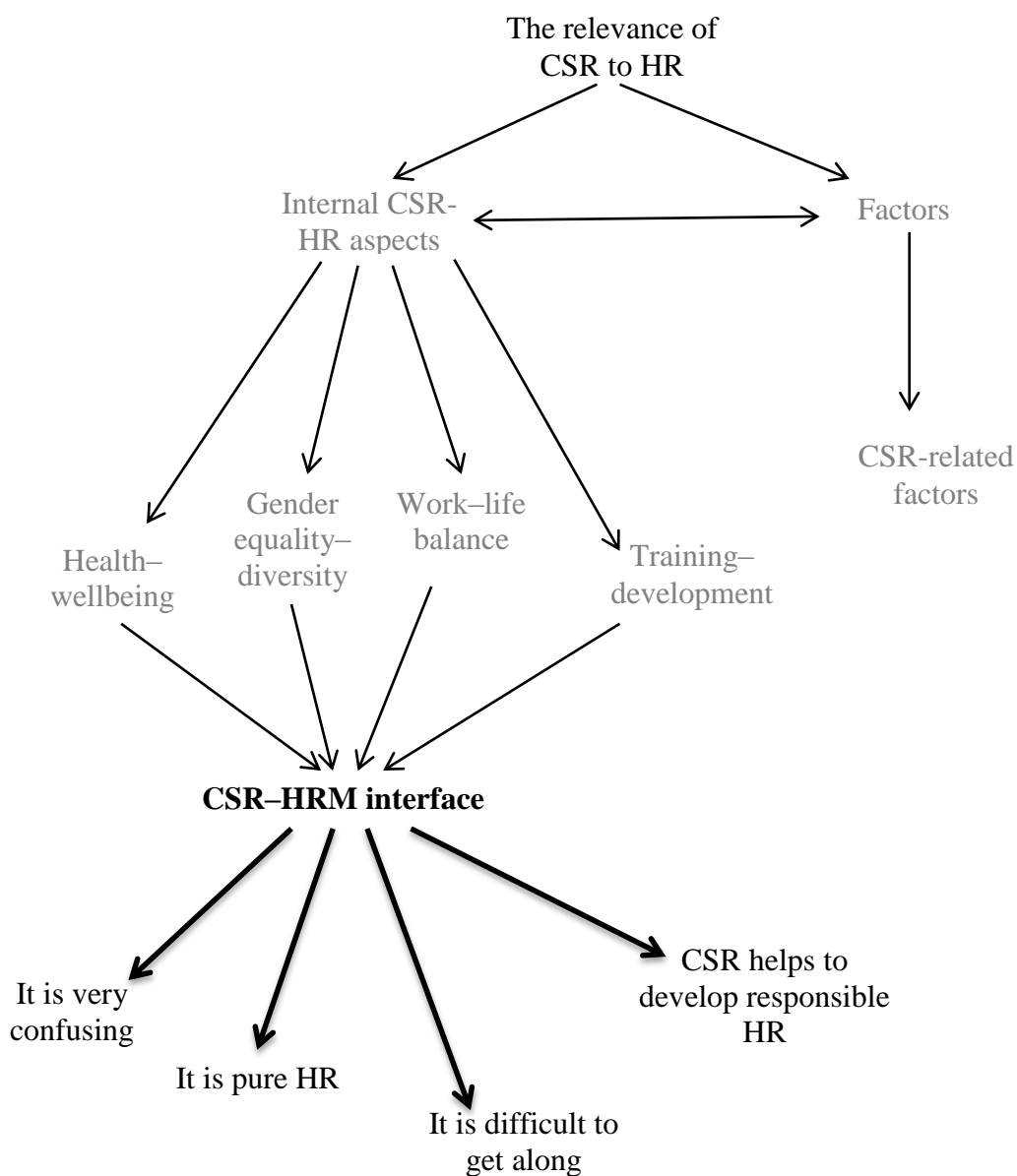


Figure 4.2. The CSR–HRM interface

Figure 4.2 points to four themes related to the CSR–HRM interface, indicated in bold type. It shows that the interface between CSR and HRM is ambiguous. This is because the CSR–HRM overlap is rarely evident in the literature (e.g., Ehnert, 2009; Gond et al., 2011), and the way these concepts are understood and managed in workplaces depends a great deal on the different societal contexts (Cooke, 2011). Therefore, this section examines the perception of CSR and HRM participants with regard to the overall interface between CSR and HRM. Each of the themes presented in Figure 4.2 is discussed in detail in this section.

#### **4.4.1 It is Very Confusing**

The first theme suggests that the interconnection between CSR and HRM is vague. Participants described this by using words such as, ‘confusing’, ‘not a good stir’ or ‘diluting’ and ‘it’s a question’. Even a few CSR professionals admitted that the relevance of CSR to HRM was unclear. For example, A-CSR Manager revealed: “I don’t think we cover HR stuff under CSR strategy. HR initiatives are a part of business strategy and [we] don’t want to create confusion by linking such practices with CSR. The only link is that we disclose diversity and women leadership in our CSR reports.” E-Sustainability Manager asserted a similar statement: “I think it is confusing because those sorts of employee practices have their own momentum as an HR function. So what is the point of linking them with CSR? I don’t see any value in linking such HR aspects with CSR as it is really vague.”

As the above responses show, CSR managers themselves were hesitant to link CSR with HRM. Particularly, in the above-mentioned organisations, the focus of CSR was limited to external initiatives; therefore CSR did not address internal HR-related aspects. The finding here supports the view that CSR is much explored as an external practice (Jain et al., 2011), and that the HR dimension of CSR is not clearly addressed in organisations (Nordestgaard & Kirton-Darling, 2004; Sharma et al., 2008). Hence, managers in these kinds of organisations can be reluctant to link the two constructs.

Another view is that even though CSR experts believe in the broader scope of CSR; that is, CSR includes elements of HR, it is difficult for them to get ‘buy-in’ from employees and management in the current organisational setting. This is illustrated by K-CSR Manager’s comments: “I think we just create and make things complex for people. The connection of CSR in HR does not really make sense for the employees in their everyday workplace life.” O-CSR Manager confirmed this view: “There would still be a portion of senior managers who don’t really see the benefit of making the link between CSR and HR. This might be perceived by them to be not really good stir and HR aspects would not be seen as part CSR.”

The above evidence is from organisations in the early stages of CSR development with a priority on external stakeholders. Therefore, the understanding of managers and employees regarding CSR was limited to external practice. These CSR professionals therefore find it difficult to link CSR and HRM, which demonstrates

that the stage of CSR development within an organisation directly influences the scope of CSR. In this situation, the relevance of CSR in HRM is less likely and it is obvious that CSR and HR managers perceive the relationship between CSR and HRM unnecessary and confusing.

Thus there is a lack of standard application of CSR. As different organisations implement CSR differently, the CSR–HRM link is highly contingent upon diverse organisational and CSR-related variables. The present study observed that service-based organisations, such as banks, with large numbers of employees and direct customer contacts, have broader CSR strategies, encompassing both external and internal dimensions. Accordingly, CSR strategy may have a specific framework for and commitment to HR-related aspects. This results in co-ordination between CSR and HRM. These factors are further reviewed in section 4.5.

#### **4.4.2 It is Difficult to Get Along**

The second theme that emerged from the data reveals the existence of behavioural issues in the intersection between CSR and HRM. Participants believed that although the CSR–HRM partnership was important, it did not exist in their organisation. In particular, some CSR professionals argued that CSR does not have much implication for HR as it is difficult to get along with the HR team. They face resistance from the HR personnel because of a territorial overlap. To illustrate, O-CSR Manager asserted: “I think if you ask HR people if they link such HR aspects with CSR strategy, they will say ‘HR has nothing to do with CSR’. This is because our HR

vision is quite narrow, and even if I want to start something I don't know how I can stretch it further." D-CSR Manager also recognised tension and complications with HR experts: "HR needs to increase an understanding. People are patch protective, 'oh no! You can't interfere in our territory!' It's not that we are going to take things away from them but it is actually going to open up HR. But unfortunately HR looks quite down on some businesses."

The comments show that CSR professionals consider HR managers '*patch protective*', insecure about their territory and don't like the interference of CSR. This view is consistent with the finding of a study that CSR professionals perceive HR managers to not have the ability and interest to collaborate with CSR (Fenwick & Bierema, 2008). It also implies that the functional overlap between internal CSR and HRM may generate complexity and tension between CSR and HR managers. According to Gond et al. (2011), "As the overlap of CSR and HR domains increase, political struggles around functional territories and the labelling of practices are more likely" (p. 124). The finding here supports this statement, as the above quotations exhibit tension due to a territorial battle.

The above sentiment was also evident in interviews with HR professionals. E-HR GM summarised this clearly: "I think HR could get lost under CSR. I think CSR is critical but I don't think we can link our stuff with CSR. We might lose some of our values under CSR in the current operating model of our business." This reflects a fear of losing the power of HRM to the CSR agenda. One of the reasons, according

to Gond et al. (2011), is that when HR managers have dealt with employee-related issues for a long time and suddenly HR is put under the CSR regime, this may raise behavioural and political issues between HR and CSR managers. This is in accordance with the view that using CSR ‘labels’ on HR elements generates tension and impedes cordial relationships between these managers (Ehnert, 2009).

This finding shows that managers encounter tension with regard to the overlapping zone of CSR and HRM. Due to the lack of clear territory, managers are not comfortable aligning CSR with HR. The finding is contrary to the available, limited literature which proposes strategic links between CSR and HRM (e.g., Clark, 2000; Cohen, 2010). Three reasons were observed for such a disconnection. First, it is very common to have issues of power when CSR is linked to operational departments. This is largely because departmental managers take a lead role in such issues, and CSR managers may have less influence on specific operational aspects (Pedrini & Ferri, 2011). Second, as Reilly and Williams (2003) argue, HR managers may feel a loss of power and control and a fear of job security when sharing work with other managers. Third, CSR-related variables also contribute to tension and confusion. For example, HR managers of an organisation with externally focused CSR may have limited understanding of the CSR–HRM linkage. They may believe that CSR is unnecessarily involved with HRM. The CSR-related factors affecting the implications of CSR for HRM are covered in section 4.5.

#### **4.4.3 It is Pure HR**

The third theme is that CSR does not have links with HR as employee-related aspects are driven as 'pure HR'. Participants argued that people practices, namely health–wellbeing, diversity–equality, work–life balance and training–development are implemented as routine HR functions. G-HR Director put it this way: “I understand that while implementing these HR practices, CSR has nothing to do except annual reporting.” L-HR Manager stated: “We do have diversity, work–life balance and health and safety stuff. But we don’t mention it as a part of CSR because these things we generally do as routine HR.”

This view clearly echoes the disconnections between HRM and CSR, as these aspects (diversity, work–life balance, equality and wellbeing initiatives) are generally driven by HRM, even though conceptually they can be included in the CSR paradigm. Indeed, there is growing interest among HR scholars and professionals to promote such practices as innovative HRM because they result in high employee commitment (Konrad & Mangel, 2000). This implies a variation in the application of CSR in the organisation. For example, the above mentioned organisations had recently adopted CSR strategy, so the emphasis was on the external dimension of CSR. In other words, the scope of CSR was limited and might not have implications for HRM in such circumstances. These aspects are elaborated on in section 4.5.

A similar view was expressed in interviews with CSR experts. Even CSR participants acknowledged that internal CSR deals with HR issues, but they do not want to link HR with CSR, and continue to view such issues as 'pure HR'. N-CSR Manager justified it this way: "HR professionals tend to ask me what about this and what about that in some sensitive HR issues. But as far as actually running and driving the programme, they do it. So we consider it normal HR practice." G-CSR Manager also supported this argument: "In terms of CSR, we are in the driving seat for the environment and community activities. But we are not so much in driving seat for HR; I think the work is driven by HR so we really are not connected with HR." B-CSR Manager supported this view:

Yes I think those HR stuff can be a part of CSR but we kind of call it HR really. Like we are happy when HR starts up something new such as flexi-hours, and that's a best example of one way as we have no involvement at all. We have promoted them by saying 'fantastic' & 'well done!' I just want them [HR] to continue to own them and to continue to call them great HR.

The generous application of CSR encompasses employee-related aspects. However, these employee-related aspects are mainly overseen by HRM, and CSR managers are not involved in such initiatives. Therefore, the above-mentioned CSR participants prefer to consider such employee-related aspects as HR rather than internal CSR. This suggests that HR practices that fall under the scope of CSR are generally directed by the HR department and require the marginal support of CSR experts.



This state of affairs concurs with another study, which reported that CSR does not have much momentum when applied to HR, as generally the HR manager is responsible for driving the employee-related agenda of CSR (Pedrini & Ferri, 2011). The authors gave an example of work–life balance and added that although this issue has a CSR theme, it is developed and executed by HR professionals (Pedrini & Ferri, 2011).

Another interesting pattern here is the labelling, repackaging and reporting of some HR aspects as CSR. N-CSR Manager summarised this clearly: “I look over the HR functions to find CSR stuff in that and sometimes like ‘Oh! That’s well done!’ just let me know in detail, because I am going to report on it. Because that’s when I look from CSR perspective, this stuff pops out as CSR but originally they are HR.” This example reveals that CSR is not involved in HRM, yet some HR elements are reported under the internal dimension of CSR. This is in line with the argument that “although these practices are usually managed by HR and are not regarded as ‘CSR’ by most of the heads of CSR..., they are often externally reported as ‘CSR’” (Gond et al., 2011, p. 124). Hence, in the above cases CSR does not have much relevance to HRM except for the labelling and external reporting of HR aspects in CSR.

#### **4.4.4 CSR Helps to Develop Responsible HR**

The final theme that emerged from the data focuses on the strategic implications of CSR for HRM. Participants acknowledged that CSR has significant influence on HR with regard to the practices discussed in the previous section. For instance, CSR

participants said that CSR helps to broaden the scope of HR functions from a CSR perspective. This can be illustrated by the comment of J-CSR Manager:

I have an umbrella view of CSR which covers HR aspects ... the whole leadership development, diversity is a really big thing for CSR and our HR has done some work on it. So it is without fail that these are HR aspects. However, I found that the result was not so great in some CSR-related areas. This means we have some work to do. I developed a CSR strategy and HR framework last year, and asked HR to make some necessary changes and to reorganise it in a different light.

The above comment shows that employee-related aspects clearly fall within the purview of HRM; however CSR can help provide a distinct insight. Incorporating CSR standards, as proposed by various international institutions, can help to broaden the scope of routine HR practices. This view is in accordance with the statement made by Schoemaker et al. (2006) that the application of CSR in the area of HR has wider a perspective which "...brings HRM into a next stage" (p. 460). It supports the view that as CSR is grounded in wellness philosophy, expanding the scope of HR functions helps to promote overall employee wellbeing (Mac & Calis, 2012).

Furthermore, some interviewees recognised that the application of CSR to HRM provides new insights in HRM. L-CSR Manager stated: "CSR-HR aspects require a collaborative work. Our community manager is working with the HR team on diversity. Because HR might have an internal focus only, CSR helps to bring new

thinking. So in some areas of HR we are quite connected.” A similar view was shared by M-Sustainability Manager:

Sustainability is embedded in some of the aspects of HR, if it is a material issue to our business. So you have to understand what the material issues are faced by your businesses. We found that diversity and equality are material issues, so clearly it is something that sustainability has to deal with seriously. And in these areas, often we work together and we kind of bring new concepts and ideas to HR from the sustainability viewpoint.

The above explains that CSR directly influences those HR areas which emerged as material issues of the organisation; these include gender equality, diversity and workforce aging. It reflects that CSR can help HR to address such employee-related issues from a socially responsible perspective and find long-term sustainable solutions. The finding, in accordance with the literature, suggests that CSR can incorporate the social (e.g., Wilcox, 2006) and ethical (e.g., Winstanley & Woodall, 2000) issues of employees in HR functions, and assists to evolve socially responsible HR practice. For instance, the skill differential for women and the old age workforce are social issues that can be responded to by following the gender equality and flexibility standards of CSR.

The above discussion shows that workplace CSR issues discussed in this chapter are owned and managed by HRM. This is because HRM is a business function with explicit responsibilities for people management strategies and practice. However,

CSR can facilitate to repackage these issues to reinforce social responsibility and wellbeing for employees. This supports the view that CSR integration into HRM practices helps ‘to deliver CSR-HR innovative best practice’ (Gond et al., 2011, p. 121). Rather than debate internal CSR versus good HR, CSR and HR should collaborate to develop CSR–HR, or socially responsible HR strategies. This stance supports the view of Cohen (2010) that the scope of internal CSR and HR looks identical, albeit CSR has a much broader perspective. It aims to figure out the material issues of HR, to integrate such employee issues with organisational strategy, develop a CSR framework and targets, measure the results and report it externally (Cohen, 2010).

Thus, CSR can provide insights into HR aspects by embedding employee wellbeing issues, linking these issues with strategic priority, and measuring and reporting on them. While the finding here confirms the relevance of CSR to HRM (Clarke, 2010), it also seems to provide a distinct perspective by observing that such influence is highly subject to CSR-related contextual variables. For example, the quotations presented in this sub-section are from three organisations known for their CSR commitment, with well-balanced and generous CSR strategies. CSR was embedded in the HR departments with systematic frameworks and objectives for employee-related issues. The findings suggest that in these situations CSR may have a greater influence on HRM, resulting in socially responsible HRM. These contingencies are discussed separately in section 4.5.

#### 4.5 CSR-related Factors

In Chapter 3 it was proposed that CSR and HRM are linked through a stakeholder approach, but findings indicate the application of CSR to HRM is also subject to a contingency approach.

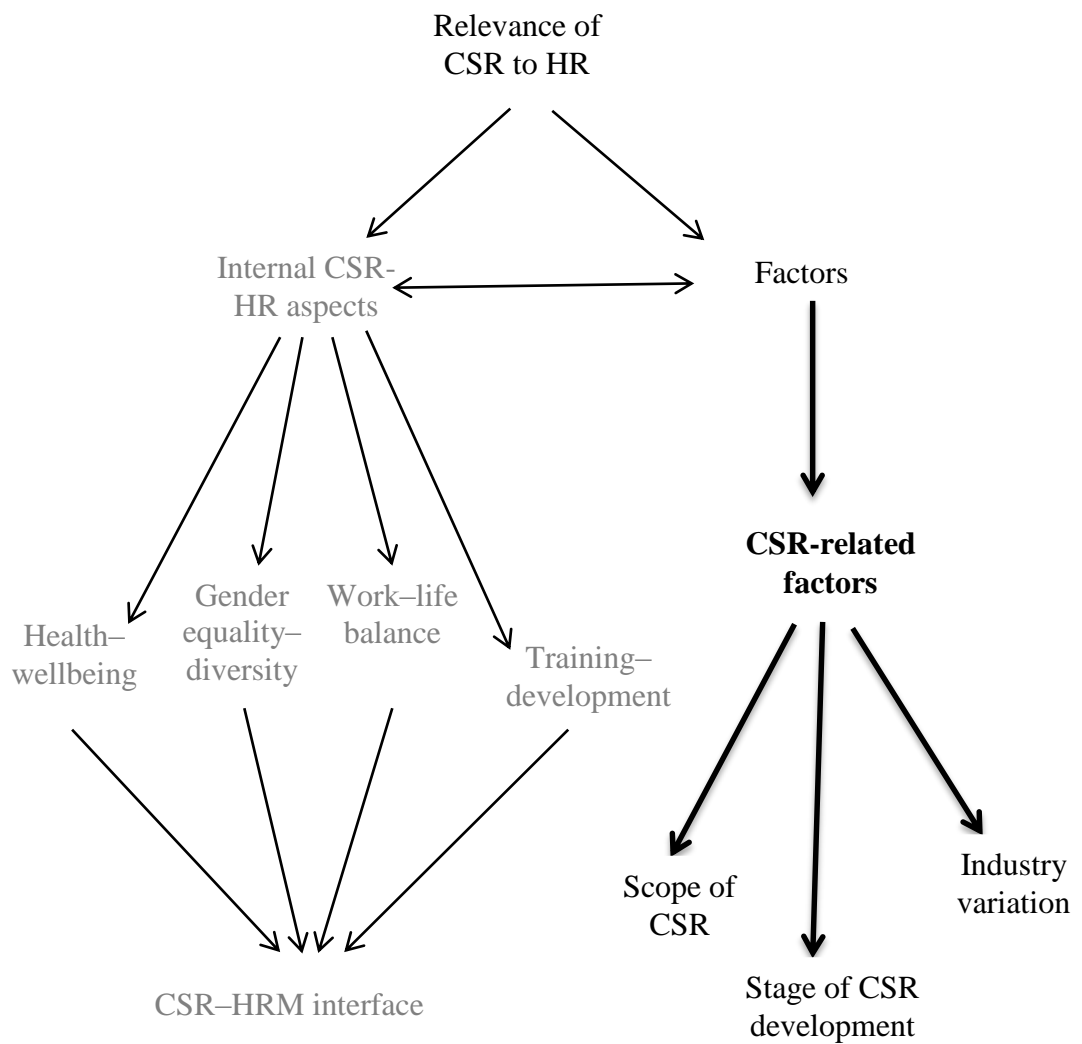


Figure 4.3. CSR-related factors affecting relevance of CSR to HRM

Following contingency theory, the empirical results point out that the link from CSR to HRM is mainly affected by CSR-related variables, shown in Figure 4.3 with bold types. This includes the scope of the CSR strategy, the stage of CSR development, and industry variation in application of CSR.

#### **4.5.1 Scope of CSR**

The study observed that the scope and implementation of CSR is not standard, as it varies from firm to firm. For instance, some organisations embed CSR generously while in others the application of CSR is limited and seems to be more window dressing. The scope of CSR in the organisations sampled in this study can be explained from two perspectives.

The first perspective indicates that a wide range of stakeholders is encompassed under the CSR paradigm. The present study reported that nine of the 16 organisations under scrutiny had multidimensional applications of CSR, where CSR is applicable to internal and external stakeholders as well as aligned with all the operational departments. For example, A-CSR Manager pointed out: “We have five areas; customers, community, environment, supply chain and our people. [The] people area includes upgrading skills and capabilities, promoting diversity and flexibility, and wellbeing and we have some implications for HR in this regard.” J-CSR Manager shared a similar view:

We look at CSR quite holistically. We focus on three main elements; our response to community, response to the environment, and then we look at our employees which include engaging our employees, their wellbeing and making a great place to work. And these are quite HR-related aspects which are covered under the umbrella of CSR.

The above comments exhibit the broader application of CSR, focusing on social and environmental aspects along with economic operations in accordance with the triple bottom line concept (Elkington, 1997). It focuses on both the external and internal dimensions with a specific framework, strategy and objectives for both dimensions. Accordingly, key employee practices are addressed from a CSR perspective, resulting in a substantial influence on HRM. This illustrates a positive state where CSR may have considerable implications for HRM.

The second perspective, in contrast to the above view, shows that the scope of CSR is narrowly applied. E-Sustainability Manager asserted: “From [the] social perspective of CSR, we have our employees, but we really do not drive this area as we are keen [on] environmental sustainability.” This view was shared by F-Sustainability Manager:

At the moment, we don't have any sustainability-focused project running across HR. So in the last three years our major focus was on environmental performance. But in the next three years we are going to implement sustainability more holistically and [are] keen to link it with HR issues.

Participants' responses confirm the view that the implication of externally focused CSR is limited to environmental and community projects (Matten & Moon, 2008). In this kind of organisation CSR may not have direct relevance to employee-related practices. Therefore, HR aspects are not explored from the CSR perspective and CSR remains disconnected to HRM. This finding advocates that the scope of CSR is the dominant factor directly affecting the relevance of CSR to HRM.

#### **4.5.2 Stage of CSR development**

An important question that arises is why some organisations have externally focused CSR. This study found that the stage of CSR development in an organisation has a considerable impact on the scope of its CSR strategy and thereby the CSR implications for HRM. If organisations are in the early stages of CSR development, the focus is largely on external activities. For instance, F-Sustainability Manager stated: "I think that's kind of our first feet; in future, we will review our policy, and I expect to see that we will be merging more and more with the social and wellbeing components of sustainability and look forward to working with HR issues." This view was supported by J-CSR Manager: "When CSR was first set up in 2007, climate change and community were big on the agenda. Our earlier work focused on what we were doing in relation to both our impact on environment and community. Workplace was not obviously our priority initially."

The above comments highlight that organisations in the initial stage of CSR development are keen for an external application of CSR. In other words,



organisations in the early phase of CSR may not have a generous application of CSR. Therefore, in line with the argument of Mason and Simmons (2011), it can be said that CSR is least likely to be aligned with HRM in its early phase. According to Zadek (2004), the process of developing CSR often includes five stages of organisational learning: i) defensive stage, deny responsibilities, ii) compliance, follow compliance as a cost, iii) managerial, embed social issues in management functions iv) strategic, integrate social issues in strategies, and v) civil, promote industry participation in CSR. This shows that CSR can be internalised in organisational functions and strategies in the later stages of development. Accordingly, the finding here suggests that the scope of CSR in the introductory period is mainly on external and compliance-related initiatives, and HRM aspects are not encompassed within the CSR agenda. In this situation the link with HRM may not be significant.

#### **4.5.3 Industry Variations in the Application of CSR**

Empirical research reports that the nature of industry is another key factor affecting the scope and implications of CSR. Organisations from various industries may have different priorities in terms of CSR strategy, therefore they implement CSR differently. Participants of the present study discussed that the focus of manufacturing organisations remains on environmental issues, whereas the service sector focuses much more on community and social initiatives. For example, E-Sustainability Manager stated: “In the construction industry, environmental issues

are very sensitive. And to be competitive we have to ensure environmental sustainability. Whereas, we do not focus much on employees because the majority of them are contractual.” F-Sustainability Manager:

Our CSR strategy depicts major two parts. One is environment, and I primarily look at the compliance requirements of our business units. But my major involvement is around product attributes, climate change, emission training, and carbon projects. In health and safety, our focus is on human factors that drive safety performance, which is beyond just safety compliance.

The above examples are from the construction and energy industries respectively. In particular, the construction organisations are characterised by externalised and temporary employment; accordingly they have lesser priority on employee-related CSR aspects. These responses also demonstrate that organisations with increasing impact on the environment are more inclined to promote environmental sustainability than internal employee aspects. The empirical results of the study reported that organisations with high potential environmental issues were those in the airline, construction, energy and manufacturing industries, and they emphasise environment-related CSR aspects. The only exceptional issue was the health and safety of employees which was directly linked with environmental concerns, and these organisations were keen to promote safe workplaces. Other HR-related aspects were not addressed under the CSR agenda.

In contrast to environmentally sensitive organisations, service-based organisations, which are closer to consumers, are keen to focus on social dimensions of CSR, including employees. For example, B-CSR Manager:

I think there are three parts of our CSR strategy; customers, employees and society. In the second instance, it's about being a good employer. We, being one of the largest banks in the country, employ more than 9000 people and our role in society is very much about ensuring that these 9000 people have continuous employment and good work practices. Accordingly we have developed various key objectives in this area.

The above example is from the banking industry. The three banks covered in the study were found to have lower direct environmental impacts and concerns for product and employee safety. They focused more on community and HR-related aspects, including flexibility, wellbeing and training and development. Other similar examples were observed from organisations operating within the telecommunications, retail and postal sectors. The findings show that these organisations had specific strategies for HR-related issues, because they were very familiar to most members of general public due to proximity to consumers. The findings support that companies having proximity to customers are more focused on employee-related aspects of CSR and need to establish more social visibility to develop their brand image (Clarke & Gibson-Sweet, 1999). Hence, in these kinds of

organisations, the application of CSR may be greater, resulting in ethical and socially responsible HR (Greenwood & Simmons, 2004).

Thus the scope of CSR, and accordingly its integration in HRM, is subject to industry variation. Organisations operating in different sectors vary in terms of the nature of employees and proximity to consumers. Organisations match CSR strategy to the requirements of their industry. The finding here provides insight into contingencies associated with the integration of CSR in HRM, and conveys in particular that CSR-related factors, including the scope of CSR, the stage of CSR evolution and industry variation, strongly influence CSR implications for HRM.

#### **4.6 Conclusion**

This chapter provided an overview of the relevance of CSR to HRM. It identified four aspects which fall under the remit of internal CSR and HRM, namely health–wellbeing, diversity, gender equality, work–life balance and training–development. It attempted to investigate how such HR aspects are reviewed under the CSR agenda and what the implications are for CSR in these aspects. The empirical results reported that, subject to CSR-related contextual factors CSR may have two types of implications for HR: first, that CSR broadens the scope and application of such HR aspects by incorporating the social and ethical concerns of employees and advocating CSR principles. Second, CSR gives context to HR by developing performance indicators to measure employee initiatives and externally reporting on them.

Importantly, the overall integration of CSR in HR is more complex than is outlined in the literature (Buciuniene & Kazlauskaite, 2012; Cohen, 2010). A range of distinct perceptions were observed among CSR and HRM managers with regard to such integration. Some managers believe that such an association is confusing; some believe that they need to preserve ‘pure HR’ – without dilution from CSR, and some believe in the integration of CSR and HR that supports the development of socially responsible HR. This reflects the influence of contextual factors on CSR–HRM links.

The last part of the chapter examines the factors affecting the linkage from CSR to HRM. The current study found that CSR alignment in HRM strongly relies on CSR-related factors, namely, the scope of CSR, the stage of CSR development and industry variation in the application of CSR. This chapter contributes to the CSR–HR literature by offering an understanding of CSR relevance to HRM, and factors affecting such relevance. Having explored the perspective from CSR to HRM in this chapter, Chapter 5 will discuss the relationship from HRM to CSR, focusing on the roles of HRM in the development and implementation of CSR strategy in organisations.

---

## Chapter 5

### The Roles of HRM in CSR

#### 5.1 Introduction

This chapter addresses the second research question – ‘*What are the roles of HRM in the development and implementation of CSR strategies, and what factors affect such roles*’? In Chapter 4 the relevance of CSR to HRM is discussed, acknowledging the perspective from CSR to HRM. This chapter goes further and emphasises another perspective of such a relationship, from HRM to CSR.

The development and implementation of CSR strategy can be associated with considerable changes in the organisation and its culture (Dunphy, Griffiths, & Benn, 2003). The effectiveness of a generous CSR strategy relies on the way it is internalised within the organisation and its people. The emerging literature often explicitly proposes that HR can play a significant role in evolving and integrating CSR strategy into the organisation (Garavan & McGuire, 2010; Wirtenberg et al., 2007). For instance, HR can help top management in designing CSR strategy (Strandberg, 2009), facilitate behavioural changes among employees (Parkes & Davis, 2013), embed CSR in employment practices (Garavan & McGuire, 2010) and develop a CSR culture (Liebowitz, 2010). While the conceptual literature acknowledges these potential roles, there is very limited empirical evidence to substantiate such assumptions. Furthermore, under what circumstances such roles

and relationships work is unknown so far. This chapter investigates the roles of HRM in CSR strategy, and has the following objectives, to:

- examine the roles of HRM in the development of CSR strategy
- analyse the roles of HRM in the implementation of CSR strategy
- investigate the factors affecting such roles.

In line with these objectives, this chapter is divided into four sections: the first presents an overview of the chapter. In the second section the role of HR in developing internal and external CSR strategies is discussed. The third section emphasises the contributions of HR in implementing CSR strategies, and examines to what extent the change agent, the employee champion and the administrative expert roles of HR are applicable in CSR. Factors affecting such HR roles in CSR are analysed in the final section.

## **5.2 Overview of the Chapter**

In accordance with the theoretical model presented in Chapter 3, this chapter proposes that the stakeholder approach is crucial in developing the linkage from HRM to CSR, in terms of HR roles in CSR strategy. It explains that employees are the key stakeholders delivering socially responsible practices, hence should be involved in CSR. This implies some contribution of HRM in CSR. The CSR literature advocates that HR can play some role in driving CSR strategy (Lockwood, 2004), managing CSR-related culture and change (Liebowitz, 2010), fostering

employee engagement and wellbeing (Davies & Crane, 2010) and facilitating CSR administration (Lam & Khare, 2010).

The above-mentioned roles seem compatible with the HR roles suggested by Ulrich (1997); strategic partner – sharing responsibilities in the development and implementation of strategies; employee champion – focusing on employees’ concerns and promoting employee wellbeing and engagement; change agent – accommodating organisational change through transforming employees’ attitudes and behaviours; and administrative expert – managing the employee administrative functions effectively in supporting overall organisational goals. Therefore, this chapter draws on the Ulrich (1997) model as an organising framework to analyse the key findings.

Following the structure from the previous chapter, node trees are included. Figure 5.1 provides an overall structure outlining the major themes. To reflect more detailed findings the nodes are gradually expanded and elaborated on throughout the chapter. As shown in Figure 5.1, the findings report two types of HR roles in CSR development and implementation. It shows that the role of strategic partner recommended by Ulrich (1997) is associated with CSR development whereas the remaining three roles, namely, employee champion, change agent and administrative expert are relevant to the implementation of CSR strategy. Figure 5.1 also depicts the factors affecting such roles, particularly organisational roles. Each point of the Figure 5.1 is discussed in detail in the remainder of this chapter.



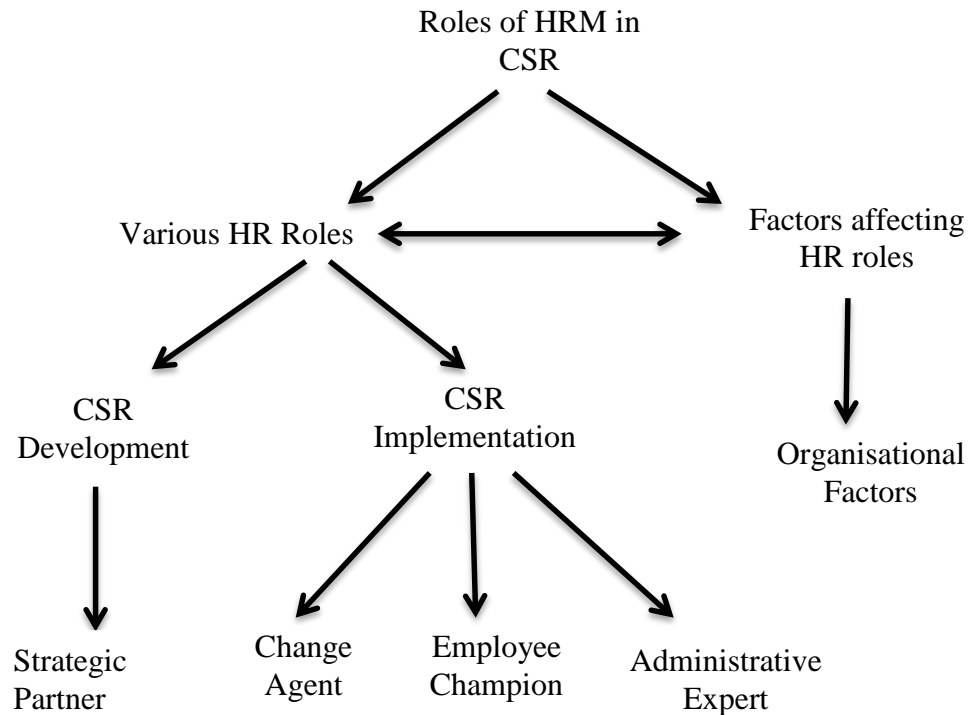


Figure 5.1. Roles of HRM in CSR strategy

### 5.3 Development of CSR Strategy: Strategic Partner Role

The practitioner-oriented HR literature exhorts HR professionals to enhance their contribution by playing more strategic roles in organisations (Pritchard, 2010; Ulrich, 1997), subject to internal and external factors, such as the type of industry, nature of organisational structure, and the nature of the HR department (Truss et al., 2002). Similarly, the extant CSR-HR literature recommends the involvement of HRM in evolving CSR strategies. For example, it is proposed that the HR department can take a leading role in formulating CSR strategies and policies (Strandberg, 2009), and

developing CSR initiatives through its representation on governance committees (Lam & Khare, 2010).

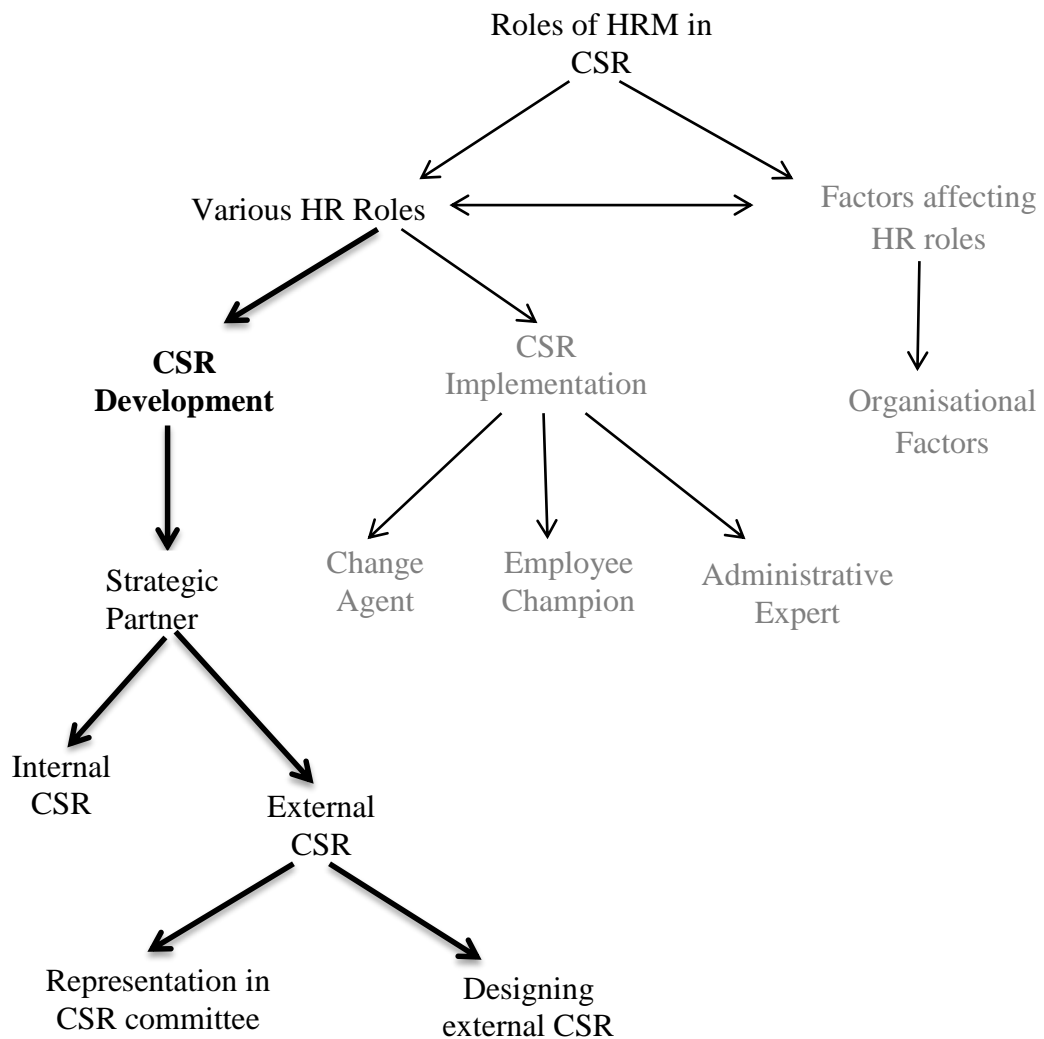


Figure 5.2. HRM role in the development of CSR strategy

With regard to the HR role in the development of CSR strategy, two themes emerged from the data (as shown in Figure 5.2); internal CSR, which means developing employee-related CSR strategies, and external CSR strategy, which includes CSR

strategies for external stakeholders such as community, the environment and suppliers. These themes are discussed in detail in the following sub-sections. The present research also proposes that these strategic HR roles are subject to organisational variables such as organisation size, nature of workforce and the position of CSR functions.

### **5.3.1 HR Role in Developing Internal CSR Strategies**

As discussed in Chapter 4, internal CSR involves designing and defining employee-related CSR strategies. Thus a dominant role of HR should be expected while designing internal CSR strategies. As this discussion is covered in Chapter 4, this is briefly outlined in this section from the perspective of the strategic roles of HRM.

The CSR participants of the present study clearly acknowledged that HRM makes a significant contribution to the evolution of internal CSR strategies. For example, I-CSR Manager stated: “The workplace issues addressed under [the] CSR agenda are largely being driven by the General Manager, HR. I think it is their responsibility. I can just bring new ideas whereas they develop policies and programmes.” This view was supported by B-CSR Manager: “People practices are a part of CSR strategy, and it focuses on employee-centred practices. Though they are on the CSR agenda, HR should own, develop and drive it. But I should talk to them and should consult if there is any material issue.”

Based on the above quotation, it can be said that internal CSR strategy is generally developed by HR professionals in accordance with the overall CSR strategy and framework. In particular, the role of CSR professionals is limited to consulting with HR professionals for some critical issues, whereas HR actually evolves employee-related strategies. This view supports the assertion that it is the responsibility of HR managers to develop socially responsible people strategies (Cohen, 2010).

Importantly, there is no additional strategic responsibility on HRM to design internal CSR strategies other than to accommodate CSR standards. As discussed in Chapter 4, often HR will already have programmes in existence, albeit the HR focus may be limited. For example, the aim of a training and development initiative is to improve performance. In this case HR repackages the programme according to the requirements of CSR by incorporating ethical and wellbeing concerns, such as offering training to non-performing employees. Furthermore, HR may need to broaden these programmes by following international CSR performance indicators or standards, such as GRI. Nevertheless, considering such a practice as internal CSR is a debatable issue due to the influence of contextual factors, as discussed in Chapter 4. In essence, it can be said that HR, by addressing socially responsible employee practices, directly contributes to internal CSR strategy.

### **5.3.2 HR Role in Developing External CSR Strategies**

The main publicly visible focus of CSR is concerned with the strategies for external stakeholders. However, as most external CSR initiatives require direct or indirect

employee participation, HR involvement is anticipated here too (Cooke, 2011). The findings of the present study conveyed that HR may have some contribution in the development of external CSR strategies. Two sub-themes were observed in relation to HR involvement: representation on the CSR committee and partnership in developing external initiatives.

### **Representation in CSR Committee**

The responsibility for developing a CSR vision and strategy lies with the top management or CSR committee, which includes key directors, managers and CSR experts (Maon et al., 2009; Werre, 2003). It is proposed that HR professionals be representatives on such committees and contribute to external CSR strategies (Lam & Khare, 2010; Liebowitz, 2010; Strandberg, 2009). In contrast to this view, the present research observed that HR seldom has its representation on CSR committees. Out of 16 organisations sampled in the present study, 11 had a formal CSR or governance committee. Nonetheless, only one organisation had HR involvement in a CSR committee. I-CSR Manager of this organisation indicated: “So GM -HR sits on the CSR committee and there are clear connections and roles for him when it comes to the development of various CSR strategies for our group of companies, along with some reporting and monitoring roles.”

The participant reveals that HR can contribute to CSR strategy through their presence on the CSR committee. Apart from the above example, this phenomenon was unknown in the organisations under scrutiny, as the HR participants denied

involvement in a CSR committee. For example, B-HR Manager asserted: “I think we have a governance committee for CSR which includes the CSR expert, top management and managers from the external affairs department. But to be frank, we are not involved, because I guess CSR should be owned by the business and not HR!” J-People Manager shared a similar view: “No, HR does not participate in the corporate citizenship committee. Our role is to support the decisions made by the committee.”

This reflects that in most of the organisations under scrutiny, HR was not represented on the CSR committee – for a clear reason. HR, being an internally focused function, is considered a support partner in implementing CSR strategy. In particular, the development of external CSR strategies, such as community involvement, sponsorship or environmental policy, is driven by the CSR expert and externally focused departments. The findings demonstrate that in the organisation where HR was involved in the CSR committee, CSR was operated from the HR department. However, in the remaining 15 organisations CSR was housed with other departments, such as external affairs or marketing. Thus, CSR’s position in the organisation directly affects the roles of HR. This aspect is discussed in detail in section 5.5. Consequently, with regard to representation of HR on CSR committees, the assumptions proposed in theory are not consistent with the findings of the present empirical research. Furthermore, due to the absence of previous research in this aspect, the above findings cannot be compared with other studies.

### **Partnership in Designing External CSR Initiatives**

The second sub-theme is to do with the involvement of HR professionals in designing external CSR strategies. Participants demonstrated that HR professionals collaborate with CSR experts in advancing community-related CSR initiatives. L-CSR Manager asserted: “I have to interact with HR to work on [the] payroll giving policy, which is a CSR project. So together we develop policy, procedure, and manuals around payroll giving and then they manage the system, as they need to own it.” He explained that HR can make contribution to defining payroll giving policy. Nevertheless, this appears to be administrative support rather than strategic contribution. It does not support the view outlined in literature that HR involvement in community-related CSR initiatives is inevitable (Ehnert, 2009; Geroy et al., 2000). Indeed, the finding is in accordance with previous research which found that HRM has very limited involvement in the community practices of CSR (Zappala & Cronin, 2002).

Arguably, apart from a few, responses to the question of HR involvement in external CSR were not promising. In fact, many interviewees suggested a marginal role for HR in the development of external CSR strategies. For example, A-People Manager strongly argued: “No, personally I was or am not involved in any kind of CSR decisions and generally it is in the hands of our CSR manager and top management.” A similar argument was made by F-Sustainability Manager: “I guess the answer is ‘No’. I think [the] HR function within our business is internally focused and they

don't interfere in our decisions." According to these comments, HR professionals are not necessarily involved in decision making related to external CSR strategies, largely because external CSR strategy is driven by CSR experts or by a CSR committee in collaboration with externally focused departments. This implies that organisational variables, namely the configuration of CSR within an organisation, directly influence the strategic roles of HR in CSR.

On querying why HR accepts a passive role in external CSR strategy, J-People Manager specified that: "HR has a set of other issues which are strategic in terms of people development of the company such as succession, nurturing talent and retention, training and development. The thing is that we have plenty of things to manage and I don't think we can be part of sustainability strategies." This comment highlights the internal scope of HR, focusing largely on employee-related aspects. Accordingly it appears that the involvement of HRM in external CSR strategies is largely facilitative. This is consistent with the results of an empirical study of New Zealand HR managers which found that HR managers cannot commit to CSR strategies as they are already occupied with HRM strategic issues (Harris & Tregidga, 2011). It also reflects the results of a survey of HR professionals in the United States which reported that only 11 percent of HR managers were responsible for developing CSR strategies in their organisations (SHRM, 2007).

Three reasons were observed for the limited contribution of HR; first, the scope of HRM is internal, focusing on employee-related aspects, and may not have time,



resources and priority for external CSR involvement. Second, most of the external CSR strategies, such as community, environment or supply chain initiatives require high levels of specialist expertise; therefore the involvement of HRM is questionable. Third, HR roles in CSR are certainly related to diverse organisational variables. For instance, a firm with contractual labour may have a smaller HR department which cannot commit to a strategic role and have a presence in CSR strategy. These issues are further discussed in section 5.5. The finding here suggests that the role of HRM in external CSR strategies is an administrative function rather than a strategic role. It reflects the conflicting nature of strategic partner and administrative role (Caldwell, 2003). This aspect will be further examined in Chapter 7.

To sum up, it can be said that HR plays a significant role in the development of internal CSR strategy – HR has a clear responsibility for employee-related matters that directly influence internal CSR. In contrast, the role of HR in external CSR strategies seems very marginal due to its focus, expertise and prioritisation of resources. Thus, the finding here confirms that HRM makes some strategic contribution to internal CSR; however HRM is not prominent in evolving external CSR strategies. How these roles are compatible with Ulrich's (1997) framework will be covered in Chapter 7.

#### **5.4 Implementation of CSR Strategy**

The execution of CSR can necessitate rethinking a firm's overall strategy and changing processes and behaviours (Dunphy et al., 2003). It is highly influenced by employees' adaptability towards CSR (Buciuniene & Kazlauskaite, 2012). It is often proposed that

HR can help to embed CSR into people policies and processes and thereby improve employees' resilience towards CSR (Garavan & McGuire, 2010).

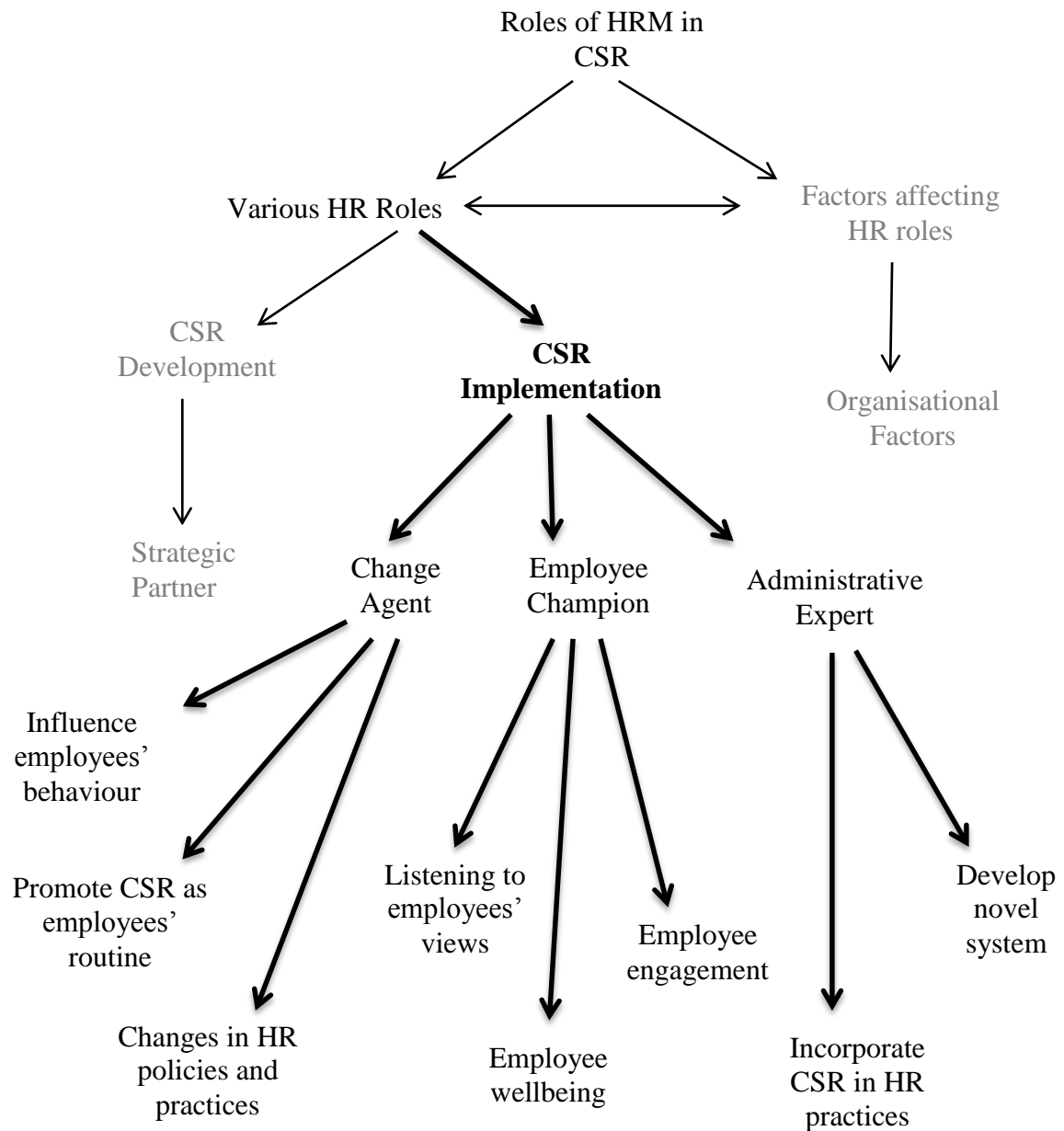


Figure 5.3. HRM roles in the implementation of CSR

In accordance with the existing literature on the HR roles in CSR execution, three themes emerged from the data of the present study, as depicted in Figure 5.3. These roles are compatible with the HR roles as prescribed by Ulrich (1997); change agent, employee champion and administrative expert. First, it was found that HR can make positive changes in organisational structure and prepare leaders and employees to understand and accept CSR, which ties in with the change agent role of HR. The second theme reflects that HR can foster employee-centred practices such as equality, diversity, work–life balance and learning and development and contributes to the achievement of internal CSR; this relates to the employee champion role of HR. Third, it was reported that HR can support CSR internalisation in the organisation by aligning HR functions with CSR objectives, which is consistent with the administrative role of HR. These three roles are discussed in detail in the following sub-sections.

#### **5.4.1 Change Agent Role**

The empirical results of the present study confirms that the application of CSR introduces changes in organisational vision, values and work culture or transformation in organisational processes, functions and people (Dunphy et al., 2003; Ledwidge, 2007). Importantly, the participants reported that HR has a responsibility to promote CSR change and culture. D-CSR Manager mentioned: “I think CSR is also a kind of change management and HR helps us in reorienting an organisational change in order to change people’s mind set about CSR.” C-

Sustainability Manager stated: “We recognise that we depend on people [HR] to be able to carry out the change as necessary to carry on the CSR journey. People teams are working with employees to increase their resilience towards CSR.” These comments briefly reflect the roles of HR in supporting CSR-related change throughout the organisation. Specifically, three sub-themes, as depicted in Figure 5.3, were developed from the data: *influencing employees’ attitude and behaviour, promoting CSR a part of employees’ routine tasks, and adapting HR policies and practices.*

### **Influence Employees’ Attitude and Behaviour**

The research demonstrates that implementing CSR within the organisation and embedding CSR values in top leaders, line managers and into the attitudes and beliefs of employees is a challenging task. Participants mentioned that one of the ways to promote CSR culture is influencing employees’ and line managers’ behaviour where HR can have significant input. For instance, I-HR Manager stated:

We have moved to ‘Green Building’ which required positive behavioural changes among employees. They respond in different ways, some may resist. For instance, people start thinking ‘what is going on, why no more individual fridge but a common fridge per floor and how can I keep my personal alcohol in a common fridge’! And HR has to deal with these kinds of resistance and anxiety and ensure that they gradually end up with positive mind set.

It seems that the implementation of CSR is associated with change in employees' minds. The above interviewee claims that HR helps employees to overcome resistance and unblock behavioural barriers. The finding also suggests that apart from frontline employees, HR professionals need to influence top management. For instance, C-HR Manager indicated: "If everybody's living the same dream then it is a lot easier to drive CSR change among employees. If employees see top leaders wasting electricity, or buying wrong cars, it does not fit in our culture. So we also need to influence top managers in changing their behaviour." This comment highlights that HRM also deals with top management's attitudes and behaviours. It supports the view that HR needs to influence senior managers to get their consensus on CSR and integrate CSR into their leadership role (Colbert & Kurucz, 2007; Lockwood, 2004).

On the question of how HR influences employees' behaviour toward CSR, participants talked about various HR initiatives. N-CSR Manager stated: "If you make CSR change by command, then it does not work. So, HR makes CSR happen through understanding employees' issues, working out the solutions, communication and training, and finally connecting and engaging people with CSR." H-HR Manager illustrated other methods to encourage employees' behaviour:

We influence people by two ways; one is performance measurement around CSR, so there are some targets and we work hard to motivate employees to achieve the CSR targets. The other big thing is promoting staff involvement

in community programmes, and it is actually a magic, where they work, laugh and make a difference in the community together. So this creates CSR culture and positively changes employees' behaviours.

It is clear that participants recognise HR roles in influencing employees' attitude and behaviours. The above responses particularly, reflect three types of HR contribution; first, HR fosters CSR-related communication and training in order to improve CSR understanding among employees and embed CSR values and expectations in their behaviour. Second, HR incorporates CSR aspects into the performance measurement system, develops key performance indicators (KPIs) and measures employees' CSR-related performance against it. However, only three organisations had linked CSR to the performance measurement system. The interviews with the managers of these organisations suggest that HR develops CSR targets around the number of community volunteering hours, beach clean-ups or energy saving in the office. Section 4.4.3 elaborates further on how CSR is embedded in performance measurement. Third, HR attempts to promote employee participation in CSR initiatives.

The above discussion highlights the involvement of HRM in managing the mindset of employees in accordance with CSR change. The finding confirms that HR has the potential to deal with CSR-related resistance among employees, but also points out that this change agent role is subject to the nature, position and roles of HRM within the organisation. For example, in the above mentioned examples, the HR department

was influential and strong in the organisation; therefore, HR supported CSR transformation through communicating CSR priorities, values and goals, employees' training, changing performance evaluation systems around CSR and engaging employees in CSR initiatives. Though, this cannot be the case where the HR department itself is non-strategic. Thus, organisational factors directly affect the roles of HR. These factors are explored in section 5.5. It is also observed that many of these initiatives echo administrative support rather than change agent roles. For example, accommodating CSR communication and training fall with the administrative role. Hence, according to the change initiated by top management, it can be said that HR provides support in changing employees' mindsets.

This finding suggests that subject to the dominant roles of HR professionals within an organisation, they may perform the roles of a change agent by dealing with the resistance of employees and smoothly transforming their attitude and behaviours (Ulrich, 1998).

### **Promote CSR as Employees' Routines**

The integration of CSR values into employees' routines is another way to facilitate CSR change. During the interviews, the participants said that HRM can make an important contribution in embedding CSR values in employees' daily work life. A-People Manager mentioned: "CSR, definitely, should be driven in the work culture. There are definitely some rules but it should become a normal practice and this is where HR should be pushing at." I-HR Manager illustrated the roles of HR in such

tasks: “We try to encourage people to change their routine; the easy example is recycling, we have got lovely recycling bins but we have to make this happen by making it as a part of their routine.”

As conveyed in the above responses, HR has a role in transforming CSR values into the routine work life of employees, particularly environmental concerns. It is consistent with the SHRM (2008) study, which found that in most organisations HR inspires environmental concerns in employee operations. The above comments confirm the contribution of HR in encouraging environmentally friendly daily routines of employees.

On being questioned on the manner in which HR embed CSR in employee’s jobs, interviewees stressed clear communication, training and continuous motivation. I-HR Manager stated:

There are different methods you can respond to culture shift and incorporating it in employees’ tasks. An organisation can escalate their decision whether people like it or not. But what we do, is communicating our CSR initiatives, trying to get employees’ feedback and then engaging them.

A similar assertion was made by G-HR Director:

...it is important to create a sustainability culture within people of the organisation. For example, recycling; until employees agree and commit, we can’t make it. The sustainability manager can’t come personally to employees



but as a part of HR, we have to develop a routine culture around recycling. For example, initially we run a workshop and now we focus on communication, by sending monthly DVDs to our stores for continuous reminders.

It appears that HR professionals execute environmental initiatives by disseminating clear codes of practice and education among employees. Regular communication, training and feedback from employees are the major ways to inculcate environmental concerns in routine jobs. This seems to meet the claim proposed in literature that HR has a substantial role in incorporating CSR in employees' work culture by raising their understanding through clear communication and education (Strandberg, 2009), and upgrading their skills through training (Garavan & McGuire, 2010). However, as mentioned earlier, such roles are contingent on the significance and position of the HR department within an organisation.

Furthermore, the finding here shows that the HRM contribution is limited to inculcating environmental concerns, such as recycling, into employee routines. This is consistent with a study of HR managers in New Zealand which reported that apart from communicating environmental concerns and encouraging change in employees' routines, HRM does not have a significant contribution to CSR (Harris & Tregidga, 2011). Thus, it can be said that HR contributes mainly to influencing employees' routines towards more environmental practices (Rimanoczy & Pearson, 2010).

### **Changes in HR Policies and Practices**

According to Liebowitz (2010), “[the] HR staff is likely to be the only department that is professionally trained to change the attitudes and behaviours of the executives, managers, and employees, by modifying their many Human Resource systems” (p. 51). The interviewees of the study endorsed the above notion and discussed that HR accommodates CSR change by integrating CSR objectives into HR policies and functions. K-HR Manager summarised this clearly: “We need to understand what HR policies will be changing and how to make it aligned with CSR.”

On the question of what HR practices need to be aligned with CSR, many participants responded that HRM redesigns recruitment, job descriptions and performance measurement so that employees easily accept a CSR culture. D-HR Manager, in this regard, said: “We make sure that all relevant HR policies should be viewed from the CSR perspective as well. And if necessary we need to make some adjustments to link it with CSR, for instance adding diversity aspects in recruitment, or CSR expectations in job descriptions, or in KPIs.” A similar view was shared by C-HR Manager: “So in our admin functions we need to do necessary changes in order to adapt to a sustainability culture. For example, getting a sustainable workforce, and creating a more inclusive culture.”

Based on the above examples it can be said that the culture shift towards CSR requires adaption in HR practices. Accordingly, HRM attempts to adjust recruitment, job descriptions and performance appraisal. The above responses are consistent with

the assertion that HR helps to inculcate CSR values in training and learning practices and link CSR objectives to reward systems and performance evaluation (Orlitzky & Swanson, 2006). However, such roles are highly reliant on various contextual factors. For instance, as discussed in Chapter 4, externally focused CSR might not have significant implication for HRM, and accordingly, the HR contribution can be insignificant in the above discussed aspects. Furthermore, if the HR department itself is less important in some organisations, its contribution as the CSR change agent is more likely to be limited. These aspects are further discussed in section 5.5. Hence, subject to organisational variables, HRM can support CSR culture during the transition stage by embedding CSR in HR practices.

The above discussion shows that there is more emphasis on supportive and administrative functions in CSR change than initiating and driving overall change. Hence, the finding confirms that HR helps to inculcate CSR values in organisations, but also indicates that the role of HR in CSR-related change is supportive rather than that of a catalyst. This topic, in terms of the administrative role of HR, is discussed in detail in section 4.4.3. In a way, this also reflects the ongoing debate on the conflicting roles of HR as change agent and administrative expert (Pritchard, 2010). In other words, HR may encounter role ambiguity while being change agent and administrative expert. This issue will be further explored in Chapter 7.

### **5.4.2 Employee Champion Role**

The employee champion role of HR, as originally described by Ulrich (1997), is concerned with listening to employees' concerns and promoting employee wellbeing, engagement and commitment. This study found that with reference to the implementation of CSR, HRM can play the role of employee champion by engaging employees in CSR initiatives and promoting employee wellbeing and social responsibility. As demonstrated in Figure 5.3, three themes were developed from the data: *listening to employees' views on CSR, supporting employee wellbeing and social responsibility and driving employee engagement in CSR projects.*

#### **Listening to Employees' Views on CSR**

The interviewees referred to employee feedback and engagement surveys as the major ways of listening to the employees' voice in CSR. For instance, F-HR Manager: "We try to manage [an] open door policy and help management to listen to our people. Because employees have bigger ideas, lots of our CSR initiatives are implemented according to employees' suggestions." L-HR Manager noted: "We also ask employees what they think about CSR. So we are doing engagement surveys every year. And there are a couple of questions on what they think about [the] company's external and internal CSR initiatives."

In other words, HR attends to employees' views in CSR implementation, either through informal feedback or formal engagement surveys. The above comments

show that listening to employees' views on CSR, and accordingly implementing CSR initiatives, are in line with the employee champion role of HR as proposed by Ulrich (1997). This is consistent with much of the literature, proposing that HR should try to engage employees in CSR by taking their feedback through suggestion boxes and engagement surveys (Lam & Khare, 2010), and consulting them before executing CSR initiatives (Kwan & Tuuk, 2012). It is important to reiterate that such roles are contingent upon organisational factors, such as the scope and role of HR within organisations, which are elaborated on in section 5.5.

### **Employee Wellbeing and Social Responsibility**

Section 5.3.1 discussed how HR designs internal CSR strategy, whereas this section focuses on the role of HRM in implementing internal CSR initiatives. As acknowledged earlier (Chapter 4), CSR is relevant to HRM while embedding ethical and wellbeing perspectives in HRM. This section goes further and specifies the employee champion role of HR in CSR.

HR participants of the current study indicated they generally drive socially responsible people practices and are influenced by CSR strategy. For instance, D-HR Manager asserted: "We currently have three programmes that we do in relation to CSR for employees; health and safety, diversity and women [in] leadership. The CSR manager tends to discuss with us; however the execution of programmes is our responsibility." This is supported by I-HR Manager who said:

I think CSR-related employee aspects are generally a business function as usual for us. For example, work–life balance, wellbeing, gender equality, diversity, long-term learning and development. Indeed, we accommodate some CSR standards and wellbeing perspectives to repackage it as socially responsible practices.

HR participants pointed out that they manage CSR-related employee wellbeing practices. They need to redesign CSR-related HR aspects by following CSR standards and thereby emphasise the wellbeing and ethical concerns of employees. For example, GRI has recommended diversity and equality performance indicators; accordingly, HR can change their existing diversity policy.

This highlights that CSR-inspired HR roles focus on the fair and ethical treatment of employees. This relates HR to original welfare work (Hope Hailey et al., 2005), by valuing “...employee-centered outcomes that may or may not relate to corporate performance” (Guest, 2002, p. 336). In other words, this role is associated with the employee champion role of HR which focuses on employee wellbeing (Francis & Keegan, 2006). The finding supports the view that HRM, by linking its routine responsibility with CSR, implements employee-centred practices such as diversity, equity, wellbeing, ethics and fairness (Gond et al., 2011). However, except for linking wellbeing concerns to HR functions, this does not put additional responsibility on HRM as they drive such aspects as part of their routine responsibility towards employees. The finding here suggests that through the

execution of socially responsible employee practices, HR directly contributes to employee wellbeing and thereby to the implementation of internal CSR.

### **Employee Engagement in CSR Initiatives**

Besides listening to employees and managing wellbeing practices, the present study found that HR has some involvement in driving employee engagement in CSR. Participants mentioned that HR promotes employee engagement in the environmental practices of the organisation. This is best illustrated in a comment by C-Sustainability Manager: “We have definitely been active in terms of engaging staff and HR is partnering with us. So HR encourages people to turn their monitors off, using screen saver, saving energy. So there are lots of things we are doing together for employee engagement.” Similarly, in the case of J-People Manager: “We try to engage employees in routine sustainability practices. For example, a small thing such as turning off their laptops, using double-sided printing or photocopying to reduce the amount of paper, and the HR department is a motivational force for that.”

The above examples show that the major role of HR in engaging employees is associated with the environmental initiatives of CSR. This view is consistent with the literature, which suggests it is HR’s responsibility to engage employees in environmental practices such as “recycling, reducing and reusing” (Liebowitz, 2010; Sharma et al., 2008). However, except for these basic environmental practices, HR does not seem to drive employee engagement in other CSR initiatives. This is due to the fact that generally the onus is on CSR managers to co-ordinate employee

engagement in major projects. Another factor responsible for this finding is the configuration of CSR within organisations. If CSR is housed in the HR department, for example, HR may contribute more in CSR initiatives. In contrast, if CSR operates in an autonomous department with a separate CSR engagement manager, HRM may have a less integrated role in employee engagement. Section 5.5 reviews such factors in detail.

To sum up, the above discussed HR roles are somewhat consistent with the employee champion roles, as originally proposed by Ulrich (1997). In particular, HR accommodates employees' views in CSR implementation and promotes wellbeing and socially responsible employee practices. Nevertheless, HR does not have a significant role in ensuring employee engagement and commitment in CSR practices, except for circulating reminders about environmental concerns among employees. This aspect will be further elaborated in Chapter 7.

### **5.4.3 Administrative Expert Role**

HR managers are supposed to modify their processes and functions to support transformation in organisations (Ulrich, 1997). Similarly, the present study found that the implementation of CSR requires inherent support from HRM by incorporating ethical standards in employment policies and linking the CSR direction in HR practices. Participants agreed that HR attempts to redesign their functions to embed CSR in HRM. H-CSR manager summarised this clearly: "Our HR [department] is very much receptive to CSR strategy and makes necessary changes in



their routine functions, which certainly helps with the smooth functioning of CSR.” As illustrated in Figure 5.3, two major themes are reported as an administrative expert role; first, HR helps to incorporate CSR objectives in traditional HR practices such as recruitment, selection, induction, training, performance appraisal, employee awareness and engagement. Second, HR supports the internalisation of CSR by managing novel systems such as volunteering leave and payroll giving. These aspects are discussed in detail in the following sub-sections.

Importantly, such roles are subject to a range of organisational factors, such as organisational structure and the position of HRM. Nevertheless, the extant literature has not examined their impact on the roles of HRM; the present study accepts that the HR contribution to CSR is highly contingent upon organisational variables, which are further discussed in section 5.5.

### **Incorporate CSR in Traditional HR practices**

#### **Recruitment and Selection**

The research noted that in the organisations where CSR is relevant to HRM (see Chapter 4), the CSR objective needs to be aligned with HRM functions such as recruitment and selection. In order to attract and employ candidates with CSR values and CSR-related behavioural traits, HRM need to make changes in its recruitment and selection policy and procedures. First, HRM highlights the CSR performance of the organisation in recruitment materials. For instance, G-CSR Manager asserted:

“Since we adopted the CSR path, HR has updated the recruitment webpage and incorporated CSR information such as CSR projects and employees’ involvement in such projects, so that we can attract the right candidates.” Second, HRM attempts to use CSR-related traits as criteria for recruitment and selection, as illustrated by C-Sustainability Manager: “HRM has actually started making CSR as criteria of recruitment and employment. So when they are looking for a candidate, apart from other requirements, they also look for their personal values, understanding-behaviour with regard to CSR.”

By modifying recruitment material and selection criteria, HRM ensures it hires the best talent, who will help attain the CSR goals of the organisation. In other words, HR helps to incorporate CSR-related traits into the employment process. This view is in accordance with the assertion that HR should recruit candidates who reflect CSR traits (Colbert & Kurucz, 2007), and select those ‘talents’ who contribute to the achievement of the CSR objectives of the organisation (Boudreau & Ramstad, 2005). In line with Orlitzky & Swanson (2006), the findings suggest that HRM could include criteria, such as cognitive moral development and personality traits related with ethics, to find employees well suited for their CSR endeavours.

A third aspect highlighted by interviewees is concerned with the integration of workforce diversity in recruitment and selection functions. For instance, A-CSR Manager highlighted diversity as a component of the recruitment process: “HR has been directly influenced by the diversity objective of CSR strategy and they are

transforming recruitment policy accordingly. For instance, we have increasing women in management and the recruitment of New Zealand Māori interns for our graduate internship programme.”

Diversity cannot be successfully implemented without necessary changes in recruitment, selection policy and procedure. As shown in the above comments, HRM inculcates the diversity component by employing a diverse workforce, such as women and indigenous, disabled and culturally diverse groups. This is consistent with the assertion that diversity is the key criteria of CSR (Emmott & Worman, 2008), which requires HR inputs into adapting recruitment and selection practices accordingly (Orlitzky & Swanson, 2006).

### **Induction**

Interviewees of this study revealed that HRM makes necessary changes in the induction process so that the CSR strategy and initiatives of the organisation can be highlighted to new employees. For instance, J-People Manager stated: “In the induction programme, we put some slides on CSR. We update them about the importance of CSR and their roles in that. We introduce payroll giving and volunteering projects and provide them forms, if they want to join.” A similar view was shared by B-HR Manager: “CSR needs to be part of our employees’ value proposition. So, orientation programme, we talk about volunteering policy, payroll giving, and green building so that it would be easy for us to match their mindset with our CSR culture.”

As reflected in the above examples, HR accommodates a CSR aspect in the orientation programme and introduces newcomers with CSR goals, priorities, projects and expectations. The HR function promotes dialogue with new employees by providing induction, and ensures they understand what CSR means to the company and what roles they can play in company CSR initiatives. This concurs with the finding of a previous study which observed that HR includes CSR values, goals and practices in employee orientation programmes and thereby helps to educate new employees around CSR (Wirtenberg et al., 2007). A similar approach was reported in a case study where HR managers provided CSR orientation to align employees' mindsets with the company's CSR objectives (Pless et al., 2012). The finding here offers a similar insight into what is proposed in literature, that HRM embeds CSR components into induction programmes (Garavan & McGuire, 2010; Rimanoczy & Pearson, 2010; Strandberg, 2009).

### **Employee Awareness**

A few participants talked about the administrative HR role in raising employee awareness by communicating CSR-related information to employees. For instance, O-CSR Manager: "We also have an internal magazine that goes to all staff, which is managed by HR. HR puts news, stories, upcoming events regarding CSR in that and keeps people updated." L-CSR Manager shared a similar approach: "All the staff are provided with a booklet highlighting what you need to know about working in the

company, and it includes information about our CSR initiatives and that is something which HR sends out.”

The participants highlighted the contribution of HRM in communicating CSR to employees. During interviews it was found this is only possible when internal communication is housed in the HR department. Except for the above-mentioned two organisations, most (11 out of 16) of the organisations under scrutiny had a separate communications department which promoted employee awareness around CSR through the intranet, internet, emails, presentations and blogs. Furthermore, three organisations had a separate communications expert in the CSR department to look after employee awareness and engagement. This view is consistent with a study which found that CSR-related communication operated from other than the HR department (Fenwick & Bierema, 2008). The finding, therefore, reflects the impact of organisational structure on the roles of HR in CSR communication. These factors are further elaborated in section 5.5. Hence, contrary to the literature, suggesting that HR can assist employee awareness by promoting the motives, philosophy and importance of CSR (Lam & Khare, 2010; Rimanoczy & Pearson, 2010), the finding here advocates the marginal role of HR in raising employees’ CSR awareness.

### **Job Description**

Another HR practice that requires the integration of CSR is the job description, as indicated by several interviewees. I-CSR Manager indicated: “HR helps us to incorporate CSR expectations in the job descriptions of top and middle level

managers. For example, [the] GM of each business unit has a CSR component in their job description, which includes both community and environmental practice.” Some HR professionals shared this view. For example, J-People Manager mentioned: “To keep CSR fully integrated, we have tried to link CSR responsibilities in [the] job descriptions of employees, not for all the employees but some of them. For example, in the procurement area, all of the procurement professionals have CSR objectives in their job descriptions.”

Hence, HRM helps align CSR-related priorities in job descriptions. More specifically, HR comprises CSR objectives in the job description, by clearly stating the organisation’s expectations in terms of various CSR-related tasks. As shown in the evidence above HRM introduces community participation, involvement in environmental initiatives and sustainable procurement aspects into job descriptions. This is somewhat consistent with the literature, which suggests that HR should embed CSR objectives and expectations in job descriptions (Garavan & McGuire, 2010) by altering job design and roles according to CSR direction (Bhattacharya et al., 2008; Kwan & Tuuk, 2012). The finding also observed that CSR is incorporated only into the job descriptions of higher level staff and employees who are highly influenced by the CSR framework of the organisation.

### **Training**

Participants pointed out that HR aligns the capabilities of employees with the CSR objectives of the organisation by accommodating CSR aspects in routine training

programmes and upgrading employees' CSR-related skills. K-Sustainability Manager illustrated this idea clearly: "We have a regular Store Manager Development Programme which is organised and managed by HR. Since we started sustainability practices, HR also delivers a component on community and environment practices to develop employees' sustainability skills." This supports the finding of a study that HR embeds the CSR component in routine training, leadership and career development programmes (Pless et al., 2012).

Another view, highlighted by participants, was that rather than adding CSR-related aspects into regular training programmes, a special training programme could be organised and delivered by the HR department for environmental and community initiatives. M-Sustainability Manager illustrated their environmental training programme: "We have a separate sustainability training programme which was developed by us but has now become a part of the HR training programme. So HR owns and manages the training programme to develop the skills of bank managers and they deliver workshops from time to time." H-HR Manager provided an example on community-related training: "We support the Halberg Trust, so it is the responsibility of HR to train our staff about how to relate with people of disability. After such training, they go and help disabled people to participate in sports."

Thus, HR delivers special training on environmental and community aspects of CSR. Although this specific training is developed by CSR experts, HR has an important role in delivering these programmes. This is in line with the assertion that HR has a

duty to develop skills among employees to carry out community and environmental projects of CSR (Garavan & McGuire, 2010). It also supports the proposal that HRM should provide CSR-related training to employees in order to upgrade their knowledge and skill (Colbert & Kurucz, 2007; Pless et al., 2012). However, some of the effective training methods such as coaching and storytelling, as indicated by Pless et al (2012), were not mentioned by participants. Furthermore, these roles are subject to contextual factors, namely the involvement of employees in CSR initiatives. For example, seven organisations in the study had externally focused CSR, and employees were not involved in CSR initiatives. In this case, HRM may not have an administrative role in inculcating CSR in training programmes. Hence, subject to organisational and CSR-related contingencies, HRM attempts to embed CSR aspects in routine training programmes or to provide separate CSR training.

### **Performance Measurement**

Another key perspective observed in the study was how well organisations develop explicit systems of performance metrics around CSR-related performance. The literature often proposes that HR should develop KPIs to measure CSR-related performance (Boudreau & Ramstad, 2005; Collier & Esteban, 2007; Garavan & McGuire, 2010). A small number of participants in the present study agreed with this notion. For example, K-Sustainability Manager stated: “We have specific sustainability objectives, which are linked to individual performance bonuses. So our HR department has built this into the performance management system. And



obviously they support and administer KPIs and performance measurement system around sustainability.” In the same vein, H-HR Manager asserted: “... most of the people leaders and all the leadership team have targets around how many beach clean-ups [community volunteering activity] they need to do and things like that. So these KPIs are developed and managed by HR professionals.”

HR aligns CSR with the performance measurement systems of the organisation and develops KPIs. This is in line with the proposal that HR should develop a performance measurement system for employees around CSR, and that it needs to be measured against employees’ actual performance to encourage employee participation in CSR (Bhattacharya et al., 2008). The finding is consistent with the view that HR can encourage employees to attain CSR targets by incorporating CSR-related KPIs into the performance measurement system (Orlitzky & Swanson, 2006).

However, apart from the above two examples, from CSR-committed organisations, most of the HR professionals revealed they do not inculcate CSR into the performance measurement system. For instance, C-HR Manager stated: “Our employees are involved in CSR initiatives, but we don’t really measure their CSR performance! I think we are still in a transition stage of CSR and it will take time to link CSR in performance and pay.” Thus, HR cannot link CSR and performance measurement systems if the organisation is in the early stage of CSR. As discussed in Chapter 4, if the organisation has recently adopted CSR, the priority is on external

projects and may not have implications for HRM-related aspects, including performance measurement.

This finding is consistent with a study of HR managers in New Zealand, which reported that only one of 16 HR managers measure and reward CSR-related performance (Harris & Tregidga, 2011). But it is contrary to another study which reported that 50 percent of managers incorporate or intend to incorporate CSR in their performance measurement system (Muirhead, Bennett, Berenbeim, & Vidal, 2002). This implies that the incorporation of CSR in performance measurement systems largely depends on the strategic links between CSR and HRM, as well as organisational and CSR-related contextual factors.

### **Other Novel Administrative Support**

Apart from traditional HR functions discussed in the above sub-sections, this research found that the HR department designs new HRM systems to promote CSR initiatives such as employee volunteering and payroll giving programmes. This is because an increasing number of organisations are involved in community projects by offering employee volunteering. HRM can help by developing a volunteering leave policy and managing the system of granting volunteering leave. B-CSR Manager, in this regard, stated: “Community involvement of employees is a kind of partnership between CSR and HR. They manage the admin part of leave but I would probably champion the community projects really.” HR participants also shared similar views on the relative roles of HR and CSR experts. I-HR Manager

maintained: “If there are CSR initiatives happening such as ‘closed for good’ [a branch is closed for community work], that is not an HR initiative but HR has to make sure that our system and process support provision of volunteering leave.”

These comments demonstrate the partnership between CSR and HRM experts while executing community projects. However, such projects are largely driven by CSR experts whereas HR is responsible for administering the voluntary leave system. This finding does not follow the result of a survey of German employees, where 68 percent of respondents reported that employee volunteering is driven by the HR department (Herzig, 2004). Furthermore, the participants in the current study mentioned that the voluntary leave system is generally automated. For instance, H-HR Manager stated: “We do have a volunteer day off, and obviously the HR system supports it. But volunteering leave is recorded through the enterprise resource system, which is pretty much [an] automated system and this is just a practical small way to help them.” It appears HR has a limited role in the volunteering leave system. This supports the findings of a previous study that HR does not have much involvement in community volunteering, except for managing an automated volunteering leave system (Zappala & Cronin, 2002)

Another CSR initiative that requires HR support is the payroll giving system. As defined in Chapter 2, payroll giving is an internal donation programme where employees donate a share of their payroll for a social cause (Zappala & Cronin, 2002). Some (7 out of 16) of the organisations sampled in the present study had a

payroll giving policy administered by the HR department. As an example, N-CSR Manager asserted: “Initially I had to influence HR to work on a payroll giving policy. Then we together developed policy, procedure- manual around payroll giving and now they are managing the system. But HR needs to own payroll giving really because it is a function of HR.” H-HR Manager: “Yes we do have a payroll giving policy which is managed by HR. But it is an automatic system and we don’t have much to do once we developed the system.” It seems that generally the payroll giving project is developed by the collaboration between CSR and HRM and then handed over to the HR department for routine administration. HR professionals need to be involved in the initial stage in order to establish and run the system within the HR regime. Yet, once the system is defined, similar to volunteering leave management, payroll deduction is an automated system. Hence, HRM provides the basic administrative support in promoting payroll giving programmes.

In summary, it can be said that in an administrative expert role, HR provides two types of support to CSR implementation. First, HR inculcates a CSR component into traditional HR practices, such as recruitment, induction, job description, training, employee awareness and engagement and performance measurement. This supports the statement of Gond et al. (2011), that “embedding CSR within a corporation involves a growing integration of CSR aspects within multiple HR processes” (p. 123). However, also observed in the present study is a lack of any standard framework as these HR roles vary according to a range of organisational factors. This includes the position and roles of the HR department in an organisation, the

involvement of employees in CSR initiatives, the configuration of CSR within an organisation and the nature of industry. These factors are explored in the following section. Second, HR provides supplementary administrative support in some CSR initiatives, such as payroll giving and the volunteering system. These roles involve little more than managing the automated payroll deduction system and the volunteering leave system. Although not a high level contribution, HR assistance is still essential to provide a consistent setup for CSR projects. Thus, overall, as an administrative expert HRM makes a crucial contribution to the implementation of CSR strategies. How the findings match the administrative expert role advocated by Ulrich (1997) will be further explored in Chapter 7.

### **5.5 Organisational Factors**

Richard, Ford and Ismail (2006) argue that “human behaviour and group processes occur in a specific organisational context, and the association between these processes and the context within which they occur should not be ignored” (p. 2093). Similarly, the present study found that HR involvement in CSR is not a ‘one size fits all’ concept but is contingent upon certain internal factors. In particular, organisational factors are found to be influential in determining HR roles in CSR, such as organisational configuration, the roles and responsibilities of managers and the degree of centralisation (see Figure 5.4).

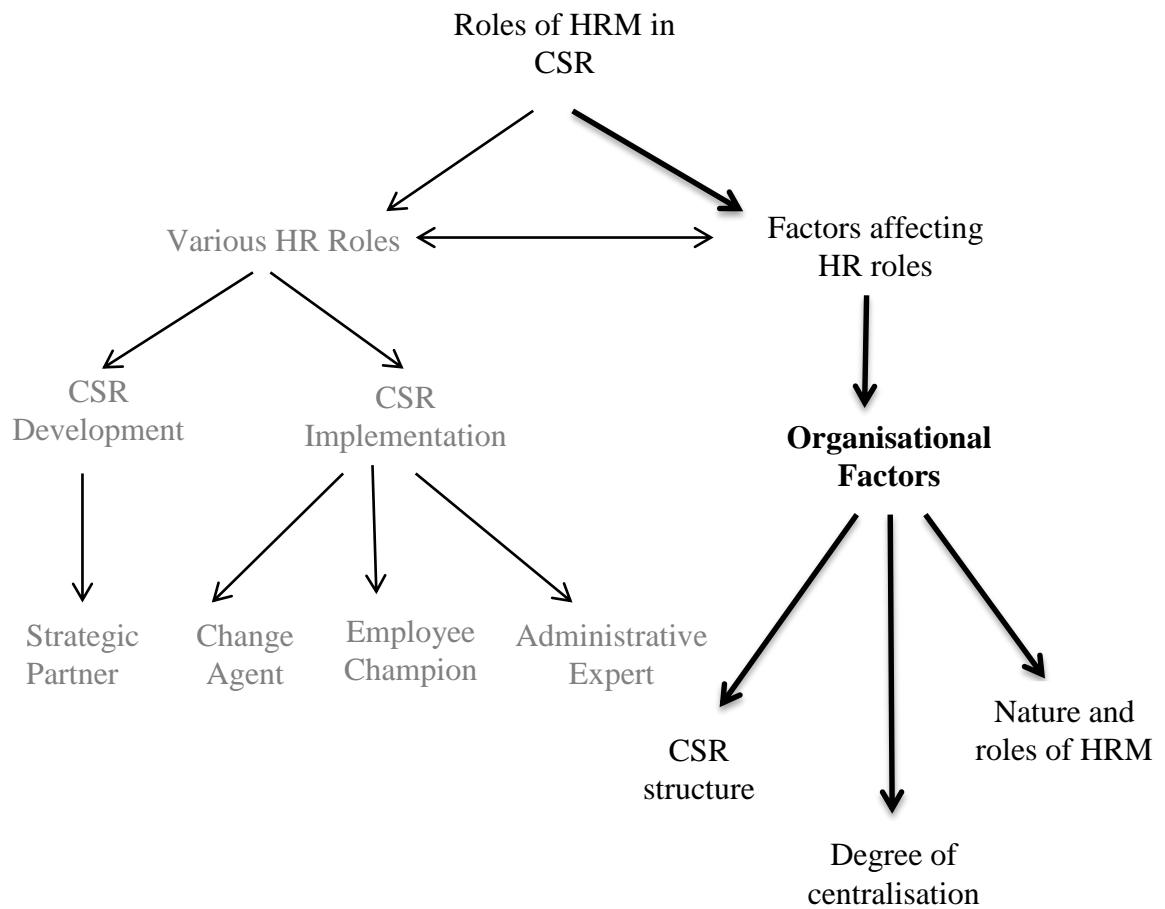


Figure 5.4. Organisational factors affecting HRM roles

### 5.5.1 CSR Structure

This study observed that the contribution of HR to CSR is influenced by organisational configuration, particularly in the way CSR is evolved and positioned in the organisational structure. Indeed, there is no standard structure to dictate where the CSR function should be based (ACCSR, 2007). This empirical inquiry found a variety of organisational configurations for CSR, as shown in Table 5.1.

Table 5.1. *Position of CSR within organisation*

<i>Firm</i>	<i>Department where CSR is located</i>	<i>Manager looking after CSR</i>
A	Marketing	CSR Manager
B	Branding–Communication	Sustainability Manager
C	Sustainability Department	Sustainability Manager
D	External Affairs	CSR Manager
E	HR	HR Manager
F	Top management (Divisional Executive)	Sustainability Manager
G	Top Management (CEO)	Sustainability Manager
H	Marketing–Communication	Sustainability Manager
I	Legal & Governance	CSR Manager
J	Marketing	CSR Manager
K	Top Management	Director, Corporate Relations and HR (execution)
L	Top Management (GM)	General Manager
M	Top Management (CEO)	CSR Manager
N	Top Management (Company Secretary to BOD)	Sustainability Manager
O	Sustainability Department	Sustainability Head
P	External Affairs	CSR Manager

In only one of the 16 organisations under scrutiny, was CSR housed in the HR department and driven by the HR manager. In the majority of organisations, CSR was located in top management, marketing or external affairs. For instance, CSR was operated in top management in six organisations and co-ordinated by CSR experts, apart from one organisation where the HR director was in the lead position. Two organisations had a separate CSR division, which involved a team of three to four members working with the CSR manager. This classification supports a UK study, which found that in 80 percent of organisations surveyed, CSR belonged to top

management, public relations or the marketing department (Toyne, 2004). It is also in accordance with a survey of Australian organisations which reported that around 40 percent of CSR roles were within external affairs or marketing (ACCSR, 2007). In contrast, the CSR configuration shown in Table 5.1 is slightly inconsistent with a Turkish study, which found that CSR sits under the HR department in 45 percent of organisations (Akgeyik, 2005). Hence, CSR is positioned within a range of departments.

Importantly, the findings revealed that the position of CSR within the organisational structure has a significant impact on the contribution of HR. For instance, HR managers may have strategic roles where CSR emanates from the HR department. C-HR Manager confirmed this view: “The HR department is responsible for CSR. Particularly, I am involved with our CSR strategy and initiatives. I sit on a trust for New Zealand Robotics, established to promote careers in engineering science and technology. Likewise, I am also involved in a few other initiatives.”

The above example illustrates that if CSR is operated within the HR department, HR professionals make a profound contribution to the development and implementation of CSR strategy. The finding here concurs with a study which reported that in organisations where CSR is housed in the HR department, HR drives the agenda (Gond et al., 2011). As mentioned earlier, only one organisation was found with such a configuration in the present study. This is largely because organisations are interested more in the external initiatives of CSR (Matten & Moon, 2008); therefore



they tend to align CSR with the external affairs or marketing department rather than the internally focused HR department.

The findings also reported that if CSR is co-ordinated by other than the HR department, with designated CSR managers, HR may have a moderate role. A- People Manager asserted: “In our organisation CSR projects are looked after by the CSR person and she works under the Marketing and Communication Department. So we don’t really drive it.” This demonstrates that the disconnection between CSR and HRM is due to the location of CSR in an externally focused department. This finding supports Zappala’s (2004) study, which reported that in the majority of Australian companies CSR is driven by the PR or marketing department, leaving little scope for the HR department.

Similarly, the strategic roles of HR may be marginal where CSR has become a distinct department, with three or four staff members, headed by a CSR manager. For instance, J-CSR Manager stated:

There is not much role for HR. I co-ordinate major things with my team. So the Internal Engagement Manager co-ordinates employee engagement. CSR communication is looked after by the communication manager, whereas environmental projects are driven by the Environmental Manager.

The response here reflects that HR may have a moderate role if there is a separate division of CSR with various team members, as the CSR team drives the agenda. The

finding is in line with a study that highlighted that the HR contribution remains relatively limited if CSR is managed through a separate department (Gond et al., 2011). It is also consistent with the assertion that when CSR is operationalised as an independent division, the roles of HRM can be uncertain (Pedrini & Ferri, 2011).

Overall, the above discussion reveals that the involvement of HR professionals in CSR strategy is highly contingent on where CSR is positioned in the organisation. HR may have more strategic input into CSR if CSR is developed from the HR department with internally focused strategies. However, this is very rare, and in most organisations where CSR reports to other departments and exists as a distinct entity in its own right, there may be a limited role for HRM.

### **5.5.2 Degree of Centralisation**

The present study reported that the degree of centralisation in CSR-related decisions also impacts on the support of HR in CSR. It was observed that in organisations where CSR-related decisions are decentralised to the business units, HR involvement in CSR can be limited. For example, F-Sustainability Manager maintained: “No, I don’t think HR is involved in sustainability. I look after the environmental part whereas community work and employee volunteering is left at your regional groups which function almost as independent companies.” E-Sustainability Manager presented a similar picture:

Our HR does not have any role in CSR initiatives. Our community volunteering projects are pretty decentralised. And our business units drive community projects for the local people. Our corporate HR doesn't have any link with them as business units are doing pretty well in terms of staying in touch with the local communities.

The above responses illustrate that decentralisation of CSR can be effective as it is implemented according to the needs of local stakeholders. However, this fragmentation impedes the involvement of corporate HR in CSR, largely because business unit managers drive CSR projects. In these kinds of organisations, HR may not have a significant influence on CSR, even in terms of overall strategy. Furthermore, the degree of centralisation varies according to the nature of the industry, the type of organisation and the nature of its operations and management (Fauzi & Idris, 2010; Zappala & Cronin, 2002). For instance, the comments above came from construction firm managers where, due to the nature of the operation, business units work almost as independent organisations.

This appears inconsistent with a study which found that in large organisations CSR decisions are more centralised and HR less involved in CSR, given its reporting lines to other departments (Zappala & Cronin, 2002). In fact, the finding here suggests that HRM may have a more formalised role when CSR strategy is centralised. For instance, I-CSR Manager asserted: "CSR-related decisions are taken by the CSR committee and our GM-HR is a part of such a committee and involved in evolving

CSR initiatives and also supporting their implementation.” That is, HRM may have more involvement in CSR-related decisions and in facilitating infrastructure for the execution of CSR. Thus, the degree of centralisation with regard to CSR-related decisions affects the role of HR in CSR.

### **5.5.3 Nature and Roles of HR**

The roles of HR are positioned within complex organisational and social settings (Caldwell, 2003) and contingent upon certain organisational factors, such as sector, culture, size, structure and workforce characteristics including skill, gender and age (Truss et al., 2002). Similarly, based on interviews with participants, it was revealed that some aspects internal to the HR department have emerged as influencing factors affecting the HR role in CSR. For example, it was found that labour-intensive, service-based organisations with a large number of front-line employees may have strong HR departments with a broad scope and application. Here, HR involvement with CSR also seems extensive. For instance, G-HR Director of a retail organisation asserted: “We have a very strong HR department. We also have some involvement in CSR. For example, HR drives employee awareness and education regarding CSR. We also coordinate community projects and employee engagement.” The response conveys that a strong HR department with a wide application has a substantial presence in CSR and drives employee education and involvement. This supports the assertion that where HR provides a strategic contribution to the business it is more likely to contribute to CSR strategy and implementation (Geroy et al., 2000).

In contrast, some firms may not have a significant HR department due to the nature of work, industry and employees. Accordingly, there may be limited roles for HR in CSR due to the overall limited HR structure and role in the organisation. This is illustrated by E-Sustainability Manager: “The structure and the manner we work in construction industry, we don’t have a really large or strong HR department. Our HR department consists of 4-5 people! So the way HR works in our organisation, their involvement is not possible in CSR.” HR may not be able to contribute to CSR strategy given its operational focus, limited resources and internal credibility. Therefore, the findings confirm that the HR role in CSR relies on the nature of the HR department itself (Gond et al., 2011).

A focus on business strategy might also limit the involvement of HR in CSR. For example, some HR participants perceive their roles to be strategic in terms of business performance, and CSR not a high priority. For instance, F-HR Manager stated: “Yea, we can get involved in CSR, in fact, we are so generous to get involved in anything but I guess it is all about availability, time, and what else is going on in HR!” A similar view was shared by B-HR Manager: “Because I think for us the HR function is more strategic, we will not be just administrators... I believe HR is not ideal to support CSR, but those initiatives should be co-ordinated by the business or the marketing team.”

Time also emerged as a construct for HR involvement in CSR, due either to operational or more ‘strategic’ business priorities. This can be the case particularly

where CSR has an external focus. The finding here is in line with the result of a study of New Zealand HR managers which found that HR managers cannot commit to CSR due to their prior engagement with core HR issues (Harris & Tregidga, 2011). This also highlights that some HR managers have not yet made a transition in integrating CSR with the strategic priorities of HRM. In essence, it can be said that the way HR experts perceive their role affects HR involvement in CSR. Hence, the diverse roles of HR in CSR rely on organisational factors, such as structure and reporting lines, the degree of centralisation and the nature of HRM and perception of its role.

## **5.6 Conclusion**

This chapter focused on the roles of HRM in the development and implementation of CSR. Various roles of HRM were identified, which are often acknowledged in literature but rarely empirically investigated. Ulrich's (1997) framework was used to outline the findings. Accordingly, it was noted that some of the HR roles proposed by Ulrich (1997) are more persistent in CSR strategy, while others are relatively insignificant.

While playing the role of strategic partner in the development of CSR strategies, HRM has some involvement in CSR. As HR looks after people practices, it has more promising roles in initiating internal CSR strategies by developing wellbeing-oriented employee policies. However HR, being internally focused, does not contribute much in designing external CSR strategies. This finding is contrary to

much of the literature that claims strategic roles for HR in developing CSR strategies.

Compared to the limited role of HR in CSR development, HR has a significant role in the implementation of CSR strategies. The findings suggest that the employee champion and administrative expert roles of HR are more significant than the change agent role. Thus HR has a greater contribution as administrative expert and employee champion, which are operational roles. And where HR has a more strategic business-focused role in the organisation, its involvement in CSR may be reduced, especially where CSR is seen as having an externally focus. These HR roles are highly dependent on organisational factors such as CSR configuration and HR roles. Having examined the two-way relationship between CSR and HRM in Chapters 4 and 5, the next chapter will analyse the resulting CSR-HRM integration.

---

## Chapter 6

### Integration between CSR and HRM

#### 6.1 Introduction

This chapter explores the third research question – ‘*How does the integration between CSR and HRM professionals work and what factors affect such integration?*’ The previous two chapters acknowledged that the linkages between CSR and HRM are necessarily two-way; the relevance of CSR to HRM and the roles of HRM in CSR strategy. In accordance with integration theory, this research proposes that the interconnections between CSR and HRM may generate interaction and collaboration between CSR and HR professionals in an organisation. Although emerging literature advocates strategic links between CSR and HRM (e.g., Buciuniene & Kazlauskaite, 2012; Cohen, 2010; Shen, 2011), little is known about the interactions and partnership between CSR and HR professionals – and the resulting CSR–HRM integration – in organisational settings (Preuss et al., 2009). Furthermore, it is still not known what factors are responsible for CSR–HRM integration. Hence, this chapter has the following objectives, which are to:

- discuss the nature of collaboration and interaction between CSR and HR professionals
- investigate various levels of overall CSR–HRM integration
- examine factors influencing CSR–HRM integration.



In order to achieve the above objectives, the chapter is organised as follows: the overview is presented in the first section, the second section focuses on the nature of collaboration between CSR and HR professionals, and the types of interactions are categorised in the third section. Based on the nature of collaboration and interaction between CSR and HR managers, three levels of CSR–HRM integration emerged from the data which are analysed in section four. The last section examines contextual factors affecting CSR–HRM integration, with particular emphasis on behavioural factors.

## **6.2 Overview of the Chapter**

Given a growing interconnection and interdependence between CSR and HRM, the synchronisation of CSR and HR activities is crucial for the coherent implementation of CSR. Gond et al. (2011) recommend that the success of CSR internalisation relies on the integration between CSR and HR professionals. However, little is known about such integration due to the lack of conceptual and empirical research. This chapter, by employing integration theory, attempts to investigate the relationship between these professionals. As discussed in the theoretical framework proposed in Chapter 3, integration has been discussed from three perspectives; integration is the result of interactions between managers (e.g., Moenaert et al., 1994; Ruekert & Walker Jr, 1987), integration depends on active collaborations (e.g., Lawrence & Lorsch, 1986; Schrage, 1990) and both interaction and collaboration influence successful integration (Kahn, 2001). The present research follows the latter approach, as it embraces that both collaboration between CSR and HRM at

departmental level, and interaction between CSR and HRM managers at individual level, are required to achieve overall CSR–HRM integration.

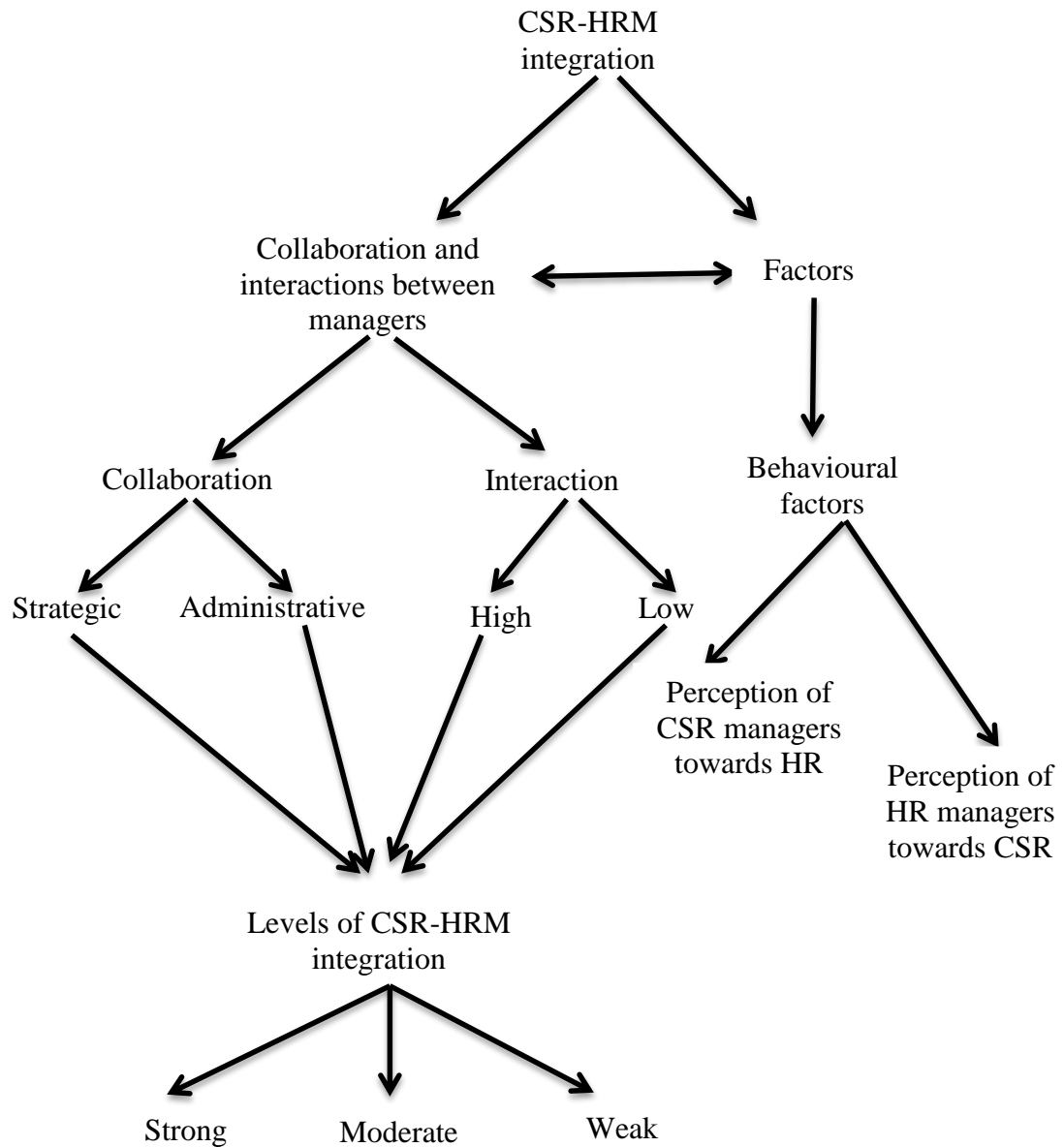


Figure 6.1. CSR–HRM integration

Figure 6.1 demonstrates the major themes that emerged from the data, including two types of collaboration and interactions between CSR and HR, which result in three levels of CSR–HRM integration. It also shows the linkage with behavioural factors which are directly related to the overall relationship between managers. Each of the aspect of Figure 6.1 is elaborated with relevant comments from participants in the remainder of this chapter.

### **6.3 Collaboration between CSR and HR Managers**

Collaboration is a state where managers from various departments work together for the achievement of common goals by reducing structural and behavioural barriers, developing mutual understanding and sharing resources (Kahn, 2001). The collaboration is voluntary in nature, where two or more individuals respect each other's ability and expertise and work together to achieve common goals. It focuses on co-operation between scattered individuals to create a meaningful relationship (Daniel et al., 2005). With regard to CSR and HRM, collaboration is concerned with the common agenda, where CSR and HRM professionals work together. As shown in Figure 6.1, two themes emerged regarding the nature of collaboration; strategic collaboration and administrative collaboration.

#### **6.3.1 Strategic Collaboration**

Strategic collaboration includes the partnership between CSR and HR professionals which influences shared strategic decision making and has long-term implications for organisational policies and processes. The present study revealed that the

growing interface between CSR and HRM generates a strategic relationship between CSR and HR professionals. In particular internal CSR, which overlaps some HR aspects (see Chapter 4), necessitates that CSR and HR managers work in teams.

Participants of this study stated that generally a strategic partnership existed between CSR and HRM managers when developing and implementing HR-related internal CSR strategies. For instance, I-CSR Manager stated: “The workplace issues set under the CSR agenda are largely being driven by HR. So I need to closely work with HR to develop and facilitate their project. We generally work as a team on key areas which come up as material issues.” B-CSR Manager had a similar view: “Within CSR policy we have a specific framework for HR-related aspects. I personally team up the HR manager to develop such framework, strategies, initiatives and goals. We also have some partnership while implementing such initiatives.”

Thus, the overlap of CSR and HRM results in strategic collaboration between CSR and HR managers. In particular, CSR managers help to embed social and ethical concerns in HR aspects, whereas HR managers actually develop and implement key strategies. This teamwork is inspired by a common goal, namely CSR-related HR practices. This aspect is considered strategic because it may have significant influence on organisational policies and practices. For example, CSR–HRM collaboration on diversity and gender equality practices may require many changes in recruitment, promotion, training and development policies. Hence, the above finding explains that CSR and HR managers work as a team to develop socially

responsible HR practices (Shen, 2011). Based on integration theory, it can be said that such strategic collaboration improves integration between the two functions (Kahn & Mentzer, 1998). However, except for this aspect, there was not much strategic collaboration between CSR and HR managers. This is largely because CSR and HRM have more interface and mutual goals while developing and implementing employee-related aspects which require a partnership approach. The study reported that most other collaboration is either administrative or supportive in nature. The following sub-section elaborates on this.

### **6.3.2 Administrative Collaboration**

Administrative collaboration, as reported in this empirical study, is the partnership between CSR and HRM managers, which is operational in nature with short-term implications for organisational functions. The ensuing research observed that most connections between CSR and HRM professionals fall within administrative collaboration. In particular, four themes emerged from the data.

First, CSR and HR managers work together on CSR reporting. CSR managers are responsible for communicating CSR performance to internal and external stakeholders through CSR reports. Most participants acknowledged that this requires teamwork between CSR and HR managers. For example, J-CSR Manager indicated: “Yes, I do interact with HR, especially when preparing annual CSR reports. Because we need statistics from the HR system for some key CSR-related areas.” G-HR Director supported this view: “We meet two to three times in a year for reporting

purposes so it is very clear that we need to work together in terms of reporting.” This shows that CSR managers need to collaborate with HR professionals to develop CSR reports. However, sometimes such collaboration is nothing more than collecting data from the HR department, as depicted in the comment of J-CSR Manager.

Second, the integration of CSR in HR requires some change in HR functions. In this regard, many participants discussed they had a mutual goal to align CSR with traditional HR practices. M-Sustainability Manager stated: “We work with HR in terms of induction. We want employees to experience our managing money programme which is a CSR programme, so we incorporate that in induction workshop.” N-CSR Manager gave an example: “We use [the] environmental certification system, so I work with the HR manager to make sure all the job descriptions are reviewed by adding the environmental component.” These comments show some operational collaboration between CSR and HR professionals while embedding a CSR component in HR functions. CSR experts help HR to inculcate the CSR element into HR functions, whereas HR adapts and implement these practices. This is consistent with the CSR–HR literature which advocates that CSR and HR require a partnership to integrate CSR in HR practices, such as recruitment (Colbert & Kurucz, 2007), job description (Bhattacharya et al., 2008) and training and development (Pless et al., 2012).

Third, there is also a connection between CSR and HR professionals when developing external CSR initiatives – which are necessarily non-HRM dimensions of CSR such as community and environmental projects. In particular, participants

discussed that they work together for the development of community initiatives. B-CSR Manager summarised this clearly: “There are three [areas] in my experience where we [CSR and HR] quite frequently work together; disaster relief, development of volunteering, and payroll giving.” N-CSR Manager provided an illustration of such an interaction: “We have mutual work on community projects. For instance, I come up with an idea of employee learning through volunteering, and then sell this idea to HR. The Head of HR suggests a person who can help me, so then we team up for the project.” Thus, CSR managers drive the community agenda and HR provides operational support. The finding here supports an operational partnership between CSR and HRM while designing external CSR initiatives (Buciuniene & Kazlauskaite, 2012).

Finally, besides developing external CSR projects, participants revealed that CSR and HR managers team up for the execution of such projects. For example, B-CSR Manager maintained: “At the time of the Christchurch earthquake [2010], HR worked very well with us... so HR offered extra five days for volunteering leave, organised a volunteering schedule, and we made a difference together.” A similar view was shared by I-HR Manager: “We need to work with CSR experts to support our CSR programmes, such as community volunteering by ensuring the provision of volunteering leave.”

This reveals that CSR managers need to collaborate with the HR department while implementing CSR projects. The finding is consistent with the literature that CSR experts develop such initiatives, whereas HR supports them by managing systems or

policies around these initiatives; for example a payroll giving project (Haski-Leventhal, 2013) and community volunteering (Zappala & Cronin, 2002). Hence, due to employee involvement in community initiatives, the administrative partnership between these professionals does exist.

To sum up the above finding, it can be said that the majority of collaborations between CSR and HRM are administrative, except for the few mentioned above. These collaborations aim to ease implementation of CSR strategy, develop infrastructure and incorporate CSR in routine HR functions to develop a CSR culture. This aspect will further explored in Chapter 7.

#### **6.4 Interactions between CSR and HR Managers**

Interaction is a term broadly used to identify a process that seeks to involve effective communication between two managers in a shared goal. It is a structural nature of activity that occurs between two departments or managers and can be defined by the frequency of communication and contact (Daniel et al., 2005). These interactions can be formal meetings, conferences, committees, phone calls, electronic communications, reports or fax (Kahn, 1996). As indicated by Figure 6.1, the present study found that interaction between CSR and HRM managers varies from high to low. The high level of interaction is viewed as regular and frequent formal communication and contact. Some participants discussed that CSR and HRM managers have very frequent contact in terms of formal meetings to deal with



common agendas (as discussed in the preceding sub-sections). D-HR Manager indicated:

We have frequent and formal interactions. It depends on what we work for. So if it is something the organization is working on – strategic imperative on sustainability, then the sustainability manager would drive that piece of work and invite us in her meeting and if it is a HR-led thing, we would do it and we involve her in that. So everything we do is quite aligned.

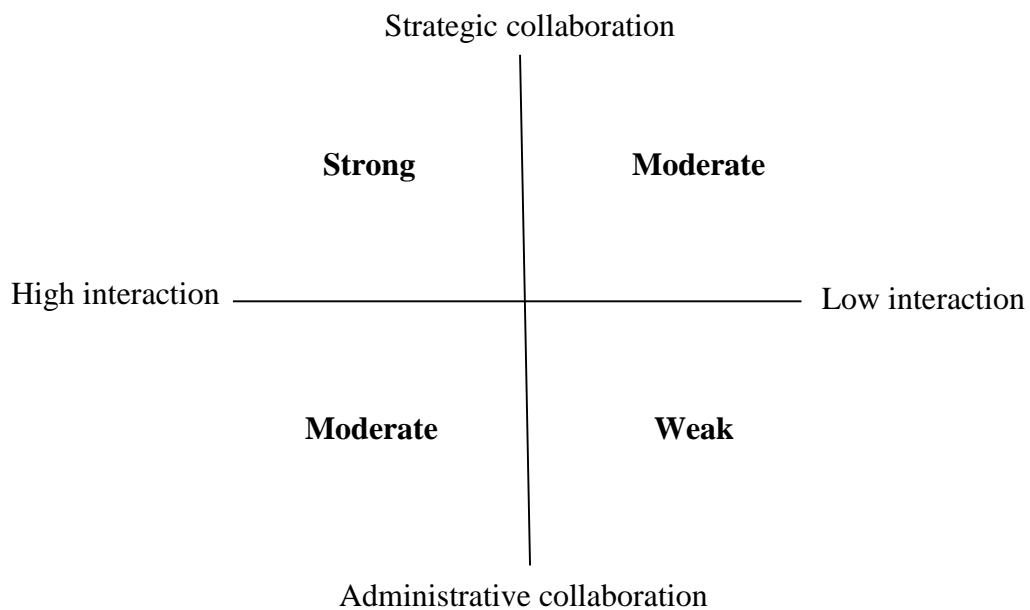
However, only a small number of participants supported a high level of interaction. This is largely because high levels of interaction exist only in organisations where CSR and HRM are very interrelated and interdependent. In contrast, a low level of interaction describes occasional, irregular and rare communication between CSR and HR managers. Many participants said interaction between CSR and HRM managers was occasional. G-HR Director stated: “We do have some contacts with the CSR expert as we meet for some common meetings, say around 2-3 times a year.” A few also admitted that CSR and HR professionals do not see each other. For instance, A-People Manager argued: “I don’t see him [CSR manager] at all. We have done one project on electricity savings of this building with him but I would not know what he does.” This issue was also observed when the CSR manager of the same organisation was interviewed. At the end of the interview, when the researcher asked the name of the HR manager with the intention of involving HR in the research interviews, the manager said he did not really know the HR manager. This reflects an absence of interaction between CSR and HR managers.

The above responses indicate that contact between CSR and HR managers may be occasional and rare. According to integration theory, the lack of interaction between two independent managers may impede the relationship and integration between the two functions (Kahn, 1996). Many managers depend on interactions to establish integration between departments (Daniel et al., 2005). Similarly, the finding indicates that limited contact between CSR and HRM professionals may create difficulties in integrating CSR and HRM in organisations.

More importantly, the findings revealed that the diverse nature of collaboration (as discussed in the previous section) and the various levels of interaction between CSR and HR managers, covered in this section, are associated with contingent factors. In accordance with the contingency perspective, there is no uniform partnership or interaction between CSR and HRM; rather, interaction varies along a continuum from strategic to operational and from high to low. The findings also reflect that the relationship between managers is subject to behavioural factors, such as how CSR and HR managers perceive each other. For instance, if HR managers view CSR as external or an unnecessary exercise, they are less likely to develop links with CSR. These behavioural factors are discussed in section 6.6. Furthermore, as collaboration and interaction are based on the two-way CSR–HRM relationship, they are also influenced by organisational and CSR-related factors – scope of CSR, stage of CSR development, nature of industry, CSR configuration and roles of HRM (see Chapters 4 and 5).

### 6.5 Levels of CSR–HRM Integration

Integration is a state of high degree of shared values, mutual goal commitments and collaborative behaviours (Souder, 1988). It is a process of achieving unity of effort among the various subsystems in the accomplishment of the company's task through collaboration and interaction between managers (Kahn & Mentzer, 1998). Based on findings, the present study argues that collaboration and interaction between CSR and HR managers are important to develop CSR-HRM integration.



*Figure 6.2.* Levels of integration between CSR and HRM

As depicted in Figure 6.2, within the twin dimensions of collaboration and interaction and on a scale from strategic to operational and high to low respectively,

the study reported three themes of CSR–HRM integration; strong, moderate and weak.

1. strong–strategic collaborations and high level of interaction
2. moderate–strategic collaboration but low level of interaction, administrative collaboration and high level of contact
3. weak–administrative collaboration and low level of interaction.

### **6.5.1 Strong Integration**

Figure 6.2 shows that a strong relationship falls within the dimension of strategic collaboration and high level of interaction between CSR and HR professionals. Strong CSR–HRM integration is referred to as a state where CSR and HR managers have a strategic partnership and frequent contact and flow of information. The results of the research reported that a strong CSR–HRM relationship exists in only few organisations. This is because such integration takes place with two pre-conditions: first, CSR is applicable to HRM (see Chapter 4), and HR has a greater involvement in overall CSR strategy (see Chapter 5).

First, a small number of participants revealed frequent and strategic collaboration where CSR has significant relevance to HRM. For example, H-HR Manager discussed how CSR is aligned to HRM: “So every time we do something new, our sustainability manager is always a welcome person around the table. So it is more around sharing ideas, collaborating ideas and mutually developing programmes.” D-HR Manager supported this view:

Under CSR strategy we have a separate workplace framework where all the different parts of HR are monitored from the CSR aspect as well. So we interact a lot with the CR manager in terms of the amount of money that we are putting in learning and development, what we are doing around remuneration, diversity, equality and so many other things. So, all the different parts of HR are clearly linked with CSR and we closely work together.

The above examples demonstrate that CSR is clearly and strategically linked with HRM. Many HR aspects are addressed from the CSR perspective, resulting in collaboration between CSR and HR professionals and a strong overall relationship. This confirms the view that the way CSR is embedded in HR directly impacts the overall relationship between CSR and HRM managers (Weaver et al., 1999). This state of situation only emerges where there is a well-balanced CSR strategy with a focus on internal employees. This implies that the CSR–HRM integration is influenced by CSR- related factors.

Second, a strong CSR–HRM relationship is also observed in situations where HR has a significant role in CSR. For example, I-CSR Manager:

Our HR is highly involved in CSR. For instance, our HR-GM is a part of the CSR committee and involved in strategic decisions of CSR, then the HR manager works with me to embed CSR in organisations, and at the last level front-line employees are very much engaged in most of the CSR projects. So

we are pretty much aligned at all the levels of organisation and really work in an integrated manner.

This example shows that HRM is a key contributor to CSR from the strategic to the operational levels. HRM helps to develop shared organisational goals, a common agenda, strategic and operational partnership and regular communication. This reflects that the meaningful involvement of HR in CSR may develop overall CSR–HRM integration, and is in line with the assertion that the high involvement of HR in CSR gradually results in an integrated CSR–HRM approach (Wirtenberg et al., 2007). Again it is important to reiterate that this relationship is subject to organisational factors, such as the roles and position of the HR department.

Thus, it can be said that a strong relationship between CSR and HRM works where CSR and HRM are interdependent, and promoting frequent contact and strategic alliance between managers. The CSR–HRM relationship can be strong in circumstances where CSR has a strong application in HR and HR has a substantial involvement in CSR. Based on the finding, specifically, it can be said that strong CSR–HRM integration is subject to various preconditions: first, there should be a broader application of CSR which is fully integrated with HRM policies and practices. Second, the HR department itself should be strong enough to be strategically as well as operationally involved in CSR. Third, there should be supportive organisational structure and managerial behaviour. Hence, this relationship is contingent on CSR-related organisational and behavioural variables.

### **6.5.2 Moderate Integration**

The present study found that most of the organisations fall in the category of moderate CSR–HRM integration. As demonstrated in Figure 6.2, a moderate state of CSR–HRM relationship exists in two situations; first, there is strategic collaboration between CSR and HRM managers; however, their interactions are very rare and irregular. Many participants agreed that CSR and HRM managers work together for strategic reasons; nevertheless their contacts remain occasional, especially after the start-up stage. For instance, J-People Manager indicated: “When initially as a group we decided to opt for the sustainability path, we worked with the sustainability group in order to create a sustainability culture through staff awareness and involvement. But after that we didn’t see each other much.” L-CSR Manager illustrated CSR–HRM integration while starting a new CSR project: “Yes, they [HR] will be invited in our new projects. So we have some mutual connection when we launch new programmes but except [that] we don’t have much interaction with HR people.”

There is some collaboration and partnership between CSR and HRM managers. It appears that these alliances are strategic at the initial stage of CSR strategy and evolution of CSR projects, but once the strategy and/or initiatives are established, CSR and HR managers do not have regular contact or collaboration. So, this collaboration might appear strategic but it is not supported by continuous interaction and teamwork. This situation exists where CSR strategy is effectively developed but not embedded in an organisation; in other words, the CSR framework is not implemented within the organisation and aligned with employment practices. For

example, such organisations may have community or environmental projects, but employees are not involved in these initiatives and existing HR functions (such as additional training or changes in job roles) remain untouched. It might be that these organisations adopt CSR to address pressure from external factors; accordingly CSR remains an external exercise with limited implications for HRM.

Another state of moderate CSR–HRM integration is found in organisations where managers have regular and frequent contact but collaboration is necessarily non-strategic or administrative. A group of participants revealed that CSR and HR professionals have regular interaction for supportive work which has no strategic implications. For instance, CSR manager stated:

I regularly meet [the] HR manager as we have many common staff meetings. But I don't see any strategic linkage here, as much of our discussion is around getting data from HR for CSR reporting, or they extract CSR stuff to put on employment websites or to present in induction programmes or accommodating some presentation in training programme, to name a few.

The above response shows frequent information flows between managers, but this does not result in strategic alliance between the functions. These regular interactions are mainly due to supportive and administrative requirements between CSR and HRM managers. This is in line with the argument that many organisations, even CSR-committed organisations, experience moderate connection between CSR and HRM (Fenwick & Bierema, 2008). This is because CSR may have some links with



HR, but CSR it is not strategically integrated into HR processes (Orlitzky & Swanson, 2006) and HR professionals do not have strategic roles in CSR (Redington, 2005).

### **6.5.3 Weak Integration**

Weak CSR–HRM interaction, as exhibited in Figure 6.2, represents a situation where CSR and HR professionals have a low level of interaction and administrative collaboration. In other words, managers have occasional contact for some administrative purposes. A few interviewees revealed that the CSR–HRM link was not significant as there was rare contact and collaboration between CSR and HR professionals. G-CSR Manager asserted: “No, there is no linkage between HR and CSR. So for example, I am not working in particular with the HR manager.” G-HR Director supported this view: “We have good relations but we rarely meet and talk about things. So it is not an integrated strategic partnership between HR and CSR.”

The quotations above reveal there is neither collaborative work nor much interaction between CSR and HR managers. This situation exists particularly in organisations where there are some CSR initiatives, but they are not internalised within the organisation. This is termed ‘tick-box mentality’ by Redington (2005, p. 5). The finding here explains that weak integration is the result of an externally focused CSR and a lack of alignment within the organisation in terms of business objectives and practice.

Some CSR participants offered a different perspective by arguing that although they believe in the CSR–HRM relationship, they face resistance in their organisation. This might reflect functional politics and personal priorities. For instance, C-Sustainability Manager stated: “My understanding of sustainable development is broad and I do believe that HR comes under sustainability, but there is already a people team. And I don’t think they view this as very congruent, so it is not possible to work together.” O-CSR Manager explained this from a different angle: “There is some definite integration between CSR and HR but unfortunately we really don’t have any link with HR! We wanted to involve the head of HR in our governance committee; initially she said ‘fine’ but then she got too busy and said ‘no’!”

The above-mentioned CSR professionals perceive they have no collaboration or interaction with HR because of organisational and behavioural barriers. The lack of support among HR professionals, especially, is highlighted as a key barrier. The reason for HR being dismissive of CSR lies in the externally focused CSR strategy and a lack of understanding that CSR has strategic value to the organisation as well as HR. This follows the argument that inter-functional integration is associated with conflicts and behavioural barriers due to individual differences (Chimhanzi, 2004; Ruekert & Walker Jr, 1987). These behavioural factors are examined in detail in the following section.

## **6.6 Behavioural Factors**

The above discussion identifies a lack of uniform pattern of integration between CSR and HRM. This is largely due to organisational, CSR-related and behavioural factors. Chapter 4 discussed that CSR-related factors, such as the scope of CSR and stage of CSR development, directly influence the relevance of CSR to HR, whereas Chapter 5 acknowledged that the roles of HR in CSR are dependent mainly on organisational factors, namely the position of CSR within the organisation, the roles and nature of HRM and the degree of centralisation.

As such, collaboration and interaction between CSR and HR managers is affected by both organisational and CSR-related factors promoting or preventing the integration of these managers. For example, the scope of CSR directly influences the nature of integration. An externally focused CSR strategy may result in weak CSR–HR integration due to the lack of implication for HRM. Similarly, the integration between these managers relies on the organisational configuration. If CSR is located in the HR department, CSR and HR managers may have regular and strategic collaboration. The size of the CSR function and strategic credibility of HR are also relevant factors in shaping terrain for organisational politics and connections. The results suggest that the partnership and interaction between CSR and HRM is highly contingent upon agency factors associated with the individual and mutual perceptions and attitudes of factors such as perceptions and attitudes of CSR and HR managers themselves.

### **6.6.1 Perception of HR Managers towards CSR**

The empirical findings revealed that the perception by HR managers of CSR and CSR professionals has emerged as an influencing factor in CSR–HRM integration; in particular, the way HR managers view CSR directly influences their understanding. For example, some HR participants believe CSR is concerned with external initiatives and does not necessarily have links with HRM. This attitude is reflected in the comment by B-HR Manager: “I don’t know how we are linked to CSR. I think it is important that CSR initiatives are owned by the business. I also do not see any logic in linking HR with CSR as it is mainly an external programme.” A-People Manager argued in a similar vein: “I don’t see any roles of HR in CSR. I don’t think we are formally linked because CSR is much more about green projects and community work while we are more strategic in terms of people practices.”

These HR managers believe CSR is an external exercise – and HR being an internal function may not have a role in or link with CSR. This is in line with the finding of a study that found HR managers often consider CSR to be an external activity aligned with marketing or PR functions and not related to HRM (Fenwick & Bierema, 2008). Another reason for the above arguments is ownership of the employee–business interface, in that HR managers consider people management and related internal aspects as their terrain. It appears that they do not see any value in CSR connections in HRM.

Interestingly, it is also observed that the perception of HR managers toward CSR professionals also impacts CSR–HR integration. A-People Manager: “I don’t know what he [CSR Manager] thinks for the green employee teams of our company, I probably see it less as CSR and more as a culture of the company.” K-HR Manager: “I don’t know how the sustainability manager influences actual business; it is probably more about PR mission than actual measurement of sustainability in business.” This view reflects that some HR participants do not see the roles of CSR managers adding value to the organisation. In a way, this echoes the frustration of HR managers towards CSR. Indeed, inter-functional interaction is considered “a source of conflict due to differences in individual goals” (Ruekert & Walker Jr, 1987, p. 2). This view agrees with the finding presented in a recent study, that HR professionals sometimes question the legitimacy and roles of CSR professionals in workforce issues (Gond et al., 2011). This reflects that some HR managers’ understanding of CSR and CSR managers may be limited, but also indicates that this attitude may be a result of limited application of CSR in organisations.

The above discussion upholds that the perception by HR managers of CSR and CSR managers may have a direct impact on overall CSR–HRM integration. The findings observed two reasons for such responses by HR managers; first, as discussed in Chapter 4, if the scope of CSR is externally focused, the understanding of HR managers can be limited. In these kinds of organisations, HR managers do not recognise the influence of CSR on HR; therefore, it is obvious for HR managers to consider CSR an external exercise. Second, it is also observed that HR managers feel

hesitant to be linked with CSR, when CSR is driven by externally focused departments with a different reporting line. The influence of the CSR-related factors discussed in Chapter 4, and the organisational factors discussed in Chapter 5 is important background for analysing HR perceptions towards CSR.

### **6.6.2 Perception of CSR Managers towards HR**

While HR perceptions of CSR are not always supportive, the present study found that the perceptions of CSR managers towards HRM and HR managers are also not very positive. Some CSR participants in this study expressed the view that the HR department does not have the strength to carry out CSR-related responsibilities. For example, J-CSR Manager clearly summarised: “I don’t think our HR department has [the] resources and space to think about being integrated in CSR at this stage.” This demonstrates the perceptions by CSR professionals of the strategic orientation of the HR department. In other words, CSR professionals argue the HR department is not strong enough to collaborate with CSR or too consumed with their own mainstream tasks. This is consistent with the findings of the study by Gond et al. (2011) that CSR professionals sometimes underestimate the role and ability of the HR department or their interest in exploring employee activities from a CSR perspective.

A few CSR managers also questioned the capability of HR professionals to be integrated with CSR. D-CSR Manager maintained: “I have done a survey of our staff, and forwarded results to HR, but don’t think they are interested. I don’t really think they entirely understand it, as they still focus on very traditional HR

functions... so it is kind of hard to link up with them!” A similar view of functional remit and concerns was shared by G-CSR Manager:

We have got a lot of older people in HR because the demography in our business is above the 30s. These people have been in HR for years. They never really changed from its fundamental [role]. We wanted to involve them in corporate citizenship committee but it just never happened.

These CSR professionals perceive that, because of the long standing tradition of HR, HR professionals may be hesitant and resistant about collaborating with CSR. This echoes the argument that either HR is too concerned with employee performance (Guest, 1999) or HR managers are “micro functionalists” who are unable to align CSR principles in their traditional functions (Fenwick & Bierema, 2008, p. 29).

To sum up, it can be said the CSR–HRM relationship is clearly influenced by behavioural variables relating to CSR and HR managers. This is largely due to the fact that an integrative approach between two departments or functions requires major changes in terms of standard business processes and organisational traditions (Stank et al., 1999). Furthermore, managers from different functional areas have distinct skills, priorities and resources. Therefore, in accordance with integration theory it can be said that managers are bound to have some hesitation, frustrations and resistance when they collaborate and interact for the achievement of common goals (Chimhanzi, 2004; Ruckert & Walker Jr, 1987).

## 6.7 Conclusion

This chapter discussed the overall integration between CSR and HR managers. Although CSR and HRM links are frequently discussed in the literature, there is a lack of understanding about the integration between CSR and HRM managers. Adopting integration theory, this research analysed CSR–HRM integration and reported that such integration is dependent on two elements; the nature of collaboration and the frequency of interaction between CSR and HRM managers.

The collaboration between CSR and HR managers focuses on teamwork for the attainment of common goals. The study reported two kinds of collaboration; strategic, shared decision making having long-term implications, and an administrative, supportive partnership with short-term implications. It was observed that collaboration between CSR and HR managers was administrative in nature except for a few strategic alliances in the overlapping area of internal CSR. Interactions are the frequency of communication, and the finding reported high and low levels of interaction between CSR and HR managers.

Within the continuum of collaboration and interaction, three levels of CSR–HRM integration were witnessed: strong strategic collaboration and high contact; moderate strategic collaboration but low contact, and high contact but administrative collaboration; weak, administrative collaboration with low contact. Thus, there is a lack of any standard integration between CSR and HRM managers. This reflects the importance of contextual factors in the overall CSR–HRM relationship. In the main,



collaboration and interaction are influenced by behavioural factors, such as the perception by HR managers of CSR and perception by CSR managers of HR. During the analysis of such behavioural factors, it was noted that the organisational and CSR-related variables, namely scope of CSR, roles of HRM, position of CSR within the organisation, and industry variation (discussed in previous chapters) serve as a background to examine the effect of behavioural factors. In other words, there is a complex web of relationships among organisational, behavioural and CSR-related factors, which influences the overall CSR–HRM relationship.

Having explored key research questions in previous chapters, the next chapter coordinates the findings in an attempt to develop a holistic model of the CSR–HRM relationship.

---

## **Chapter 7**

### **Discussion**

#### **7.1 Introduction**

In this chapter key findings from the last three chapters are discussed and integrated. The intension of this research has been to explore the relationship between CSR and HRM. The focus has been two-fold. First, it was argued that the two-way relationship between CSR and HRM has remained unexplored. This study, therefore, attempted to investigate the interrelationship CSR to HRM and the resulting integration between CSR and HRM professionals. Second, under what circumstances such a relationship works is not known, as previous research has rarely discussed this aspect. Thus, contextual factors affecting the CSR–HRM linkage have been identified and analysed in this study.

In this chapter, the key findings are linked to research questions, literature and a theoretical framework. It begins by providing an overview on the relationship from CSR to HRM, highlighting the relevance of CSR to HRM. The second section elucidates the linkage from HRM to CSR, analysing the roles of HRM in CSR. The integration between CSR and HR managers is discussed in the third section. The final section presents a theoretical framework developed from the findings of the study.

## **7.2 CSR to HRM**

The linkage from CSR to HRM is discussed in Chapter 4, by examining how CSR is relevant to HRM and what factors affect such relevance. The stakeholder approach was used to explain this relationship. This section summarises the interpretation of the empirical data and explores how the stakeholder approach is compatible with the findings of this study.

In reviewing the application of CSR to HRM proposed in the recent literature (e.g., Buciuniene & Kazlauskaite, 2012; Cohen, 2010), the key themes identified in Chapter 4 reveal that such a relationship is subject to contextual influence. Based on the findings, it can be said that CSR-related factors are dominant in shaping the implications of CSR for HRM. For example, if an organisation has a well-balanced CSR strategy, addressing external as well as internal stakeholders, CSR can be embedded in HRM. On the other hand, where the scope of CSR strategy is external, there may not be any implications for employee-related internal issues. Importantly, empirical evidence also pointed out that the scope and application of CSR is dependent on two aspects; the stage of CSR development and industry variations.

The empirical results, in line with Maon et al.'s (2010) view, suggest that the organisational stage of CSR development is an influential variable determining the scope and application of CSR. It supports that organisations at different stages of CSR development may exhibit different levels of integration with organisational functions (Zu & Song, 2009). For example, evidence from the interviews of this study reflects that if an organisation is in the early stages of CSR development,

external stakeholders are likely to be the priority. This basically reflects the primary response of the organisation to the increasing pressures of external stakeholders (Babiak, Wolfe, Bradish, & Cronin, 2009). In this circumstance, as highlighted in the findings, a positive relationship with the local community and meeting environmental compliance were seen as paramount in CSR strategy rather than addressing the ethical issues of employees. This is similar to the stages of CSR as described by Mason and Simmons (2011) that CSR may have limited links to HRM in the initial stage of development and HRM may remain “hard” with least concerns for employee wellbeing. In the conventional stage, CSR helps develop “soft HRM” through employee-oriented practices. Finally, in the post-conventional stage, CSR can be embedded with HRM and facilitate “ethical HRM” (Mason & Simmons, 2011, p. 169). In line with the above view, the empirical evidence of this research upholds that organisations with well-established CSR strategies may be more integrated with their HRM functions.

Another factor affecting the scope of CSR is the nature of the industry, as firms operating within different industries adopt CSR differently (Campbell, 2006; Chih et al., 2010). In line with the classification of Branco and Rodrigues (2008), it can be confirmed that service organisations relatively closer to the customer exhibit more concern about the social dimensions of CSR, including employees. Findings reported that this category includes organisations, such as banks, and those in the retail, telecommunications and postal sectors, and that they had comprehensive CSR strategies which were well integrated with HRM issues. Thus, it can be argued that

these companies recognise the logic of employees' ethical concerns and its effect on brand image. Therefore, these organisations were extensively involved in internal CSR practices which allow them to collaborate with HRM to attain socially responsible employee practices. In contrast, the empirical results found that manufacturing organisations – those using natural resources or creating risk for the natural environment, namely construction, forestry, electronics –their priorities continued to be the environmental aspects of CSR rather than HRM. Thus, environmentally sensitive organisations are keen to implement environmental initiatives (Branco & Rodrigues, 2008). It can be said, therefore, that the stage of CSR development and industry variation are directly associated with the scope of CSR.

Two major themes emerged from the complex web of above-mentioned variables in the study: *disconnections* and *connections* between CSR and HRM. First, various disconnections between CSR and HRM were witnessed in organisations where the above factors were not favourable. According to the findings, it can be argued that externally focused CSR strategy cannot be embedded in HRM. For example, HR interviewees of such organisations revealed that they do not believe in the application of CSR to HR as it is very confusing. They clarified that employee aspects are addressed as routine HR responsibility without any consultation or connection with CSR.

In contrast, CSR managers argued that as HRM is responsible for employee-related issues they do not want to interfere. Some also suggested they cannot collaborate

with HRM due to the narrow CSR strategy (Fenwick & Bierema, 2008). Thus, it can be concluded that perceptions such as these are the result of an unbalanced CSR strategy as many companies in the sample did not actively integrate CSR in HRM, but instead tried to lead external CSR initiatives. Whether these strategies are more or less effective in achieving business goals is outside the scope of this research, but it could be possible such an CSR strategy may not be effective long-term, as the success of CSR depends on how well it is embedded within the organisation (Garavan & McGuire, 2010).

Another important issue resulting from this situation was that several well-known organisations in the study had some ethical issues relating to employees, such as the underrepresentation of women in leadership and pay inequality. In these organisations, employees' issues were managed as 'pure HR' and were not linked with CSR strategy. Following the empirical results it can be argued that HR, being more strategic on organisational performance (Guest, 2002), the focus remained on the compliance of legitimate requirements while addressing people management aspects (Cohen, 2010). For example, training and development programmes were aimed at increasing individual and organisational performance rather than solving the issues of marginalised employees (Wilcox, 2006). Thus, it can be said that in these kinds of organisations, due to the limited scope of CSR strategy, the ethical concerns of employees were not addressed well.

Second, in contrary to the above-mentioned situation, organisations where the above-discussed factors are favourable, CSR has strategic links with HRM. For example, a

broader CSR strategy encompasses both internal and external stakeholders and may have a specific framework to address responsibilities for employees. As indicated in the findings of the present study, CSR standards can be embedded in employee-related functions, resulting in socially responsible HRM. In these organisations CSR necessarily “begins inside the company” (de los Salmones, Crespo, & del Bosque, 2005, p. 380). The empirical results, more importantly, pointed out that this state of relationship takes place with three pre-conditions: first, CSR should have a broader scope, focusing on internal HR-related issues; second, the organisation should be in the developed stage of CSR strategy, where CSR is clearly embedded within organisational functions; and third, the nature of the industry should support the broader application of CSR strategy to HRM. Findings propose that under these circumstances, key HR aspects, namely health–wellbeing, gender equality–diversity, work–life balance and training–development can be addressed from the CSR perspective, as demonstrated in Table 7.1.

Table 7.1 highlights that, with regard to employee aspects, CSR is linked to HRM in three ways. First, findings revealed that CSR can broaden the scope and application of such employee aspects by incorporating wellbeing and ethical–social concerns. For example, CSR can facilitate HRM to expand the focus of health and safety towards overall wellbeing by offering various wellbeing initiatives. Similarly, CSR can embed the social concerns of employees in training and development which

Table 7.1 *CSR relevance to HRM*

<i>HR Aspect</i>	<i>Relevance of CSR to HR</i>	<i>Description</i>
Health–wellbeing	<ul style="list-style-type: none"> <li>• More focus on wellbeing</li> <li>• Employ CSR standards</li> </ul>	<ul style="list-style-type: none"> <li>• CSR widens the scope of operational health and safety to overall wellbeing of employees.</li> <li>• CSR standards, such as GRI indicators, are incorporated in health and wellbeing operations.</li> </ul>
Gender equality and diversity	<ul style="list-style-type: none"> <li>• Focus on material issues</li> <li>• Broader diversity application</li> <li>• Measurement and reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Material issues, such as pay inequality, underrepresentation of women in top management, aging population and increasing culturally diverse workforce necessitates long-term sustainable solutions employing the CSR perspective.</li> <li>• Application of CSR standards to HRM extends the approach of equal employment and compliance of legitimate rights to a wider implementation of equality and diversity.</li> <li>• The application of CSR indicators helps to measure equality and diversity-related HR performance. The external reporting of such performance gives context to HR.</li> </ul>
Work–life Balance	<ul style="list-style-type: none"> <li>• Measurement and reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Work–life balance practice, particularly flexibility initiatives are measured through CSR indicators and disclosed in CSR reports.</li> </ul>
Training–Development	<ul style="list-style-type: none"> <li>• Focus on social issues of employees</li> <li>• Measurement and reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Helps to develop more socially responsible initiatives by considering social–ethical issues of employees.</li> <li>• Training–development practice is measured through CSR indicators and disclosed in CSR reports.</li> </ul>



helps to ensure employability of marginalised employees (Vuontisjarvi, 2006; Wilcox, 2006). This implies that CSR reinforces its original welfare philosophy and addresses ethical and societal concerns (Cohen, 2010).

Second, it was reported that CSR can identify, analyse and address employee-related material issues, such as gender inequality in terms of pay and an aging population. This can facilitate HRM to develop long-term, sustainable solutions by adopting gender-sensitive practices or diversity in accordance with international CSR standards. Third, findings also indicated that CSR helps to develop indicators to measure performance around such employee initiatives, and gets them externally disclosed in CSR reports (Hassink, 2005). The GRI reporting framework advocates 84 indicators, out of which 26 fall within the domain of HRM (GRI, 2013). The evidence from interviews confirms that these HR-related CSR indicators give context to HRM by systematically implementing and evaluating such initiatives, and helps increase the strategic importance of these initiatives (SHRM, 2012).

It is very important to see how the above discussion matches the stakeholder approach. The extant literature often indicates that the connections between CSR and HRM can be discussed using a stakeholder approach (Cohen, 2010; Vuontisjarvi, 2006). Accordingly, earlier in this research it was proposed that as employees are common stakeholders of both CSR and HRM, there is an implicit link between CSR and HRM (Chapter 3). In particular, the normative stakeholder approach guides both CSR and HR managers to consider the moral and ethical concerns of employees, therefore CSR should have some relevance to HRM functions (Cohen, 2010). The

findings of the study provided a slightly different insight and revealed that the application of stakeholder theory to developing CSR–HRM links cannot be uniformly understood.

This empirical research argued that the relevance of stakeholder theory in an organisation is associated with the contingency approach. In particular, the way organisations respond to their internal stakeholders strongly depends on contextual factors. For example, in organisations where the scope of CSR remains on external dimensions, CSR may not have relevance to internal stakeholders, namely employees. Hence, even if the stakeholder approach advocates consideration of both internal and external stakeholders in the CSR strategy (Jamali, 2008), the findings pointed out that many organisations did not have a specific CSR framework for HRM and employee issues were not necessarily addressed from the CSR perspective (Fenwick & Bierema, 2008). In this circumstance, the normative stakeholder approach may not be relevant in developing links between CSR and HRM. Thus, it is important to reiterate that subject to contextual factors, the stakeholder approach is applicable in the linking of CSR and HRM.

### **7.3 HRM to CSR**

The relationship from HRM to CSR discussed in Chapter 5 explores the roles of HRM in the development and implementation of CSR by drawing on Ulrich's (1997) framework. This section outlines which HR roles are dominant in CSR, and under what circumstances, and verifies how the HR roles advocated by Ulrich (1997),

namely strategic partner, employee champion, change agent, administrative expert, are applicable to CSR.

The conceptual literature often concedes that the HR contribution is inevitable when designing CSR strategy (Strandberg, 2009), executing it throughout the organisation (Lockwood, 2004) and embedding with organisational processes (Garavan & McGuire, 2010). Nevertheless, the findings of this study do not completely support the descriptive claims made in the literature. This research revealed that HR has more involvement in implementing CSR than its development. It was also found that HRM performs lead roles in some organisations, whereas in other cases HR has marginal involvement in CSR. This reflects the impact of contextual variables on the HR contribution to CSR. The empirical findings specified that organisational factors seem to influence the extent to which the HR department performs various roles in CSR. This mainly includes two variables; the CSR structure and the nature of the HR department.

First, the empirical evidence confirms that the configuration of CSR within an organisation is influential in determining the involvement of HR (Gond, Igalens, Swaen, & Akremi, 2011). The findings of the present study noted that HRM contributes to CSR strategy if CSR is operated from within the HR department. Contrary to this situation, HR has limited involvement in CSR if CSR is operated as a separate division or has reporting lines to other than the HR department. It was also found that CSR was positioned with externally focused departments in the most organisations under scrutiny; this may impede the linkage from HRM to CSR. In this

situation, this research suggest that an organisation should attempt to develop formal links between CSR and HR functions, such as a collaborative CSR–HRM team, in order to encourage HR participation in the effective implementation of CSR strategy.

In line with the findings of Truss et al. (2002), the present research supported that the nature and position of HRM within an organisation is also a dominant source in shaping the HR role. Results indicated that the factors from within the HR department, such as the strength of HRM functions and the skills of managers, directly influence their contribution to CSR. For example, HR professionals may have significant roles in CSR, if HR functions have a dominant and strategic position in the organisation. This may not be the case if the HR department itself is understaffed and small due to the nature of work or industry. This, importantly, reflects that the roles of HR are closely related to the type of industry, the size of the firm and the nature of the workforce (Jackson, Schuler, & Rivero, 1989). In accordance with this view, the research findings showed that organisations based on externalised and temporary labour may not have a strong HR department and, accordingly, HR may not have an influence on CSR. Similarly, the research results support that industry variations also influence the nature of HRM and its link to CSR. The findings confirm that organisations operating in a similar industry may have HR functions that are similar in nature (Schuler & Jackson, 1987). Accordingly, it was found that service-based organisations, such as banks and retail businesses, have very strong HR departments, which may result in a substantial contribution to CSR. Another key factor from the findings is the HRM ‘role

expectations' (Truss et al., 2002). In other words, how HRM is viewed in the organisation influences their strategic role in CSR. If they are viewed as 'micro functionalist' by organisational members, they may be given less exposure to the CSR strategy (Fenwick & Bierema, 2008, p. 29). Hence, it can be argued that the HR contribution in CSR is not absolute but varies in accordance with structural variables.

Based on the above-discussed factors, the research findings recommend that HR can perform strategic and operational roles in CSR strategies subject to two pre-conditions. First, the configuration of CSR within the organisational structure should support links with the HR department. Second, the HR department itself should be influential. In these circumstances, HR managers can contribute to CSR, as shown in Table 7.2.

Table 7.2 demonstrates that HRM can perform the four roles advocated by Ulrich (1997), namely strategic partner, change agent, employee champion and administrative expert; some are more influential than others. First, the empirical results suggest that HR can have a substantial role as a strategic partner while developing internal CSR aspects, such as diversity, equality, work–life balance and training and development (Cohen, 2010). Because HRM is responsible for employee-related aspects, it can develop or redesign such initiatives in accordance with the requirements of CSR. In line with the view of Buyens and Vos (2001), the present research supported that the involvement of HR in the evolution of strategy positively influences the solution. This strategic role of HR resembles *the*

Table 7.2 *HR roles in CSR*

<i>Ulrich's HR roles</i>	<i>HR roles in CSR</i>	<i>Description</i>
Strategic Partner	<ul style="list-style-type: none"> <li>Developing internal CSR strategies</li> </ul>	<ul style="list-style-type: none"> <li>Designing or redefining CSR-related people policies and initiatives such as diversity, work-life balance and gender equality.</li> </ul>
	<ul style="list-style-type: none"> <li>Developing external CSR strategies</li> </ul>	<ul style="list-style-type: none"> <li>Rare representation on CSR committees.</li> <li>Administrative partnership in developing external CSR strategies.</li> </ul>
Change Agent	<ul style="list-style-type: none"> <li>Preparing employees for the CSR change and accommodating culture shift towards CSR</li> </ul>	<ul style="list-style-type: none"> <li>Influencing employees' behaviour.</li> <li>Promoting CSR as employees' routines.</li> <li>Accommodating changes in HR policies and practices.</li> </ul>
Employee Champion	<ul style="list-style-type: none"> <li>Managing employee wellbeing and engagement</li> </ul>	<ul style="list-style-type: none"> <li>Listening to employees' views on CSR.</li> <li>Encouraging wellbeing and social responsibility of employees.</li> <li>Fewer roles in promoting employee engagement in CSR projects.</li> </ul>
Administrative Expert	<ul style="list-style-type: none"> <li>Facilitating CSR implementation through HR practices</li> </ul>	<ul style="list-style-type: none"> <li>Aligning CSR component in HR practices such as recruitment and selection, job description, training, performance evaluation, employee awareness and engagement.</li> </ul>
	<ul style="list-style-type: none"> <li>Providing infrastructure to ease CSR initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Developing new policies and systems around CSR initiatives such as volunteering leave policy and payroll giving policy.</li> </ul>

*integrative link*' between HRM and strategy as suggested by Golden and Ramanujan (1985), which explains that HR is directly involved in decision making related to CSR strategy. Thus, the findings support the strategic partner role proposed by Ulrich (1997), as HRM drives internal CSR strategies.

The findings do not follow Ulrich's (1997) strategic roles in relation to external CSR. For example, empirical evidence revealed that HR seldom makes representation on CSR committees while designing external CSR strategies. This is contrary to much of the CSR–HRM literature, which often intends that HR can share responsibility as a member of a CSR committee (Inyang, Awa, & Enuoh, 2011; Lam & Khare, 2010; Liebowitz, 2010; Preuss, Haunschild, & Matten, 2009; Strandberg, 2009). It was found that the contribution of HR in external CSR was necessarily administrative, such as designing and managing the payroll giving system. The findings suggest a clear reason for marginal HR involvement, explaining that external CSR strategies require highly expert skills and are therefore overseen by CSR experts. This research supports the view that HR, being internally focused, cannot contribute much to external CSR (Fenwick & Bierema, 2008; Zappala, 2004). Indeed, this finding reflects *'the administrative linkage'* between HRM and CSR strategy (Golden & Ramanujan, 1985). It explains that HRM does have a strategic role but only administers and supports people-related aspects in an organisational strategy (Golden & Ramanujan, 1985). In relation to external CSR, therefore, the results of the present study are not consistent with the strategic partner role of HR (Ulrich, 1997). In fact, it can be concluded that due to the constraints of the scope of

HR, the link between HRM and external CSR strategy can be considered as administrative support rather than strategic contribution.

Second, findings point out that HRM has some contribution as a change agent. The research themes identified in Chapter 5 show that HR can inspire employees' positive behaviour, promote CSR as a part of an employees' job and modify HR functions to support CSR culture. According to Ulrich (1997), as a change agent HR can play the role of catalyst, designer, demonstrator and facilitator. However, the empirical evidence of this study revealed that HR roles in CSR change are limited to that of facilitator, rather than designer or catalyst of change. This is because HRM has to follow and support changes initiated by top management or the CSR committee. Thus, it can be argued that these roles are somewhat inconsistent with the change agent role described by Ulrich (1997). These roles echo *'the one-way relationship'* between HRM and strategy, where "... the HR function designs systems or programs to help implement the company's or business unit's business objectives, but is usually not given an opportunity to significantly influence the direction of the strategic plan" (Golden & Ramanujam, 1985, p. 437). In line with this view, the findings uphold that HR responsibilities are more likely to support people-related aspects in overall CSR change, rather than driving the change itself.

Third, the findings are partially compatible with the employee champion roles of HR (Ulrich, 1997), as indicated in Table 7.2. The empirical results of this research confirm that, in line with the employee champion role described by Ulrich (1997), HR can contribute to CSR in terms of listening to employees' views on CSR, and



executing and managing wellbeing practices. These roles fall into the category of ‘*a two-way relationship*’ between HRM and strategy (Golden & Ramanujam, 1985), as HR has a strong influence on CSR with regard to employees’ concerns and wellbeing. However, unlike Ulrich’s (1997) description of the employee champion role, HR does not have much contribution as an employee champion in engaging employees in CSR, except for routine reminders regarding environmental initiatives. This finding is not consistent with the literature that suggests a significant HR contribution in driving employee engagement in CSR (Colbert & Kurucz, 2007; Garavan & McGuire, 2010; Lam & Khare, 2010; Pless et al., 2012). Indeed, it suggests that generally CSR professionals synchronise CSR-related employee engagement which allows a lesser contribution from HRM.

Finally, as presented in Table 7.2, the findings concur with the view of Ulrich (1997) that HR can play an important role as an administrative expert to support the overall organisational system. The research evidence illustrates that HR can match people practices in accordance with CSR strategy by making the necessary changes and develop new systems to support CSR activities, such as payroll giving and volunteering leave management. This reiterates ‘*an administrative linkage*’, as defined by Golden and Ramanujam (1985), because HRM provides administrative support to ease CSR implementation. Research findings endorse that although these roles are administrative they are crucial to successfully implementing CSR strategies in organisations and integrating them with employment practices.

Overall, the empirical results revealed that HR functions in CSR are contingent on a range of organisational dynamics. It endorses that, within such variables, HR may have considerable roles in the implementation of CSR compared to the development of strategy. This reflects Purcell's (2001) view that "once strategy is recast, moving from outside the firm to inside to look at resources, processes and behaviour, the strategic potential of HRM is much more easily defined" (p. 74). Accordingly, the present study recommends that due to the focus on internal employee-related aspects, HR may have a prominent role as employee champion (except for the employee engagement role) and as an administrative expert in supporting CSR implementation. At the same time, the strategic partner (except for internal CSR) and change agent roles may not be dominant.

In a way, the above view also reflects Ulrich's (1997) critics regarding the conflicting nature of the strategic and operational roles of HR. This research, in relation to HR roles in CSR, supports that the strategic partner and change agent roles potentially contradict the employee champion and administrative roles (Caldwell, 2003). The present study upholds that as HR functions are more likely to be supportive and administrative in CSR, HRM cannot commit to strategic involvement concurrently. It also proposes that HR may encounter role ambiguity in balancing the change agent and administrative expert roles in CSR (Pritchard, 2010). However, it should be made clear that this argument and contradiction with regard to HR roles in CSR is due to the internal terrain of HRM. Hence, based on the findings, it can be concluded that HRM drives internal and administrative aspects of CSR but

does not commit to strategic roles in CSR due to limitation of skill, resources and priorities.

#### **7.4 The CSR–HRM Integration**

This section delineates various levels of CSR–HRM integration emerging from collaboration and interaction between managers due to contextual influence. Where applicable this chapter also discusses how findings match the integration theory.

The integration between CSR and HR managers, resulting from the two-way relationship, is investigated in Chapter 6. Using integration theory, it was proposed that collaboration and interaction between CSR and HR managers may develop CSR–HRM integration (Gupta et al., 1985; Kahn, 1996). However, in line with the integration, the study found that collaboration is more critical and influential than interaction (Kahn, 2001; Stank et al., 1999). This is because collaboration indicates a personal willingness to work together for a common agenda (Kahn, 2001) and ensures that interconnected managers converse, learn and work productively by overcoming organisational and behavioural barriers (Stank et al., 1999).

The empirical findings recognised that collaboration between managers ranges from strategic to administrative. Similarly, communication between managers varies from regular to occasional. Within such scales of collaboration and interaction, the research results point to various levels of CSR–HRM integration. This implies a lack of any uniform CSR–HRM integration, largely because of the contextual nature of the relationship between CSR and HRM.

Importantly, the findings clarified that collaboration and interaction between CSR and HR managers depend on the two-way CSR–HRM relationship; therefore overall integration is affected by the CSR-related and organisational factors discussed in the preceding sections. The empirical results also indicate that against the backdrop of these factors some behavioural factors emerged which directly affect collaboration and interaction between CSR and HRM managers. In particular, perceptions of CSR and HR managers towards each other were found to be a crucial force affecting the relationship. For example, some HR managers had a mixed understanding of what CSR meant to them and how it influenced HRM. They argued that CSR was an external exercise and that they were not supposed to collaborate with CSR. They doubted the importance of CSR, wondered if it should receive as much attention as it does and questioned the legitimacy of the roles of CSR managers. Similarly, as quoted in Chapter 6, one CSR manager argued that as their HR team is older and rigid they don't get support from them. This implies that these perceptions were not purely rational but largely political. Such political issues and tension take place due to overlapping territory and increasing interface between these professionals. The findings, in line with the view of Gond et al. (2011), reflect that in such situations, the relationship between these managers lead to politics and tension rather than cordial relations.

Similarly, interview evidence witnessed the negative perceptions of CSR managers towards HRM. For instance, findings reveal that some CSR professionals view HR people as 'patch protective' and difficult to deal with. They argued that HR

professionals have a limited understanding with a traditional and narrow approach. This reflects a general negative perception towards HRM for not making a strategic contribution to the organisation (Hammonds, 2005). Thus, the research upholds that the manner in which HR is viewed by CSR managers in the organisation affects collaboration between them. If HR is perceived as merely “conformist” (Legge, 1995), and not able to contribute strategically (Hammonds, 2005), collaboration between CSR and HR managers is less likely to happen. The findings point out that these agency factors are the result of negative structural factors (discussed in the preceding sections), namely the limited scope of CSR and the lack of a supportive structure and of strong HR functions.

The above view suggests that collaboration and interaction between CSR and HR managers is dependent on the complex dynamics of CSR-related, organisational and behavioural variables. Within the influence of such factors, the study reported three levels of CSR–HRM integration (Table 7.3). As depicted in Table 7.3, this research recognised that, along the continuum of collaboration and interaction, three level of CSR–HRM integration can emerge; strong, moderate and weak. Strong integration defines a strategic collaboration and frequent interaction between CSR and HR managers. This follows integration theory that when managers frequently communicate and cordially work together for the achievement of common goals, improved integration may result (Daniel et al., 2005). This kind of relationship was found in few organisations. In line with the view of Gond et al. (2011), the empirical

Table 7.3 *Integration between CSR and HR Managers*

<i>Levels of CSR–HR Integration</i>	<i>Description</i>	<i>When it occurs</i>
<b>Strong</b> <i>Strategic collaboration and high interaction</i>	<ul style="list-style-type: none"> <li>• Mutual goals and strategic partnership with frequent and regular contact between managers</li> </ul>	<ul style="list-style-type: none"> <li>• Greater relevance of CSR to HRM policies and practices.</li> <li>• Strategic roles of HR in CSR.</li> </ul>
<b>Moderate</b> <i>Strategic collaboration and low interaction</i>	<ul style="list-style-type: none"> <li>• Some mutual work but irregular and occasional contact</li> </ul>	<ul style="list-style-type: none"> <li>• Effective CSR policy but not clearly embedded within HRM.</li> </ul>
<i>Administrative collaboration and high interaction</i>	<ul style="list-style-type: none"> <li>• Frequent interaction but for administrative purposes such as reporting, induction and training about CSR</li> </ul>	<ul style="list-style-type: none"> <li>• HR has only supportive roles in CSR.</li> </ul>
<b>Weak</b> <i>Administrative collaboration and low interaction</i>	<ul style="list-style-type: none"> <li>• Rare interaction for administrative purpose</li> </ul>	<ul style="list-style-type: none"> <li>• Some CSR initiatives but lack of any application to HRM</li> <li>• Rare HR involvement in CSR</li> </ul>

results found that most organisations find it difficult to develop strategic collaboration between CSR and HRM professionals. This is because such a state of integration takes place when a strong two-way relationship between CSR and HRM exists, including the strong application of CSR to HR and the significant involvement of HR in CSR. Furthermore, three sets of factors operate interdependently in shaping such strategic integration, namely CSR-related, organisational and behavioural factors. In other words, integration works when these factors are favourable; for example, CSR strategy is embedded in HRM, the

organisational structure facilitates CSR–HRM links and there is supportive behaviour between managers. Thus, based on findings, it can be endorsed that a strong relationship between HR and CSR managers requires the development of a supportive environment (Song & Parry, 1992), by replacing traditional organisational barriers (Stank et al., 1999).

Moderate integration reflects two situations, as shown in Table 7.3. First, there is some strategic collaboration but with occasional interaction. This situation exists where CSR strategy is developed in partnership with HRM but the strategy is not clearly embedded in HRM. Second, managers may have frequent interaction but for administrative reasons only. It is possible HR may have an administrative role in CSR rather than strategic involvement. Regular interaction may result between CSR and HR managers but strategic alliances cannot be developed. This is somewhat inconsistent with one of the perspectives of integration theory which advocates that improved interaction between managers develops integration (Griffin & Hauser, 1996). In fact, it follows the view that a high level of communication does not always result in integration (Daniel et al., 2005). For example, some managers may meet regularly but cannot productively work out common agendas (Kahn, 1996). This study infers that moderate integration is developed due to the limited interconnection and interdependence between CSR and HRM.

Weak integration demonstrates rare contact between CSR and HR professionals for administrative work, such as CSR annual reporting. This situation may arise when the association between CSR and HRM is uncommon, such as a marginal HR role in

CSR and rare application of CSR to HRM. This view is in line with the finding of a study which reported that CSR and HRM remain disconnected and alienated in some organisations (Fenwick & Bierema, 2008). Based on the finding, it can be argued that this situation may be the result of three negative situations; organisational limitations (Redington, 2005), externally focused CSR strategy (Cornelius et al., 2008) and behavioural issues among managers (Garavan et al., 2010).

This empirical research concludes that integration between CSR and HRM is not as descriptive as defined in integration theory. Although the integration perspective does not differentiate the nature of collaboration and interaction, this study recognises that due to the influence of contextual factors various types of collaboration and interaction emerge between managers. But they do not necessarily result in integration between two functions. For example, the occasional interaction for administrative work cannot result in integration. Thus, this study advocates that the application of the integration perspective with regard to CSR–HRM integration is related to the contingency approach. Within the complex nature of various contextual factors, CSR–HRM integration ranges from strong to weak. This research suggests that to develop strategic CSR–HRM integration, there should be strategic collaboration and frequent interaction between managers, which can be achieved with favourable contextual factors.



### **7.5 The CSR–HRM Relationship Model**

According to Kovács and Spens (2005), research adopting the abduction approach starts with a theoretical framework, collects and analyses data and concludes with a new theory or expands the existing theoretical framework. Following an abductive approach, this research has been guided by a theoretical framework, as proposed in Chapter 3. This study, based on findings, confirms and expands the theoretical framework, which is presented in this section.

While the CSR–HRM relationship is often acknowledged in the conceptual literature (Lam & Khare, 2010; Lockwood, 2004; Strandberg, 2009), there has been insufficient empirical research. Furthermore, most available studies have given attention to one dimension of such a relationship, such as the roles of HR in CSR (e.g., DuBois & Dubois, 2012; Harris & Tregidga, 2011; Wirtenberg et al., 2007) or the application of CSR in HRM (e.g., Buciuniene & Kazlauskaitė, 2012; Deniz-Deniz & De Saa-Perez, 2003). There is also a lack of understanding regarding the integration between CSR and HR managers generated from such a relationship (e.g., Gond et al., 2011). Even more significantly, under what circumstance such CSR–HRM link works is not known as very rarely has literature mentioned this aspect (e.g., Garavan & McGuire, 2010; Gond et al., 2011). In order to fill this knowledge gap, the present study proposes a theoretical framework incorporating a two-way CSR–HRM relationship, integration between CSR and HR managers and contextual factors.

The model is shown in Figure 7.1 and draws on the theoretical framework of stakeholder perspective, integration theory and contingency theory. The model explains that CSR and HRM are linked basically through a stakeholder approach. As established earlier, the stakeholder approach guides both CSR and HRM to address responsibility towards the employees group of internal stakeholders. Thus, employees are the key element in advancing the two-way relationship between CSR and HRM, due to two aspects. First, CSR considers employees as internal stakeholders and it may have some links to employee-related practices, resulting in the relevance of CSR to HRM. However, by adopting the contingency perspective, the framework exhibits that this application strongly depends on CSR-related factors, including the scope of CSR and its development stage.

The second aspect of the link suggests that as CSR initiatives require the direct and indirect participation of employees, HRM may have some role in CSR. Again, such roles are contingent upon organisational factors, namely configuration of CSR within the organisation and the roles of HRM. This two-way linkage necessitates collaboration and interaction between CSR and HR professionals. Utilising integration theory, the model suggests that such collaboration and interaction may result in CSR–HRM integration, subject to behavioural factors which are again related to CSR-related and organisational factors. The model recommends that the relationship between CSR and HRM is not as straight forward as proposed in literature but contingent upon a complex web of contextual factors. Each aspect of the framework is further elaborated below.

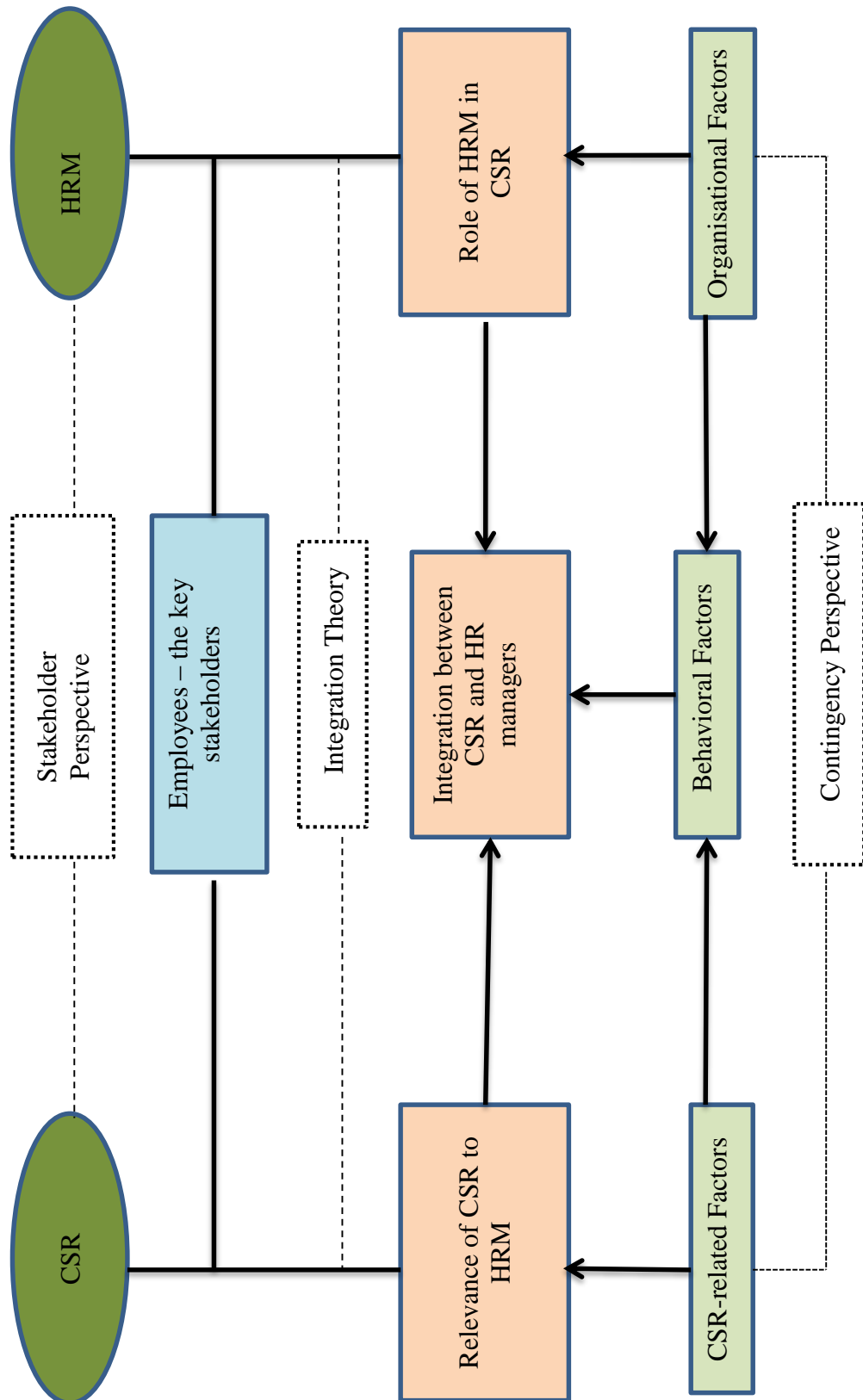


Figure 7.1. The CSR–HRM Relationship Model

First, in accordance with the normative stakeholder approach, CSR (Jamali, 2008) and HRM (Ferrary, 2009; Guest, 2002) should address the moral and ethical issues of employees. Accordingly, the findings reported that several organisations under scrutiny had an internal dimension of CSR which focuses on the socially responsible treatment of employees by addressing employee-related aspects from the CSR perspective, namely health–wellbeing, diversity–equality, work–life balance and training–development. This establishes a link from CSR to HRM and reflects the first domain of the model, namely the relevance of CSR to HRM. It confirms the applicability of CSR to HRM aspects, as acknowledged by the recent literature (Buciuniene & Kazlauskaite, 2012; Clarke, 2010; Cohen, 2010) but points out that CSR may not have a uniform application across all the organisations as CSR-related variables directly influence this CSR–HRM link.

Second, the framework suggests that employees should be involved in CSR, as the effectiveness of CSR strategy depends on how well it is inculcated in employees' routines and behaviour (Dunphy, Griffiths, & Benn, 2003). As HRM is responsible for people management practices, it can perform some roles in CSR (Wirtenberg et al., 2007), generating another domain of the CSR–HRM relationship, namely the role of HR in CSR. The conceptual literature often advocates that HRM can drive CSR strategy; however only a small number of studies have empirically verified these assumptions (Harris & Tregidga, 2011; Wirtenberg et al., 2007; Zappala, 2004), with limited attention given to the roles of HR in community initiatives or environmental initiatives. This framework proposes comprehensive roles for HRM in

the development and implementation of external as well as internal CSR, with reference to contextual factors. As shown in the model, organisational factors in particular are directly related to the involvement of HR in CSR.

The third domain, resulting from the two-way relationship between CSR and HRM, emphasises integration between CSR and HR managers. Although literature advocates the growing interdependence of CSR and HRM (Buciuniene & Kazlauskaite, 2012), little research examines how integration between these professionals works (e.g., Gond et al., 2011). By following integration theory, the framework suggests that depending on the effectiveness of the two-way relationship, collaboration and interaction is developed between CSR and HRM managers, which gradually evolves into CSR–HRM integration. For instance, if CSR and HRM are mutually linked as depicted in Figure 7.1, the collaboration, interaction and resulting overall integration of managers can be effective. Moreover, collaboration and interaction between managers primarily relies on a range of behavioural factors against the backdrop of organisational and CSR-related factors.

Thus, key features of the proposed model are factors affecting these three domains of the CSR–HRM relationship. The existing literature rarely acknowledges the contextual nature of the CSR–HRM linkage (Garavan et al., 2010; Gond et al., 2011). To fill this knowledge gap, the model is underpinned by an assumption of context and dynamism, and advocates that this relationship cannot be understood by a ‘one size fits all’ approach. By following the contingency perspective, the findings indicate that the overall CSR–HRM linkage is influenced by CSR-related, organisational and behavioural

factors. First, CSR-related elements, which are necessarily structural variables and include the scope of CSR, industry variation in CSR applications and the stage of CSR development, are crucial in determining CSR links to HRM. For example, if CSR strategy is externally focused and in the early stage of its evolution, it may not have application in the domain of HRM. Again, the CSR priority may change in accordance with the nature of the industry. For example, firms more prone to environmental risk prioritise environmental sustainability over employee responsibilities.

Second, organisational factors deal with CSR configuration within the organisation, the roles and nature of HR and the degree of centralisation in CSR, which are also necessarily structural forces of the organisation and may impact on HR involvement in CSR. For instance, if CSR is located in the marketing department, HR may have a relatively less dominant role. A small and less powerful HR department cannot contribute to CSR strategy due to limitations of time and resources. Third, behavioural factors involve the perception of CSR managers towards HRM and the perception of HR managers towards CSR, influencing collaboration and interaction between these managers. Importantly, behavioural factors are developed within the background of CSR-related and organisational factors. This reflects that the CSR–HRM link is driven mainly by structural variables. Although both structural and agency forces are interrelated in CSR (Yu, 2008), it can be said that structural variables influence agency variables while linking CSR and HRM. In other words, the organisational and CSR-related structural factors shape the behaviour of CSR and HR managers. Thus, the model indicates that structural factors are more dominant than agency factors with regard to the

CSR–HRM relationship. Again, the framework has linked each of these factors to a particular domain of the CSR–HRM relationship. However, it suggests that these structural and agency factors are interdependent (Li & Zhang, 2010), forming an overall effect on the overall relationship between CSR and HRM. It is also important to acknowledge that factors that did not emerge in this study may be introduced by future research. The model aims towards a theoretically grounded understanding of the CSR–HRM relationship, and it may also be that CSR–HRM links work differently in organisations of a different nature and size, and operating in different countries.

## **7.6 Conclusion**

This chapter co-ordinated the findings of the study, and linked them to theoretical approaches and the literature. Three major findings were discussed. First, the relevance of CSR to HRM was outlined by examining the application of the stakeholder approach. Also discussed, by analysing CSR-related factors, were the circumstances under which the application of CSR to HRM works.

Second, the roles of HR in CSR were explained by verifying the HR roles proposed by Ulrich (1997). The influence of organisational factors was linked to the HR contribution to CSR. Third, collaboration and interaction resulting in CSR–HRM integration was highlighted by reviewing integration theory and behavioural factors. Finally, the theoretical model proposed earlier in the thesis was verified and expanded. In particular, contextual factors and its significance in the two-way CSR–HRM relationship was analysed.

---

## **Chapter 8**

### **Conclusions**

#### **8.1 Introduction**

This thesis addresses the two-way relationship between CSR and HRM in large New Zealand organisations. This final chapter draws together the findings of the research and its contribution to theory and practice. The chapter is organised as follows. First, a brief overview of the thesis is provided. Second, the key research findings are presented. Third, the theoretical contributions of the research are pointed out. This is followed by the practical implications of this research. The limitations of the inquiry, suggestions for future research and the researcher's reflections are also presented in the final section.

#### **8.2 Overview of the Study**

Given the explorative nature of the research, the primary aim was to develop and extend the understanding of the CSR–HRM relationship and contribute to knowledge regarding the relevance of CSR to HRM and the role of HRM in CSR. Early on it was established that both CSR and HRM are very well developed disciplines; however the links between these two have seldom been explored. To address the key research gaps, the study adopted an abductive and qualitative approach. The data was drawn from 29 semi-structured interviews of CSR and HR managers representing 16 large New Zealand organisations known for their commitment to CSR. By adopting a stakeholder perspective, a contingency



perspective and utilising integration theory, this study provides useful insight into the two-way linkages – from CSR to HRM and HRM to CSR. It also shed light on the integration between CSR and HRM managers generating from the two-way relationship. Specifically, this study suggests that the relationship between CSR and HRM cannot be uniformly understood but is strongly related to CSR-related, organisational and behavioural variables.

### **8.3 Research Findings**

In an attempt to investigate the links between CSR and HRM, this study contributes new data on how the relationship works, and proposes a theoretical framework. In achieving this objective, the preceding chapters presented findings and analysis which answered the research questions stated in chapter 1:

- How is CSR relevant to HRM, and what factors affect such relevance?
- What are the roles of HRM in the development and implementation of CSR, and what factors affect such roles?
- How does the integration between CSR and HRM professionals work, and what factors affect such integration?

#### **8.3.1 Relevance of CSR to HRM**

Chapter 4 reported on the application of CSR to HRM. Using the perspective of stakeholders, it argued that there is a point of intersection between internal CSR and HRM, and that CSR may have implications for employee-related issues, namely

health–wellbeing, diversity–equality, work–life balance and training–development. However, the empirical results also pointed out the contextual nature of such a relationship. For instance, findings showed that some CSR-committed organisations had well-balanced and well-established CSR strategies and specific frameworks for HRM; therefore CSR standards can be incorporated in HRM which facilitates considering the wellbeing and ethical concerns of employees. Contrary to this, the organisations in the early stage of CSR had CSR applications that were limited to external stakeholders and did not have much relevance to HRM. In this case, managers considered the links between CSR and HRM unnecessary and confusing and preferred to view employee-related issues as ‘pure HR’. Thus, the findings advocate that CSR helps developing socially responsible HRM subject to such contextual factors.

### **8.3.2 Roles of HR in CSR**

Chapter 5 examined the roles of HR while advancing and implementing CSR strategy. It reported that within the context of organisational variables, such as the roles and position of HR and the configuration of CSR within the organisational structure, HRM performs various roles in CSR strategy, some more dominant than others. For instance, the involvement of HR was found to be more substantial in the implementation of CSR than in the development and designing of strategy.

The research findings revealed that HRM had a significant contribution to make to CSR strategy with regard to two major situations; where the HR function itself is

dominant and strategic in the organisation and where the organisational structure positively supports links between CSR and HRM functions. In these circumstances, HRM plays the HR roles proposed by Ulrich (1997), on a continuum from strategic to operational. HRM had strategic involvement in the internal dimension of CSR; however, the role of HRM was marginal in external CSR strategies, due to limitations of expertise, scope, resources and priorities. Furthermore, the contribution of HR was effective as an administrative expert, while providing support and infrastructure for the CSR strategy. Nevertheless, the change agent and employee champion roles of HR were more neutral, and appeared to be more supportive with regard to people-related aspects of CSR.

### **8.3.3 The Integration between CSR and HRM**

Chapter 6 focused on the interaction and collaboration between CSR and HRM, emerging from the interdependence of these fields. The findings reported that collaboration between CSR and HR managers ranged from strategic to administrative. While strategic collaboration was very rare, there was more administrative alliance between them in order to support the implementation of CSR. Interactions were found to vary from frequent contact to occasional or rare communication between CSR and HR managers. This was largely due to the impact of behavioural variables, such as the perception of CSR and HR managers towards each other. Importantly, the findings recognised that as collaboration and interaction

were dependent on the two-way relationship between CSR and HRM, behavioural factors were influenced by both CSR-related and organisational factors.

Adopting integration theory, the finding reported that such interaction and collaboration resulted in CSR–HRM integration. However, the conclusion as to how integration between CSR and HRM works was less forthright than the question initially posed. Indeed, there was a range of degrees of integration based on the nature of collaboration and integration between managers, namely strong, moderate and weak. This reflects the variation in the application of CSR and the impact of structural as well as agency variables. It was also observed that structural factors were more dominant in establishing the two-way relationship and thereby CSR–HRM integration.

#### **8.4 Theoretical Contribution**

Through a qualitative inquiry, the findings of this study add value to the limited body of research that has investigated the relationship between CSR and HRM. As one of the early empirical studies in the area of CSR–HRM, this research broadens understanding of the two-way and contextual linkages between CSR and HRM. This section discusses the contribution of the study to the field of CSR, HRM and the CSR–HRM model.

### **Contribution to CSR**

The contribution of the findings of this study is significant to the CSR literature. A substantial stream of published research relating to CSR has focused on applications of CSR for external stakeholders, such as community (Brammer & Pavelin, 2005) and environment (Stead & Stead, 2000). There has been only limited research on the internal dimension of CSR. These findings contribute to this under-explored research area in two ways; the application of internal CSR to HRM, and the understanding of the integration of CSR within organisations.

The extant literature has advocated the application of CSR in the domain of HRM (Cohen, 2010; European Commission, 2001), and a limited number of studies also examined CSR-related HR initiatives, such as diversity, equality and work–life balance (Buciuniene & Kazlauskaite, 2012; Vuontisjarvi, 2006). However, there has been lack of clarity on how such HR aspects can be addressed under the CSR regime, and what the role of CSR and HRM can be with regard to these issues. This study contributes to this gap by examining the relevance of CSR to HRM with regard to internal employee-related issues. The research findings expand on recent studies in the application of CSR to HRM (Buciuniene & Kazlauskaite, 2012; Fuentes-Garcia et al., 2008) of the need for understanding the contextual relationship between CSR and HRM. It proposes that the relevance of CSR to HRM cannot be discussed without reference to CSR-related contextual variables. Where these factors are favourable CSR may have considerable applicability to HR, resulting in socially

responsible HRM. In contrast, in unfavourable conditions, CSR may not be more than the labelling of HR aspects as internal CSR. This territorial overlap may generate tension and politics between CSR and HR managers, impeding a CSR–HRM interrelationship. Thus, this research has attempted to extend the current knowledge of internal CSR by aligning it with HRM and contingent variables.

Another key contribution of the research to the field of CSR is through the examination of how CSR can be embedded in the organisation. The external implications of CSR have been widely researched, such as the impact of CSR on profitability (e.g., McWilliams & Siegel, 2000; Orlitzky, Schmidt, & Rynes, 2003), brand (e.g., Lai, Chiu, Yang, & Pai, 2010), and external reporting (e.g., Chen & Bouvain, 2009). The integration of CSR within organisations and its employees has not been adequately addressed (Garavan & McGuire, 2010). This study, therefore, has deepened this knowledge by examining people-related aspects while implementing CSR. The findings, in particular, revealed that changes in employee behaviours, embedding CSR in employment practices and employee participation is the key to CSR internalisation, and HRM can provide support subject to organisational variables. The findings supported that CSR needs to collaborate with HRM in order to embed CSR with employees' routines and people practices and, thereby, with organisational culture. Thus, by examining HR roles in CSR, the study has provided a renewed focus on the integration of CSR in an organisation and with its people.

**Contribution to HRM**

The research also seeks to provide a theoretical contribution to the field of HRM. This contribution can be explained from two perspectives; first, this study has attempted to extend the scope of HR by linking it with CSR. Scholars have often been critical that the focus of HRM remains on organisational productivity (Legge, 1995), with less emphasis on the ethical concerns of employees (Pinnington et al., 2007) and employee wellbeing (Guest, 2007). There has been a growing focus on ethics (Greenwood, 2002) and social responsibility (Becker, 2011; Shen, 2011), and equally addressing performance and employees' interest (Arrowsmith & Parker, 2013). However, there has been a lack of any framework to systematically incorporate the ethical concerns of employees in HRM (Winstanley & Woodall, 2000). This empirical study suggests that by integrating CSR values and standards, key HRM aspects can be redesigned from the CSR perspective. With relation to a positive contextual background, CSR helps HRM in addressing wellbeing and social responsibility issues. The findings, thus, confirm and extend the understanding of socially responsible HRM (Shen, 2011), by revealing that CSR can provide a framework to develop socially responsible HRM.

Second, the study findings deepen the understanding that HR can play various roles in the development and implementation of CSR. Although there has been speculation regarding HR involvement in CSR in the conceptual literature (Lam & Khare, 2010; Lockwood, 2004; Redington, 2005; Strandberg, 2009), very limited

empirical research has verified the assumption claimed in theory (DuBois & Dubois, 2012; Harris & Tregidga, 2011; Wirtenberg et al., 2007). Furthermore, the focus of these studies was on the roles of HRM in a particular dimension of CSR (community or environmental), rather than overall CSR strategy. The present study broadens the knowledge base on involvement of HR in CSR strategy; that subject to supportive organisational structure and dominant HR roles and position, HR may contribute to overall CSR strategy. Though HR has a supportive role in the *development* of external CSR, it certainly drives *internal* CSR and has considerable involvement in executing CSR strategy. The study, in particular, verified the application of the Ulrich (1997) model with regard to HR roles in CSR with contextual analysis. The study also contributes to the HRM field by analysing HR roles in CSR with regard to contextual variables.

### **CSR-HRM Model**

The significant contribution of this study is the proposition of a theoretical framework (Figure 7.1). Based on the interrelationship between CSR and HRM, this exploratory study offers a two-way CSR–HRM model. The relationship between CSR and HRM has not been sufficiently well developed (Buciuniene & Kazlauskaite, 2012), as the published literature has focused largely on the one-way relationship, either the role of HR in CSR (Lockwood, 2004; Wirtenberg et al., 2007; Zappala & Cronin, 2002) or the implications of CSR for HR (Buciuniene & Kazlauskaite, 2012; Cohen, 2010; Fuentes-Garcia et al., 2008). In other words, each



stream has explained a part of the story. This study seeks to make a unique contribution by investigating the two-way relationship between CSR and HRM. The theoretical implications of this research shed light on the CSR–HRM linkage, taking into account the stakeholder perspective, the contingency perspective and integration theory. By following the stakeholder perspective in particular, this study has provided a more refined proposition on the dynamic and complex two-way relationship between these constructs – the roles of HR in CSR and the application of CSR to HR. It has also improved understanding that the application of stakeholder theory is subject to the contingency approach.

The study has gone further and also examined the relationship between CSR and HR managers resulting from this two-way link, an area that has been largely unexplored in the existing literature (Gond et al., 2011). It has employed integration theory, which is examined mainly with relation to marketing functions and its link with other functions of the organisation. Based on integration theory, the findings reveal that interaction and collaboration between CSR and HR managers is the key source of the development of CSR–HR integration (Kahn, 2001). This offers a new vision into the relationship between CSR and HRM. The research also provided insight into integration theory by suggesting that collaboration and interaction between managers is subject to contextual factors, and within such factors integration can be developed ranging from strong to weak.

Another key contribution of this theoretical framework is the incorporation of contextual factors. While many studies have attempted to investigate CSR–HRM links, the factors affecting such links have not been addressed adequately. This study, adopted a contingency framework to identify and examine the organisational, CSR-related and behavioural variables affecting the CSR–HRM relationship. The findings suggest the extent to which CSR and HRM are related is influenced by the context in which they are located. Thus, it has advanced understanding of the contextual nature of CSR–HRM association.

### **8.5 Practical Implications**

As the findings are based on the perceptions of real managers, the study is expected to have relevance for practitioners. The findings offer several potential benefits for practitioners. First, the empirical results suggest that CSR should have internal implications, particularly to HRM. The study advocates CSR managers should focus on internal aspects of CSR and embed CSR standards in HR functions. The findings suggest CSR managers consider employee-related material issues such as an aging population, inequality, underrepresentation of women and minority and other ethical and wellbeing concerns. By addressing these issues from a CSR perspective and aligning CSR standards to HRM functions, CSR managers can support the HR manager develop socially responsible HRM in organisations. Second, the study provides a framework for the roles of HR in CSR. It analyses how the strategic partner, employee champion, change agent and administrative expert roles of HR are

applicable to CSR. This can guide HR practitioners in their proposed roles in the development and implementation of CSR. Some studies have stated that HR managers do not realise the value of CSR for HR functions (Fenwick & Bierema, 2008); this study can assist HR managers to develop a better understanding of their involvement in CSR.

Another important implication is the integration between CSR and HR managers, an area so far under-researched. The present research reported an increasing interdependence between CSR and HRM which requires the collaboration and interaction of CSR and HR professionals. This finding implies that CSR and HR managers require strategic and administrative collaboration, where they regularly communicate and work together for the achievement of common goals. The findings illustrate situations under which such collaborations work. The study also reflected that such integration can develop if CSR-related, organisational and behaviour factors are supportive. In other cases, complexity and politics in this relationship may be present. This research also held that organisations should provide adequate training, a supportive organisation structure and clear territory, and that management should promote collaborative work between CSR and HR managers. Thus the overall findings may provide useful guidelines for CSR and HR practitioners to develop integration. There is an increasing interconnection between CSR and HRM, and the findings of this study have major implications for CSR and HRM practitioners, by showing a better understanding of the collaboration, interaction and integration between these managers.

## **8.6 Limitations of the Study**

Being exploratory in nature, the study is necessarily limited by various factors. The study is based on a relatively small sample size; however, the objective of the research was to provide insight into understanding the CSR–HRM linkage rather than to be representative of the total population. Other studies focusing on the CSR–HRM association adopted a similar or smaller interview sample size in order to develop new knowledge (Gond et al., 2011; Harris & Tregidga, 2011; Wirtenberg et al., 2007). While most of the studies in the literature are based on the interviews of either CSR or HR managers, this study has gone further and conducted interviews with both HR and CSR managers.

Another limitation is also related to sample selection. The selection of the sample was based on two criteria; that it should be a large organisation based on revenue and that it should profess commitment to CSR. This might convey a bias in the selection of samples, and the results of the study cannot be replicated with small organisations or with organisations that have limited CSR practice. However, it was also crucial to follow such criteria as small organisations with informal CSR practices may not possess the links with HRM.

Data collection has also some limitations. For example, data was collected from interviews with CSR and HR managers; employees were not involved in the research. Changes in employees' behaviour, employee engagement in CSR and internal CSR aspects could have been investigated from the perspective of employees. However, the

focus of the study remained on the relationship between CSR and HRM rather than on employee perceptions of such links. Furthermore, due to the limitation of time, resources and manageability of the topic, the emphasis has been on HR and CSR managers.

The final limitation deals with the research process and the involvement of research. In particular, single researcher bias cannot be avoided. All interviews, transcriptions and coding were done by the researcher alone. This may raise a question about the potential for single researcher bias in the interview process and data analysis. To avoid such a bias, however, these concerns were accommodated in the research process. For example, semi-structured interviews were used to stay somewhat structured and to avoid the unnecessary influence of the interviewer. Except for one, all interviews were tape-recorded to gather appropriate data. Furthermore, the inter-coder method was used to verify the coding process with another coder. Finally, the analysis was conducted using the Nvivo programme in order to remain systematic and structured in analysis.

### **8.7 Suggestions for Future Research**

This study has proposed a theoretical framework for the two-way CSR–HRM relationship. This serves as a foundation and offers a range of avenues for further research.

For example, the applicability of the two-way model offered by the study needs to be verified. It would be useful to conduct research in other geographical locations and examine the validity of this model, particularly the application of this model in large countries. The researcher is intended to review this model with regard to large Indian organisations by utilising home-country networks, and to examine how various contextual factors, such as market competition, labour market or industry variation influence the relevance of the framework.

The research established that employees are the common factor in the linkage between CSR and HRM. Therefore, another area of research of interest would be how the application of CSR in HRM influences overall employee wellbeing in organisations. In particular, the overlapping territories of HRM and CSR can be studied in detail and further expanded. A mixed research approach might be useful; where, along with qualitative data, a quantitative test of hypothesis and proposition can provide a broader perspective on the relevance of CSR in HRM and thereby on employee wellbeing.

Furthermore, a more indepth analysis of the roles of HR in CSR can extend the current theoretical framework. As there is increasing concern for the internalisation of CSR, the roles of HRM can be further examined; for instance, examining the impact of HR involvement in improving CSR internalisation. Furthermore, how collaboration between CSR and HRM managers influences the implementation of CSR strategy within organisations can be studied.

Indepth analysis can be useful in understanding various contextual factors. For example, how do organisational factors influence the roles of HR in CSR, how do CSR-related variables affect the implications of internal CSR for HR, or how may behavioural factors influence the interaction between CSR and HR managers? Although the research has shed light on the industrial variations in the CSR–HRM relationship, a detailed research examining the sectorial differences in the CSR–HRM link could be worthwhile.

### **8.8 Researcher's Reflections**

The roots of this research can be traced back to 2005, when I conducted a study on CSR practices of five co-operative banks in India. During the interviews with managers, I became aware of several unethical employment practices, such as sudden redundancy, less pay and discrimination against women and some social classes. I found that even though banks had a good record of community-related practices, basic employees' issues were not addressed. Therefore, I was keen to know how these issues can be linked to CSR.

Through this PhD research, I got an opportunity to examine this area. However, in the initial phase of my PhD, I faced some obstacles due to limited literature. Through the review of the existing literature, many conceptual papers discussing links between CSR and employees/HRM were found. Nevertheless, there was a very limited number of empirical studies in this area. For instance, I found four empirical papers discussing the application of CSR to HRM, five papers investigating the roles of HR in CSR and

only one paper revealing issues regarding integration between CSR and HR managers. Importantly, out of these 10 papers, only three highlighted (briefly) contextual factors affecting such links. I could not find any papers discussing the two-way relationship between CSR and HRM. So it was a challenging task to collaborate these bits of literature into a comprehensive literature review, theoretical framework and interview guide/questions. However, continuous review and the publication of a few recent papers in this area helped me develop a research proposal.

The objective of the research was to investigate CSR–HRM links by studying the perceptions of CSR and HRM managers. Thus, data collection was from a targeted set of specialised managers of large New Zealand organisations committed to CSR. After an intensive search process, I found 30 companies that met these requirements. Furthermore, being new in New Zealand, I found getting access to the interviewees a challenge initially. After a tedious process a total of 29 interviews were conducted. A few corporate managers granted interviews after a brief exchange of information. However, a few required regular follow up, and only committed to interviews after a long time due to their busy schedules. For example, one manager confirmed the interview after four months of communication, by sending an email stating that if I could reach in his office in half an hour, he could spare the time for an interview. Being a new driver, I had a phobia driving on the harbour bridge, but I did not want to lose the opportunity, and so I drove for the first time on the harbour bridge! Overall, interviewing was a positive learning experience, and all the participants exhibited a lot of interest in the conversation.



Regarding data collection through the interview method, I realised that a face-to-face interview would be much more effective than over the phone. I took two telephonic interviews, but they yielded limited information. The reasons were lack of a trust-building atmosphere, eye contact and verbal cues, and also less attention by interviewees due to their involvement in their own work. These two interviews were subsequently not considered in the data, and all the remaining interviews were conducted face to face.

Data analysis was the interesting part. After basic training on the Nvivo programme, I decided to use Nvivo 9 for supporting coding and analysis. It is very useful and effective for the development of codes, categories and memos, and the relationships among these classifications. I also used Nvivo for the literature review and linked codes to the literature. However, being old-fashioned, I was initially not comfortable reading transcripts on the screen, and coding and making relationships. Therefore, some traditional work has been done on all the transcripts. For example, hard copies of all the transcripts were read word for word several times, and primary codes were applied manually to see the overall view and the relationships. After I had gained familiarity with the data, I imported the transcripts to Nvivo for further processing.

Thus, the research, along with indepth knowledge in the area of CSR, HRM and the links between the two, helped me develop skills of creating a network, interviewing and data analysis using specialised software programmes.

---

## References

- Abrams, F. (1951). Management's responsibilities in a complex world. *Harvard Business Review*, 29(3), 29–34.
- ACCSR. (2007). *The CSR manager in Australia*. Melbourne, Australia: Australian Centre for Corporate Social Responsibility.
- Aguinis, H., & Glavas, A. (2012). What we know and don't know about corporate social responsibility: A review and research agenda. *Journal of Management*, 38(4), 932–968.
- Akgeyik, T. (2005). The human resource management dimensions of corporate social responsibility in Turkey: A survey. *Journal of the Academy of Business and Economics*, 6(2), 134–145.
- Alcazar, F., Fernandez, P., & Gardey, G. (2013). Workforce diversity in strategic human resource management models: A critical review of the literature and implications for future research. *Cross Cultural Management: An International Journal*, 20(1), 39–49.
- Andreevsky, E., & Bourcier, D. (2000). Abduction in language interpretation and law making. *Kybernetes*, 29(7/8), 836–845.
- Appelbaum, E., Bailey, T., Berg, P., & Kalleberg, A. (2000). *Manufacturing competitive advantage: The effects of high performance work systems on plant performance and company outcomes*. New York, NY: Cornell University Press.
- Armstrong, C., Flood, P., Guthrie, J., Wenchuan, L., Maccurtain, S., & Mkamwa, T. (2008). Should high performance work systems include diversity management? *Academy of Management Proceedings*, 1–6.

- Armstrong, M. (2003). *A handbook of human resource management practice* (9th ed.). London, UK: Kogan Page.
- Armstrong, M. (2009). *Armstrong's handbook of human resource management practice* (11th ed.). London, UK: Kogan Page.
- Arrowsmith, J., & Parker, J. (2013). The meaning of 'employee engagement' for the values and roles of the HRM function. *The International Journal of Human Resource Management*, 24(14), 2692–2712.
- Babiak, K., Wolfe, R., Bradish, C., & Cronin, J. (2009). Determinants of corporate social responsibility in professional sport: internal and external factors. *Critical Sociology*, 34(1), 51–79.
- Banerjee, S. (2008). Corporate social responsibility: The good, the bad, and the ugly. *Journal of sport management*, 23(6), 717–742.
- Barney, J., & Wright, P. (1997). *On becoming a strategic partner: The role of human resources in gaining competitive advantage*. Ithaca, NY: Centre for Advanced Human Resource Studies, Cornell University.
- Basu, K., & Palazzo, G. (2008). Corporate social responsibility: A process model of sensemaking. *Academy of Management Review*, 33(1), 122–136.
- Batt, R., & Valcour, P. (2003). Human resources practices as predictors of work-family outcomes and employee turnover. *Industrial Relations*, 42(2), 189–220.
- Bazeley, P. (2007). *Qualitative data analysis with Nvivo* (2nd ed.). London, UK: Sage.
- Bazeley, P., & Jackson, K. (2013). *Qualitative data analysis with Nvivo* (2nd ed.). London, UK: Sage.
- Bebbington, J., Higgins, C., & Frame, B. (2009). Initiating sustainable development reporting: Evidence from New Zealand. *Accounting, Auditing & Accountability Journal*, 22(4), 588–625.

- Becker, B., & Huselid, M. (1998). High performance work systems and firm performance: A synthesis of research and management implications. *Research in Personnel and Human Resources Management, 16*(1), 53–101.
- Becker, W. (2011). Are you leading a socially responsible and sustainable human resource function? *People & Strategy, 34*(1), 18–23.
- Beer, M., Spector, B., Lawrence, P., Quinn Mills, D., & Walton, R. (1984). *Managing human assets*. New York, NY: The Free Press.
- Benn, S., & Dunphy, D. (2009). Action research as an approach to integrating sustainability into MBA programs. *Journal of Management Education, 33*(3), 276–295.
- Berg, P., Kalleberg, A., & Appelbaum, E. (2003). Balancing work and family: The role of high-commitment environments. *Industrial Relations, 42*(2), 168–188.
- Bhattacharya, C., Sen, S., & Korschun, D. (2008). Using corporate social responsibility to win the war for talent. *MIT Sloan Management Review, 49*(2), 37–44.
- Bhattacharya, C., Korschun, D., & Sen, S. (2009). Strengthening stakeholder-company relationships through mutually beneficial corporate social responsibility initiatives. *Journal of Business Ethics, 85*(Supplement 2), 257–272.
- Bierema, L., & D'Abundo, M. (2004). HRD with a conscience: Practising socially responsible HRD. *International Journal of Lifelong Education, 23*(5), 443–458.
- Bjerregaard, T., & Luring, J. (2013). Managing contradictions of corporate social responsibility: The sustainability of diversity in a frontrunner firm. *Business Ethics: A European Review, 22*(2), 131–142.
- Bolton, S., & Houlihan, M. (Eds.). (2007). *Searching for the human in human resource management*. New York, NY: Palgrave Macmillan.

- Boudreau, J., & Ramstad, P. (2005). Talentship, talent segmentation, and sustainability: A new HR decision science paradigm for a new strategy definition. *Human Resource Management, 44*(2), 129–136.
- Bowen, H. (1953). *Social responsibilities of the businessman*. New York, NY: Harper & Row.
- Boxall, P., & Macky, K. (2009). Research and theory on high-performance work systems: progressing the high-involvement stream. *Human Resource Management Journal, 19*(1), 3–23.
- Boxall, P., & Purcell, J. (2008). *Strategy and human resource management*. New York, NY: Palgrave Macmillan.
- Boyatzis, R. (1998). *Transforming Qualitative Information*. London, UK: Sage.
- Boyd, N., & Gessner, B. (2013). Human resource performance metrics: Methods and processes that demonstrate you care. *Cross Cultural Management: An International Journal, 20*(2), 251–273.
- Brammer, S., & Pavelin, S. (2005). Corporate community contributions in the United Kingdom and the United States. *Journal of Business Ethics, 56*(1), 15–26.
- Branco, M., & Rodrigues, L. (2006). Corporate social responsibility and resource-based perspectives. *Journal of Business Ethics, 69*(2), 111–132.
- Branco, M., & Rodrigues, L. (2008). Factors influencing social responsibility disclosure by Portuguese companies. *Journal of Business Ethics, 83*(4), 685–701.
- Bratton, J., & Jeffery, G. (2003). *Human resource management: Theory and practice* (3rd ed.). New York, NY: Palgrave Macmillan.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology, 3*(2), 77–101.

- Brown, G., & Stone, L. (2007). Cleaner production in New Zealand: Taking stock. *Journal of Cleaner Production, 15*(8/9), 716–728.
- Bryman, A., & Bell, E. (2011). *Business research methods* (3rd ed.). New York, NY: Oxford University Press.
- Buciuniene, I., & Kazlauskaitė, R. (2012). The linkage between HRM, CSR and performance outcomes. *Baltic Journal of Management, 7*(1), 5–24.
- Buddhapriya, S. (2009). Work–Family challenges and their impact on career decisions: A study of Indian women professionals. *Vikalpa: The Journal for Decision Makers, 34*(1), 31–45.
- Buyens, D., & Vos, A. (2001). Perceptions of the value of the HR function. *Human Resource Management Journal, 11*(3), 70–89.
- Caldwell, R. (2003). The changing roles of personnel managers: Old ambiguities, new uncertainties. *Journal of Management Studies, 40*(4), 983–1004.
- Campbell, J. (2006). Institutional analysis and the paradox of corporate social responsibility. *American Behavioral Scientist, 49*(7), 925–938.
- Campbell, J. (2007). Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility. *Academy of Management Review, 32*(3), 946–967.
- Cannon, T. (1994). *Corporate responsibility*. London, UK: Pitman Publishing.
- Carroll, A. (1977). *Managing corporate social responsibility*. Boston, MA: Little, Brown.
- Carroll, A. (1979). A three-dimensional conceptual model of corporate performance. *Academy of Management Review, 4*(4), 497–505.
- Carroll, A. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons, 34*(4), 39–48.

- Carroll, A. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & Society*, 38(3), 268–295.
- Carroll, A. (2008). A history of corporate social responsibility: Concepts and practices. In A. Crane, A. McWilliams, D. Matten, J. Moon & D. Siegel (Eds.), *The Oxford Handbook of Corporate Social Responsibility* (pp. 19–46). Oxford, UK: Oxford University Press.
- Carroll, A., & Buchholtz, A. (2008). *Business and society: Ethics and stakeholder management* (7th ed.). Mason, OH: South-Western Cengage Learning.
- Carter, C., & Jennings, M. (2002). Logistics social responsibility: An integrative framework. *Journal of Business Logistics*, 23(1), 145–180.
- Castka, P., Balzarova, M., & Bamber, C. (2004). How can SMEs effectively implement the CSR agenda? A UK case study perspective. *Corporate Social Responsibility and Environmental Management*, 11(3), 140–149.
- Cavana, R., Delahaye, B., & Sekaran, U. (2000). *Applied business research*. Milton, Australia: John Wiley & Sons.
- Centre for Business and Sustainable Development. (2000). *Business and the sustainable development revolution: Report of the 2000 survey of Corporate Environmental Responsiveness*. Palmerston North, New Zealand: Massey University.
- Centre for Business and Sustainable Development. (2001). *Business and the sustainable development revolution: Report of the 2001 survey of Corporate Environmental Responsiveness*. Palmerston North, New Zealand: Massey University.
- Centre for Business and Sustainable Development. (2002). *Business and the sustainable development revolution: Report of the 2002 survey of Corporate Environmental Responsiveness*. Palmerston North, New Zealand: Massey University.

- Centre for Business and Sustainable Development. (2003). *Business and the sustainable development revolution: Report of the 2003 survey of Corporate Environmental Responsiveness*. Palmerston North, New Zealand: Massey University.
- Centre for Business and Sustainable Development. (2005). *Business and the sustainable development revolution: Report of the 2005 survey of Corporate Environmental Responsiveness*. Palmerston North, New Zealand: Massey University.
- Centre for Business and Sustainable Development. (2007). *Business and the sustainable development revolution: Report of the 2007 survey of Corporate Environmental and Social Responsiveness*. Palmerston North, New Zealand: Massey University.
- Chapple, W., & Moon, J. (2005). Corporate social responsibility (CSR) in Asia: A seven-country study of CSR web site reporting. *Business & Society, 44*(4), 415–441.
- Chatterji, A., & Toffel, M. (2010). How firms respond to being rated. *Strategic Management Journal, 31*(9), 917–945.
- Chen, S., & Bouvain, P. (2009). Is corporate responsibility converging? A comparison of corporate responsibility reporting in the USA, UK, Australia, and Germany. *Journal of Business Ethics, 87*(1), 299–317.
- Chih, H., Chih, H., & Chen, T. (2010). On the determinants of corporate social responsibility: International evidence on the financial industry. *Journal of Business Ethics, 93*(1), 115–135.
- Chimhanzi, J. (2004). The impact of integration mechanisms on marketing/HR dynamics. *Journal of Marketing Management, 20*(7–8), 713–740.
- Clark, S. (2000). Work/family border theory: A new theory of work/family balance. *Human Relations, 53*(6), 747–770.



- Clarke, J., & Gibson-Sweet, M. (1999). The use of corporate social disclosures in the management of reputation and legitimacy: A cross sectoral analysis of UK top 100 companies. *Business Ethics: A European Review*, 8(1), 5–13.
- Clarke, M. (Ed.). (2010). *Reading in HRM and sustainability* (1st ed.). Prahran, Australia: Tilde University Press.
- Clarkson, M. (1995). A stakeholder framework for analysing and evaluating corporate social performance. *Academy of Management Review*, 20(2), 92–117.
- Cohen, E. (2010). *CSR for HR: A necessary partnership for advancing responsible business practices*. Sheffield, UK: Greenleaf Publishing.
- Colbert, B., & Kurucz, E. (2007). Three conceptions of triple bottom line business sustainability and the role for HRM. *Human Resource Planning*, 30(1), 21.
- Collier, J., & Esteban, R. (2007). Corporate social responsibility and employee commitment. *Business Ethics: A European Review*, 16(1), 19–33.
- Collins, E., Lawrence, S., Pavlovich, K., & Ryan, C. (2007). Business networks and the uptake of sustainability practices: The case of New Zealand. *Journal of Cleaner Production*, 15(8/9), 729–740.
- Committee for Economic Development. (1971). *Social responsibilities of business corporations*. New York, NY: Committee for Economic Development.
- Cooke, F. (2011). Social responsibility, sustainability and diversity of human resources. In A. Harzing & A. Pinnington (Eds.), *International human resource management* (3rd ed.), pp. 583–619). London, UK: Sage.
- Cooke, F., & He, Q. (2010). Corporate social responsibility and HRM in China: A study of textile and apparel enterprises. *Asia Pacific Business Review* 16(3), 355–376.

- Cornelius, N., Todres, M., Janjuha-Jivraj, S., Woods, A., & Wallace, J. (2008). Corporate social responsibility and the social enterprise. *Journal of Business Ethics, 81*(2), 355–370.
- Craig, J. (2004). Science and sustainable development in New Zealand. *Journal of Royal Society of New Zealand, 34*(1), 9–22.
- Creswell, J. (2007). *Qualitative inquiry and research design* (2nd ed.). London, UK: Sage.
- Crotty, M. (2003). *The foundations of social research: Meaning and perspective in the research process*. London, UK: Sage.
- Dahlsrud, A. (2008). How corporate social responsibility is defined: An analysis of 37 definitions. *Corporate Social Responsibility and Environmental Management, 15*(1), 1–13.
- Daniel, S., Berkowitz, D., & Souder, W. (2005). New product development performance and the interaction of cross-functional integration and knowledge management. *Journal of Product Innovation Management, 22*(5), 399–411.
- Davey, H. (1985). *Corporate social responsibility disclosure in New Zealand: An empirical investigation*. Palmerston North, New Zealand: Massey University.
- Davies, I., & Crane, A. (2010). Corporate social responsibility in small and medium-size enterprises: Investigating employee engagement in fair trade companies. *Business Ethics: A European Review, 19*(2), 126–139.
- Davis, K. (1960). Can business afford to ignore social responsibilities? *California Management Review, 2*(3), 70–76.
- Davis, K. (1967). Understanding the social responsibility puzzle: What does the businessman owe to society? *Business Horizons, 14*(4), 45–50.
- Davis, K. (1973). The case for and against business assumption of social responsibilities. *Academy of Management Journal, 16*(2), 312–322.

- de los Salmones, M., Crespo, A., & del Bosque, I. (2005). Influence of corporate social responsibility on loyalty and valuation of services. *Journal of Business Ethics, 61*(4), 369–385.
- Deakin, S., & Whittaker, D. (2007). Re-embedding the corporation? Comparative perspectives on corporate governance, employment relations and corporate social responsibility. *Corporate Governance: An International Review, 15*(1), 1–4.
- Deckop, J. (Ed.). (2006). *Human resource management ethics*. Charlotte, NC: Information Age Publishing.
- Delery, J., & Doty, D. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency and configurational performance predictions. *Academy of Management Journal, 39*(4), 802–835.
- Deloitte New Zealand. (2009). *Deloitte/Management magazine top 200 New Zealand companies*. Auckland, New Zealand: Deloitte New Zealand.
- Demuijnck, G. (2009). Non-discrimination in human resources management as a moral obligation. *Journal of Business Ethics, 88*(1), 83–101.
- Deniz-Deniz, M., & De Saa-Perez, P. (2003). A resource-based view of corporate responsiveness toward employees. *Organization Studies, 24*(2), 299–319.
- Dentchev, N. (2009). To what extent is business and society literature idealistic? *Business & Society, 48*(1), 10–38.
- Denzin, N. (2001). *Interpretive Interactionism* (2nd ed.). London, UK: Sage.
- Denzin, N., & Lincoln, Y. (2000). *Handbook of qualitative research* (2nd ed.). London, UK: Sage.
- Denzin, N., & Lincoln, Y. (Eds.). (2003). *Collecting and interpreting qualitative materials* (2nd ed.). London, UK: Sage.

- Dewangga, A., Goldsmith, S., & Pegram, N. (2008). *Social responsibility guidelines & sustainable development: Integrating a common goal of a sustainable society* (Unpublished doctoral dissertation), Blekinge Institute of Technology, Karlskrona, Sweden.
- Dey, I. (1993). *Qualitative data analysis: A user-friendly guide for social scientists* (1st ed.). New York, NY: Routledge.
- DoL. (2013a). Workforce 2020. Retrieved from <http://www.dol.govt.nz/services/LMI/workforce2020/demographic-shift.asp>
- DoL. (2013b). The Workplace Literacy Fund. Retrieved from <http://www.dol.govt.nz/publication-view.asp?ID=241>
- Donald, W., & Donald, E. (1929). Trends in personnel administration. *Harvard Business Review*, 7(2), 143–156.
- Donaldson, L. (2001). *The contingency theory of organisation*. Thousand Oaks, CA: Sage.
- Donaldson, T., & Preston, L. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review*, 20(1), 65–91.
- Dow Jones Sustainability Indices. (2013). Sustainability Assessment. Retrieved from <http://www.sustainability-indices.com/contact/index.jsp>
- Druker, J., White, G., Hegewisch, A., & Mayne, L. (1996). Between hard and soft HRM: Human resources management in the construction industry. *Construction Management & Economics*, 14(5), 405–416.
- Du Plessis, A. (2012). Human resource's approach towards social responsibility in a developing country in the future: Some empirical evidence. *Interdisciplinary Journal of Contemporary Research in Business*, 4(1), 204–212.
- Dubois, A., & Gadde, L. (2002). Systematic combining: An abductive approach to case research. *Journal of Business Research*, 55(7), 553–560.

- DuBois, C., & Dubois, D. (2012). Strategic HRM as social design for environmental sustainability in organization. *Human Resource Management, 51*(6), 799–826.
- Dul, J., & Hak, T. (2008). *Case study methodology in business research* (1st ed.). Oxford, UK: Elsevier Ltd.
- Dunphy, D., Griffiths, A., & Benn, S. (2003). *Organisational change for corporate sustainability*. London, UK: Routledge.
- Ebner, D., & Baumgartner, R. (2006, September). *The relationship between sustainability development and corporate social responsibility*. Paper presented at the Corporate Responsibility Research Conference, Dublin.
- Ehnert, I. (2009). *Sustainable human resource management: A conceptual and exploratory analysis from a paradox perspective*. Heidelberg, Germany: Physica-Verlag.
- Elkington, J. (1998). *Cannibals with forks*. Gabriola Island, BC: New Society.
- Emmott, M., & Worman, D. (2008). The steady rise of CSR and diversity in the workplace. *Strategic HR Review, 7*(5), 28–33.
- Epstein, E. (1987). The Corporate social policy process: Beyond business ethics, corporate social responsibility, and corporate social responsiveness. *California Management Review, 29*(3), 99–114.
- European Commission. (2001). *Promoting a European framework for corporate social responsibility*. Brussels, UK: European Commission.
- European Commission. (2011). *A renewed EU strategy 2011–14 for corporate social responsibility*. Brussels, UK: European Commission.
- Eweje, G. (2006). Environmental costs and responsibilities resulting from oil exploitation in developing countries: The case of the niger delta of Nigeria. *Journal of Business Ethics, 69*(1), 27–56.

- Eweje, G., & Bentley, T. (2006). *CSR and staff retention in New Zealand companies: A literature review* (Department of Management and International Business Research Working Paper Series 2006, no. 6). Auckland, New Zealand: Massey University.
- Eweje, G., & Palakshappa, N. (2009). Business partnerships with nonprofits: Working to solve mutual problems in New Zealand. *Corporate Social Responsibility & Environmental Management*, 16(6), 337–351.
- Ezzedeen, S., Hyde, C., & Laurin, K. (2006). Is strategic human resource management socially responsible? The case of Wegmans food markets, Inc. *Employ Respons Rights*, 18(2), 295–307.
- Farndale, E., Hope Hailey, V., & Kelliher, C. (2010). High commitment performance management: The role of justice and trust. *Personnel Review*, 40(1), 5–23.
- Fassin, Y. (2009). The stakeholder model refined. *Journal of Business Ethics*, 84(1), 113–135.
- Fauzi, H., & Idris, K. (2010). The effect of contextual variables in the relationship between CSR and CFP: Evidence from Indonesian companies. *Issues in Social and Environmental Accounting*, 4(1), 40–64.
- Fenwick, T., & Bierema, L. (2008). Corporate social responsibility: Issues for human resource development professionals. *International Journal of Training & Development*, 12(1), 24–35.
- Ferrary, M. (2009). A Stakeholder's perspective on human resource management. *Journal of Business Ethics*, 87(1), 31–43.
- Fiedler, F. (1967). *A theory of leadership effectiveness*. New York, NY: McGraw-Hill.
- Fineman, S., & Clarke, K. (1996). Green stakeholders: Industry interpretations and response. *Journal of Management Studies*, 33(6), 715–730.

- Fombrun, C., Tichy, N., & Devanna, M. (1984). *Strategic human resource management* New York, NY: Wiley.
- Fontana, A., & Frey, J. (2003). The Interview: From structured questions to negotiated text. In N. Denzin & Y. Lincoln (Eds.), *Collecting and interpreting qualitative materials*. London, UK: Sage.
- Foote, D. (2001). The question of ethical hypocrisy in human resource management in the UK and Irish charity sectors. *Journal of Business Ethics*, 34(1), 25–38.
- Fox, A. (2008). Get in the business of being green: Capitalize on environmental concerns among employees to reap benefits for them and for your company. *HR Magazine*, 53(6), 44–50.
- Frame, B., Gordon, R., & Whitehouse, I. (2003). *Corporate responsibility in New Zealand – A case study*. Lincoln, New Zealand: Landcare Research NZ Ltd.
- Francis, H., & Keegan, A. (2006). The changing face of HRM: In search of balance. *Human Resource Management Journal*, 16(3), 231–249.
- Frederick, W. (1960). The growing concern over business responsibility. *California Management Review*, 2(4), 54–61.
- Frederick, W., Post, J., & Davis, K. (1992). *Business and society: Corporate strategy, public policy, ethics* (7th ed.). London, UK: McGraw-Hill.
- Freeman, R. (1984). *Strategic management: A stakeholder approach*. Boston, MA: Pitman.
- Freeman, R., Harrison, J., & Wicks, A. (2007). *Managing for stakeholders: Survival, reputation, and success*. New Haven, CT: Yale University Press.
- Friedman, M. (1970, September 13). The social responsibility of business is to increase its profits. *The New York Times Magazine*.

- Fuentes-Garcia, F., Nunez-Tabales, J., & Veroz-Herradon, R. (2008). Applicability of corporate social responsibility to human resources management: Perspective from Spain. *Journal of Business Ethics*, 82(1), 27–44.
- Galbreath, J. (2010). Drivers of corporate social responsibility: The role of formal strategic planning and firm culture. *British Journal of Management*, 21(2), 511–525.
- Garavan, T., Heraty, N., Rock, A., & Dalton, E. (2010). Conceptualizing the behavioral barriers to CSR and CS in organizations: A typology of HRD interventions. *Advances in Developing Human Resources*, 12(5), 587–613.
- Garavan, T., & McGuire, D. (2010). Human resource development and society: Human resource development's role in embedding corporate social responsibility, sustainability, and ethics in organizations. *Advances in Developing Human Resources*, 12(5), 487–507.
- Gardemswartz, L., & Rowe, A. (2010). *Managing diversity: A complete desk reference and planning guide* (3rd ed.). Alexandria, VA: Society for Human Resource Management.
- Garriga, E., & Mele, D. (2004). Corporate social responsibility theories: Mapping the territory. *Journal of Business Ethics*, 53(1/2), 51–71.
- Gellert, F., & Graaf, F. (2012). Corporate social responsibility and aging workforces: An explorative study of corporate social responsibility implementation in small- and medium-sized enterprises. *Business Ethics: A European Review*, 21(4), 353–363.
- Geroy, G., Wright, P., & Jacoby, L. (2000). Toward a conceptual framework of employee volunteerism: An aid for the human resource manager. *Management Decision*, 38(4), 280–287.
- Gibbs, G. (2002). *Qualitative data analysis: Explorations with Nvivo*. Buckingham, UK: Open University.



- Gibson, W., & Brown, A. (2009). *Working with qualitative data*. London, UK: Sage.
- Gilham, B. (2000). *The Research interview*. London, UK: Continuum.
- Goldberg, E. (2001). *Profit, people, planet: Policy issues and options around triple bottom line reporting*. Wellington, New Zealand: New Zealand Ministry for the Environment.
- Golden, K., & Ramanujam, V. (1985). Between a dream and a nightmare: On the integration of human resource management and strategic business planning processes. *Human Resource Management, 24*(4), 429–452.
- Gond, J., Igalens, J., Swaen, V., & Akremi, A. (2011). The human resource contribution to responsible leadership: An exploration of the CSR-HR interface. *Journal of Business Ethics, 98*(1), 115–132.
- Gooderham, P., Nordhaug, O., & Ringdal, K. (1999). Institutional and rational determinants of organizational practices: Human resource management in European firms. *Administrative Science Quarterly, 44*(3), 507–531.
- Graafland, J., & Van de Ven, B. (2006). Strategic and moral motivation for corporate social responsibility. *Journal of Corporate Citizenship, Summer 2006*(22), 111–123.
- Greenhaus, J., Collins, K., & Shaw, J. (2003). The relation between work–family balance and quality of life. *Journal of Vocational Behavior, 63*(3), 510–531.
- Greenwood, M. (2002). Ethics and HRM: A review and conceptual analysis. *Journal of Business Ethics, 36*(3), 261–278.
- Greenwood, M., & De Cieri, H. (2005). Stakeholder theory and the ethics of human resource management. In A. Pinnington, R. Macklin & T. Campbell (Eds.), *Human resource management: Ethics and employment*. Oxford, UK: Oxford University Press.
- Greenwood, M., & Simmons, J. (2004). A stakeholder approach to ethical human resource management. *Business & Professional Ethics Journal, 23*(3), 3–23.

- GRI. (2013). *G4 Sustainability Reporting Guidelines*. Amsterdam, Netherland: Global Reporting Initiative.
- Griffin, A., & Hauser, J. (1996). Integrating R&D and marketing: a review and analysis of the literature. *Journal of product innovation management*, 13(3), 191–215.
- Grosser, K., & Moon, J. (2005). Gender mainstreaming and corporate social responsibility: Reporting workplace issues. *Journal of Business Ethics*, 62(4), 327–340.
- Grosser, K., & Moon, J. (2008). Deveopments in company reporting on workplace gender equality: A corporate social responsibiliy perspective. *Accounting Forum* 32, 179–198.
- Guest, D. (1987). Human resource management and industrial relations. *Journal of Management Studies*, 24(5), 503–521.
- Guest, D. (1997). Human resource management and performance: A review and research agenda. *International Journal of Human Resource Management*, 8(1), 263–276.
- Guest, D. (1999). Human resource management-the workers' verdict. *Human Resource Management Journal*, 9(3), 5–25.
- Guest, D. (2002). Human resource management, corporate performance and employee wellbeing: Building the worker into HRM. *Journal of Industrial Relations*, 44(2), 335–358.
- Guest, D. (2007). HRM and performance: Can partnership address the ethical dilemmas? In A. Pinnington, R. Macklin & T. Campbell (Eds.), *Human resource management: Ethics and employment*. New York, NY: Oxford University Press.
- Guest, D., & Woodrow, C. (2012). Exploring the boundaries of human resource managers' responsibilities. *Journal of Business Ethics*, 111(1), 109–119.

- Gupta, A., Raj, S., & Wilemon, D. (1985). The R&D-marketing interface in high-technology firms. *Journal of product innovation management*, 2(1), 12–24.
- Haigh, M., & Jones, M. (2006). The drivers of corporate social responsibility: A critical review. *The Business Review, Cambridge*, 5 (2), 1–9.
- Hammonds, K. (2005). Why we hate HR. *Fast Company* 97, 40–47.
- Hanson, N. (1960). Is there a logic of scientific discovery. *Australian Journal of Philosophy*, 38, 91–106.
- Harley, B. (2002). Employee responses to high performance work system practices: An analysis of the AWIRS95 data. *Journal of Industrial Relations*, 44(3), 418–434.
- Harris, C., & Tregidga, H. (2011). HR managers and environmental sustainability: Strategic leaders or passive observers? *The International Journal of Human Resource Management*, 23(2), 236–254.
- Hart, S. (2010). Self-regulation, corporate social responsibility, and the business case: Do they work in achieving workplace equality and safety? *Journal of Business Ethics*, 92(4), 585–600.
- Haski-Leventhal, D. (2013). Employee engagement in CSR: The case of payroll giving in Australia. *Corporate Social Responsibility & Environmental Management*, 20(2), 113–128.
- Hassink, H. (2005). CSR reporting on employees. *European Industrial Relations Review*, October 381, 19–23.
- Herzig, C. (2004). *Corporate volunteering in Germany: Survey and empirical evidence*. Luneburg, Germany: Centre for Sustainability Management.
- Hitchcock, D., & Willard, M. (2006). *The business guide to sustainability*. London, UK: Earthscan.

- Holmqvist, M. (2009). Corporate social responsibility as corporate social control: The case of work-site health promotion. *Scandinavian Journal of Management*, 25(1), 68–72.
- Hope Hailey, V., Farndale, E., & Truss, C. (2005). The HR department's role in organisational performance. *Human Resource Management Journal*, 15(3), 49–66.
- Hopkins, M. (1998). *The planetary bargain: Corporate social responsibility comes of age*. London, UK: Macmillan.
- Hopkins, M. (2003). *The planetary bargain: Corporate social responsibility matters*. London, UK: Earthscan.
- Hotchkiss, W. (1923). Industrial relation management. *Harvard Business Review*, 1(4), 438–450.
- Huselid, M., Jackson, S., & Schuler, R. (1997). Technical and strategic human resource management effectiveness as determinants of firm performance. *Academy of Management Journal*, 40(1), 171–188.
- Husted, B. (2000). A contingency theory of corporate social performance. *Business & Society*, 39(1), 24–48.
- Husted, B., & Allen, D. (2006). Corporate social responsibility in the multinational enterprise: Strategic and institutional approaches. *Journal of International Business Studies*, 37(6), 838–849.
- Inyang, B., Awa, H., & Enuoh, R. (2011). CSR-HRM nexus: Defining the role engagement of the human resources professionals. *Contemporary Issues in Business and Economics* 2(5), 118–126.
- Jackson, S., Schuler, R., & Rivero, J. (1989). Organizational characteristics as predictors of personnel practices. *Personnel Psychology*, 42(4), 727–786.

- Jain, A., Leka, S., & Zwetsloot, G. (2011). Corporate social responsibility and psychosocial risk management in Europe. *Journal of Business Ethics*, 101(4), 619–633.
- Jamali, D. (2008). A stakeholder approach to corporate social responsibility: A fresh perspective into theory and practice. *Journal of Business Ethics*, 82(1), 213–231.
- Johnson, H. (1971). *Business in cotemporary society: Framework and issues*. Belmont, CA: Wadsworth.
- Johnson, P., Buehring, A., Cassell, C., & Symon, G. (2006). Evaluating qualitative management research: Towards a contingent criteriology. *International Journal of Management Reviews*, 8, 131–156.
- Kahn, K. (1996). Interdepartmental integration: A definition with implications for product development performance. *Journal of Product Innovation Management*, 13(2), 137–151.
- Kahn, K. (2001). Market orientation, interdepartmental integration, and product development performance. *Journal of Product Innovation Management*, 18(5), 314–323.
- Kahn, K., & Mentzer, J. (1998). Marketing's integration with other departments. *Journal of Business Research*, 42(1), 53–62.
- Konrad, A., & Mangel, R. (2000). The impact of work–life programs on firm productivity. *Strategic Management Journal*, 21(12), 1225–1237.
- Kossek, E., Lobel, S., & Brown, J. (2006). Human resource strategies to manage workforce diversity: 'The business case'. In P. Prasad, J. Pringle & A. Konrad (Eds.), *Handbook of workplace diversity*. London, UK: Sage Publications Ltd.

- Kovács, G., & Spens, K. (2005). Abductive reasoning in logistics research. *International Journal of Physical Distribution & Logistics Management*, 35(2), 132–144.
- Kramar, R. (2006). HRM at the crossroads: Editor's note – Recent development and ethics. *Asia Pacific Journal of Human Resources*, 44(4), 130–131.
- Kwan, W., & Tuuk, E. (2012). *Corporate social responsibility: Implications for human resources and talent engagement*. Ithaca, NY: Cornell Centre for Advanced Human Resource Studies.
- Lai, C., Chiu, C., Yang, C., & Pai, D. (2010). The effects of corporate social responsibility on brand performance: The mediating effect of industrial brand equity and corporate reputation. *Journal of Business Ethics*, 95(3), 457–469.
- Lam, H., & Khare, A. (2010). HR's crucial role for successful CSR. *Journal of International Business Ethics*, 3(2), 3–15.
- Lauring, J., & Thomsen, C. (2009). Ideals and practices in CSR identity making: The case of equal opportunities. *Employee Relations*, 31(1), 25–38.
- Lawrence, P., & Lorsch, J. (1986). *Organisation and environment: Managing differentiation and integration*. Boston, MA: Harvard Business School Press.
- Lawrence, S., & Collins, E. (2003). *Sustainability practices of New Zealand Business*. Hamilton, New Zealand: The University of Waikato Management School.
- Lawrence, S., Collins, E., Pavlovich, K., & Arunachalam, M. (2006). Sustainability practices of SMEs: The case of NZ. *Business Strategy & the Environment* 15(4), 242–257.
- Ledwidge, J. (2007). Corporate social responsibility: The risks and opportunities for HR: Integrating human and social values into the strategic and operational fabric. *Human Resource Management International Digest*, 15(6), 27–30.
- Lee, N., & Lings, I. (2008). *Doing business research* (1st ed.). London, UK: Sage.

- Lee, R., & Fielding, N. (1991). Computing for qualitative research: Options, problems and potential. In N. Fielding & R. Lee (Eds.), *Using computers in qualitative research* (pp. 1–13). London, UK: Sage.
- Legge, K. (1995). *Human resource management: Rhetorics and realities*. Basingstoke, UK: Macmillan.
- Li, W., & Zhang, R. (2010). Corporate social responsibility, ownership structure, and political interference: Evidence from China. *Journal of Business Ethics*, 96(4), 631–645.
- Liebowitz, J. (2010). The role of HR in achieving a sustainability culture. *Journal of Sustainable Development* 3(4), 50–57.
- Lincoln, Y., & Guba, E. (1985). *Naturalistic inquiry*. Beverly Hills, CA: Sage.
- Locke, K. (2001). *Grounded theory in management research*. London, UK: Sage Publications.
- Lockwood, N. (2004). Corporate Social Responsibility: HR's Leadership Role. *HRMagazine*, 49(4), 1–10.
- Luthans, F., & Stewart, T. (1977). A general contingency theory of management. *Academy of Management Review*, 2(2), 181–195.
- Maak, T. (2008). Undivided corporate responsibility: Towards a theory of corporate integrity. *Journal of Business Ethics*, 82(2), 353–368.
- Mac, S., & Calis, T. (2012). Social responsibility within the ethics and human resource management debates: A review of Global Compact and SA8000 social responsibility standard. *Turkish Journal of Business Ethics*, 5(10), 41–53.
- Mankelow, G. (2008). Social responsibility paradox of small business human resource management practices. *International Journal of Human Resource Management*, 19(12), 2171–2181.

- Maon, F., Lindgreen, A., & Swaen, V. (2009). Designing and implementing corporate social responsibility: An integrative framework grounded in theory and practice. *Journal of Business Ethics*, 87(1), 71–89.
- Maon, F., Lindgreen, A., & Swaen, V. (2010). Organizational stages and cultural phases: A critical review and a consolidative model of corporate social responsibility development. *International Journal of Management Reviews*, 12(1), 20–38.
- March, J., & Simon, H. (1958). *Organisations*. New York, NY: John Wiley.
- Marshall, C., & Rossman, G. (2006). *Designing qualitative research*. London, UK: Sage.
- Mason, C., & Simmons, J. (2011). Forward looking or looking unaffordable? Utilising academic perspectives on corporate social responsibility to assess the factors influencing its adoption by business. *Business Ethics: A European Review*, 20(2), 159–176.
- Mason, R., & Mitroff, I. (1981). *Challenging strategic planning assumptions*. New York, NY: John Wiley.
- Matten, D., Crane, A., & Chapple, W. (2003). Behind the mask: Revealing the true face of corporate citizenship. *Journal of Business Ethics*, 45(1), 109–120.
- Matten, D., & Moon, J. (2008). "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. *Academy of Management Review*, 33(2), 404–424.
- Maxfield, S. (2007). Linking business's gender and diversity practices with corporate citizenship: Implications from Latin America. *Academia Revista Latinoamericana de Administracion*, 38, 65–80.
- Maxwell, G. (2005). Checks and balances: the role of managers in work–life balance policies and practices. *Journal of Retailing and Consumer Services*, 12(3), 179–189.



- Maxwell, J. (1992). Understanding and validity in qualitative research. *Harvard Educational Review*, 62(3), 279–300.
- McGuire, J. (1963). *Business and society*. New York, NY: McGraw-Hill.
- McWilliams, A., & Siegel, D. (2000). Corporate social responsibility and financial performance: Correlation or misspecification? *Strategic Management Journal*, 21(5), 603–609.
- McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of Management Review*, 26(1), 117–127.
- Mees, A., & Bonhman, J. (2004). Corporate social responsibility belongs with HR. *Canadian HR reporter*, April 2004, 11–13.
- Meier, A., Boivin, M., & Meier, M. (2008). Theme-analysis: Procedures and application for psychotherapy research. *Qualitative Research in Psychology*, 5(4), 289–310.
- Meisinger, S. (2007). HR's role in social responsibility and sustainability. *HRMagazine*, 52 (12), 8–9.
- Miles, M., & Huberman, A. (1994). *Qualitative data analysis: An expanded sourcebook*. Thousand Oaks, CA: Sage Publications.
- Milne, M., Owen, D., & Tilt, C. (2001). Corporate environmental reporting: Are New Zealand companies being left behind? *University of Auckland Business Review*, 3(1), 24–36.
- Milne, M., Tregidga, H., & Walton, S. (2008). Words of action: The centrist and pragmatic discourse of sustainable development reporting. *Academy of Management Proceedings*, 1–6.
- Minichiello, V., Aroni, R., & Hays, T. (2008). *In-depth Interviewing*. Sydney, Australia: Pearson.

- Ministry for the Environment. (2009). *Sustainable management fund*. Wellington, New Zealand: New Zealand Government.
- Ministry of Business innovation and employment. (2013). Small and medium sized enterprises. Retrieved from <http://www.med.govt.nz/business/business-growth-internationalisation/small-and-medium-sized-enterprises>
- Mirvis, P. (2012). Employee engagement and CSR. *California Management Review*, 54(4), 93–117.
- Mitchell, R., Agle, B., & Wood, D. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22(4), 853–886.
- Moenaert, R., Souder, W., Meyer, A., & Deschoolmeester, D. (1994). R&D-marketing integration mechanisms, communication flows, and innovation success. *Journal of Product Innovation Management*, 11(1), 31–45.
- Montiel, I. (2008). Corporate social responsibility and corporate sustainability separate pasts, common futures. *Organization & Environment*, 21(3), 245–269.
- Morgeson, F., Aguinis, H., Waldman, D., & Siegel, D. (2013). Extending corporate social responsibility research to the human resource management and organizational behavior domains: A look to the future. *Personnel Psychology*, 66(4), 805–824.
- Muirhead, S., Bennett, C., Berenbeim, R., & Vidal, D. (2002). *Corporate citizenship in the new century: Accountability, transparency, and global stakeholder engagement*. New York, NY: The Conference Board, Inc.
- Murphy, G., & Southey, G. (2003). High performance work practices: Perceived determinants of adoption and the role of the HR practitioner. *Personnel Review*, 32(1), 73–92.

- Muster, V., & Schrader, U. (2011). Green work-life balance: A new perspective for green HRM. *German Journal of Research in Human Resource Management* 25(2), 140–156.
- New Zealand Government. (2002). *The Government's approach to sustainable development*. Wellington, New Zealand: New Zealand Government.
- New Zealand Government. (2003). *Sustainable development programme of action*. Wellington, New Zealand: New Zealand Government.
- New Zealand Legislation. (1991). Resource Management Act 1991. Retrieved from <http://www.legislation.govt.nz/act/public/1991/0069/latest/DLM230265.html>
- Noe, R. (2013). *Employee training and development*. New York, NY: McGraw-Hill.
- Nordestgaard, M., & Kirton-Darling, J. (2004). Corporate social responsibility within the European sectoral social dialogue. *Transfer: European Review of Labour and Research*, 10(3), 433–451.
- Odell, H. (1973). What does 'social responsibility' of business mean? *Academy of Management Proceedings*, 597–601.
- OECD. (2001). Work related commitments. Retrieved from (<http://www.oecd.org>)
- Orlitzky, M., Schmidt, F., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. *Organization Studies*, 24(3), 403–441.
- Orlitzky, M., & Swanson, D. (2006). Ethics and strategic human resource management In J. Deckop (Ed.), *Human Resource Management Ethics* (pp. 3–26). Greenwich, CT: Information Age Publishing.
- Paauwe, J., & Boselie, P. (2003). Challenging 'strategic HRM' and the relevance of the institutional setting. *Human Resource Management Journal*, 13(3), 56–70.
- Page, K., & Vella-Brodrick, D. (2009). The 'what', 'why' and 'how' of employee well-being: A new model. *Social Indicators Research*, 90(3), 441–458.

- Panapanaan, V., Linnanen, L., Karvonen, M.-M., & Phan, V. (2003). Roadmapping corporate social responsibility in Finnish companies. *Journal of Business Ethics, 44*(2/3), 133–148.
- Parkes, C., & Davis, A. (2013). Ethics and social responsibility – do HR professionals have the 'courage to challenge' or are they set to be permanent 'bystanders'? *International Journal of Human Resource Management, 24*(12), 2411–2434.
- Patton, C. (2010). Sustainability & safety. *Professional Safety, 55*(1), 6.
- Patton, M. (2002). *Qualitative research and evaluation methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Pedrini, M., & Ferri, L. (2011). Implementing corporate social responsibility. An exploratory study of strategy integration and CSR officers' duty. *Economia Aziendale Online 2000 Web, 2*(2), 175–187.
- Peirce, C. (1931–1958). *Collected papers of Charles Sanders Peirce*. vols. 1–6, C. Hartshorne & P. Weiss (Eds.); vols. 7–8, A. Burks (Ed.). Cambridge, MA: Harvard University Press.
- Perrini, F. (2005). Building a European portrait of corporate social responsibility reporting. *European Management Journal, 23*(6), 611–627.
- Perry-Smith, J., & Blum, T. (2000). Work-family human resource bundles and perceived organisational performance. *Academy of Management Journal, 43*(6), 1107–1117.
- Pfeffer, J. (1994). Competitive advantage through people. *California Management Review, 36*(2), 9–28.
- Pinnington, A., Macklin, R., & Campbell, T. (Eds.). (2007). *Human Resource Management: Ethics and Employment*. Oxford, UK: Oxford University Press.

- Pless, N., Maak, T., & Stahl, G. (2012). Promoting corporate social responsibility and sustainable development through management development: What can be learned from international service learning programs? *Human Resource Management, 51*(6), 873–903.
- Podnar, K., & Golob, U. (2007). CSR expectations: The focus of corporate marketing. *Corporate Communications, 12*(4), 326–340.
- Porter, M., & Kramer, M. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review, 80*(9), 56–69.
- Porter, M., & Kramer, M. (2006). Strategy & society: The link between competitive advantage and corporate social responsibility. *Harvard Business Review, 84*(12), 78–92.
- Prasad, P., Pringle, J., & Konrad, A. (Eds.). (2006). *Handbook of workplace diversity*. London, UK: Sage.
- Preuss, L., Haunschild, A., & Matten, D. (2009). The rise of CSR: Implications for HRM and employee representation. *International Journal of Human Resource Management, 20*(4), 953–973.
- Pritchard, K. (2010). Becoming an HR strategic partner: Tales of transition. *Employee Relations and Organisational Behaviour, 20*(2), 175–188.
- Purcell, J. (2001). The meaning of strategy in human resource management. In J. Storey (Ed.), *Human Resource Management: A Critical Text*. London, UK: Thomson Learning.
- Ramsey, H., Scholarios, D., & Harley, B. (2000). Employees and high-performance work systems: Testing inside the black box. *British Journal of Industrial Relations, 38*(4), 501–531.
- Redington, I. (2005). *Making CSR happen: The contribution of people management*. London, UK: Chartered Institute of Personnel and Development.

- Reilly, P., Tamkin, P., & Broughton, A. (2007). *The changing HR function: Transforming HR?* London, UK: Chartered Institute of Personnel and Development.
- Reilly, P., & Williams, T. (2003). *How to get best value from HR: The shared services option.* London, UK: Gower Publishing.
- Richard, O., Ford, D., & Ismail, K. (2006). Exploring the performance effects of visible attribute diversity: The moderating role of span of control and organizational life cycle. *The International Journal of Human Resource Management, 17*(12), 2091–2109.
- Rimanoczy, I., & Pearson, T. (2010). Role of HR in the new world of sustainability. *Industrial and Commercial Training 42*(1), 11–17.
- Ritchie, J., & Lewis, J. (Eds.). (2003). *Qualitative research practice: A guide for social science students and researchers* (1st ed.). London, UK: Sage.
- Roper, J. (2004). Corporate responsibility in New Zealand. *Journal of Corporate Citizenship, Summer2004*(14), 22–25.
- Royle, T. (2005). Realism or idealism? Corporate social responsibility and the employee stakeholder in the global fast-food industry. *Business Ethics: A European Review, 14*(1), 42–55.
- Rubin, H., & Rubin, I. (2004). *Qualitative interviewing: The art of hearing data.* Thousand Oaks, CA: Sage.
- Ruekert, R., & Walker Jr, O. (1987). Marketing's interaction with other functional units: A conceptual framework and empirical evidence. *The Journal of Marketing, 51*(1), 1–19.
- Sabir, H., Kalyar, M., Ahmed, B., & Zaidi, H. (2012). Factors affecting corporate social responsibility: An empirical study from Pakistani perspective. *Interdisciplinary Journal of Contemporary Research in Business, 3*(10), 831–825.

- SAI. (1997). Social Accountability 8000. Retrieved from (<http://www.sa-intl.org>)
- Salam, M. (2009). Corporate social responsibility in purchasing and supply chain. *Journal of Business Ethics*, 85(2), 355–370.
- Saldana, J. (2009). *The coding manual for qualitative researchers* (1st ed.). London, UK: Sage.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research methods for business students*. Harlow, UK: Prentice Hall.
- Schoemaker, M., Nijhof, A., & Jonker, J. (2006). Human value management: The influence of the contemporary developments of corporate social responsibility and social capital on HRM. *Management Revue*, 17(4), 448–465.
- Schrage, M. (1990). *Share minds: The new technology of collaboration*. New York, NY: Random House.
- Schuler, R. (1990). Repositioning the human resource function: Transformation or demise? *Academy of Management Executive*, 4(3), 49–60.
- Schuler, R., & Jackson, S. (1987a). Linking competitive strategies with human resource management practices. *The Academy of Management Executive*, 1(3), 207–219.
- Schuler, R., & Jackson, S. (1987b). Organizational strategy and organization level as determinants of human resource management practices. *Human Resource Planning*, 10(3), 125–141.
- Schuler, R., & Jackson, S. (Eds.). (1999). *Strategic human resource management*. Oxford, UK: Blackwell.
- Schwandt, T. (1994). Constructivist, interpretivist approaches to human enquiry. In N. Denzin & Y. Lincoln (Eds.), *Handbook of qualitative research* (1st ed.). Thousand Oak, CA: Sage.

- Schwartz, M., & Carroll, A. (2008). Integrating and unifying competing and complementary frameworks: The search for a common core in the business and society field. *Business & Society*, 47(2), 148–186.
- Segal, J., Sobczak, A., & Triomphe, C. (2003). *CSR and working conditions*. Dublin, Ireland: European Foundation for the Improvement of Living and Working Conditions.
- Seidman, I. (1998). *Interviewing as qualitative research*. New York, NY: Teachers College Press.
- Sekaran, U., & Bougie, R. (2010). *Research methods for business* (5th ed.). West Sussex, UK: John Wiley & Sons Ltd.
- Sen, S., & Bhattacharya, C. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38(2), 225–243.
- Sethi, P. (1975). Dimensions of corporate social performance: An analytic framework. *California Management Review*, 17(3), 58–64.
- Sharma, S., & Henriques, I. (2005). Stakeholder influence on sustainability practices in the Canadian forest products industry. *Strategic Management Journal*, 26(2), 159–180.
- Sharma, S., Sharma, J., & Devi, A. (2008). Corporate social responsibility: The key role of human resources management. *Business Intelligence Journal*, 2(1), 205–214.
- Shen, J. (2011). Developing the concept of socially responsible international human resource management. *International Journal of Human Resource Management*, 22(6), 1351–1363.
- Shen, J., Chanda, A., D'Netto, B., & Monga, M. (2009). Managing diversity through human resource management: An international perspective and conceptual



- framework. *International Journal of Human Resource Management*, 20(2), 235–251.
- SHRM. (2012). *HRM's role in corporate and environmental sustainability*. Alexandria, VA: Society for Human Resource Management
- SHRM. (2007). *Corporate Social Responsibility: United States, Australia, India, China, Canada, Mexico and Brazil*. Alexandria, VA: Society for Human Resource Management
- SHRM. (2008). *Green workplace: Survey brief*. Alexandria, VA: Society for Human Resource Management.
- Silverman, D. (1985). *Qualitative methodology and sociology*. Aldershot, UK: Gower.
- Silverman, D. (2006). *Interpreting qualitative data* (3rd ed.). London, UK: Sage.
- Song, X., & Parry, M. (1992). The R&D-marketing interface in Japanese high-technology firms. *Journal of Product Innovation Management*, 9(2), 91–112.
- Souder, W. (1988). Managing relations between R&D and marketing in new product development projects. *Journal of Product Innovation Management*, 5(1), 6–19.
- Stank, T., Daugherty, P., & Ellinger, A. (1999). Marketing/logistics integration and firm performance. *The International Journal of Logistics Management*, 10(1), 11–24.
- Stead, J., & Stead, E. (2000). Eco-enterprise strategy: Standing for sustainability. *Journal of Business Ethics*, 24(4), 313–329.
- Sternberg, E. (2000). *Just Business*. New York, NY: Oxford University Press.
- Steurer, R., Langer, M., Konrad, A., & Martinuzzi, A. (2005). Corporations, stakeholders and sustainable development I: A theoretical exploration of business–society relations. *Journal of Business Ethics*, 61(3), 263–281.

- Storey, J. (1989). From personnel management to human resource management. In J. Storey (Ed.), *New perspectives on human resource management*. London, UK: Routledge.
- Storey, J. (1992). *Developments in the management of human resources*. Oxford, UK: Blackwell Publishing.
- Storey, J. (1995). *Human resource management: A critical text*. London, UK: Routledge.
- Strandberg, C. (2009). *The role of human resource management in corporate social responsibility*. Burnaby, Canada: Industry Canada.
- Stropnik, N. (2010). How can corporate social responsibility contribute to gender equity and work–life balance: Example of the "Family-Friendly enterprise" certificate in Slovenia. *Naše gospodarstvo*, 56(5/6), 11–20.
- Sukserm, T., & Takahashi, Y. (2010). A prospective process for implementing human resource development (HRD) for corporate social responsibility (CSR). *Interdisciplinary Journal of Contemporary Research in Business* 2(1), 10–32.
- Taylor, G. (2000). *Integrating qualitative and quantitative methods in research*. New York, NY: University Press of America.
- Torrington, D. (1989). Human resource management and the personnel function. In J. Storey (Ed.), *New perspectives on human resource management*. London, UK: Routledge.
- Toyne, P. (2004). HResponsibility: The role of HR in CSR. *HR Gateway*, February.
- Truss, C., Gratton, L., Hope-Hailey, V., Stiles, P., & Zaleska, J. (2002). Paying the piper: choice and constraint in changing HR functional roles. *Human Resource Management Journal*, 12(2), 39–63.

- Truss, C., Hope Hailey, V., McGovern, P., & Stiles, P. (1997). Soft and hard models of human resource management: A reappraisal. *Journal of Management Studies*, 34(1), 57–73.
- Tyson, S. (1995). *Human resource strategy*. London, UK: Prentice Hall.
- Tyson, S., & Fell, A. (1986). *Evaluating the personnel function*. London, UK: Hutchinson.
- Ullman, A. (1985). Data in search of a theory: A critical examination of the relationships among social performance, social disclosure and economic performance of US firms. *Academy of Management Review*, 10(3), 540–557.
- Ulrich, D. (1997). *Human resource champions: The next agenda for adding value and delivering results*. Boston, MA: Harvard Business Press.
- Ulrich, D. (1998). A new mandate for human resources. *Harvard Business Review*, 76(1), 124–134.
- Ulrich, D., & Beatty, D. (2001). From partners to players: Extending the HR playing field. *Human Resource Management*, 40(4), 293–307.
- Ulrich, D., & Brockbank, W. (2005). *The HR Value Proposition*. Boston, MA: Harvard Business School Press.
- Ulrich, D., Brockbank, W., Johnson, D., Sandholtz, K., & Younger, J. (2008). *HR Competencies: Mastery at the Intersection of People and Business*. Alexandria, VA: SHRM.
- Van Marrewijk, M. (2003). Concepts and definitions of CSR and corporate sustainability: Between agency and communion. *Journal of Business Ethics*, 44(2/3), 95–105.
- Van Marrewijk, M., & Werre, M. (2003). Multiple levels of corporate sustainability. *Journal of Business Ethics*, 44(2/3), 107–119.

- Vilanova, M., Lozano, J., & Arenas, D. (2009). Exploring the nature of the relationship between CSR and competitiveness. *Journal of Business Ethics*, 87(Supplement 1), 57–69.
- Vuontisjarvi, T. (2006). The European context for corporate social responsibility and human resource management: An analysis of the largest Finnish companies. *Business Ethics: A European Review*, 15(4), 271–291.
- Wang, J., & Verma, A. (2009). Explaining organisational responsiveness to work–life balance issues: The role of business strategy and high performance work system. *Academy of Management Proceedings*, 1–6.
- Wang, P., & Walumbwa, F. (2007). Family-friendly programs, organisational commitment and work withdrawal : The moderating role of transformational leadership. *Personnel Psychology*, 60(2), 397–427.
- Wartick, S., & Chochran, P. (1985). The evolution of the corporate social performance model. *Academy of Management Review*, 10(4), 758–769.
- WCED. (1987). *Our common future: Report of the World Commission on Environment and Development*. Oxford, UK: Oxford University Press.
- Weaver, G., Trevino, L., & Cochran, P. (1999). Integrated and decoupled corporate social performance: Management commitments, external pressures, and corporate ethics practices. *Academy of Management Journal*, 42(5), 539–552.
- Welford, R. (2004). Corporate social responsibility in Europe and Asia. *Journal of Corporate Citizenship, Spring 2004*(13), 31–47.
- Welford, R. (2005). Corporate social responsibility in Europe, North America and Asia. *Journal of Corporate Citizenship, Spring 2005*(17), 33–52.
- Werre, M. (2003). Implementing corporate responsibility: The chiquita case. *Journal of Business Ethics*, 44(2–3), 247–260.
- WHO. (2002). *Strengthening mental health, Resolution EB109*. Geneva: World Health Organisation.

- Wilcox, T. (2006). Human resource development as an element of corporate social responsibility. *Asia Pacific Journal of Human Resources*, 44(2), 184–196.
- Wilson, E., & Iles, P. (1999). Managing diversity – An employment and service delivery challenge. *International Journal of Public Sector Management*, 12(1), 22–27.
- Wilson, M. (2003). Corporate sustainability: What is it and where does it come from? *Ivey Business Journal*, 67(6), 1–5.
- Winstanley, D., & Woodall, J. (2000). The ethical dimension of human resource management. *Human Resource Management Journal*, 10(2), 5–20.
- Wirtenberg, J., Harmon, J., Russell, W., & Fairfield, K. (2007). HR's role in building a sustainable enterprise: Insights from some of the World's best companies. *Human Resource Planning*, 30(1), 10–20.
- Wojtaszczyk, P. (2008). The role of workplace health promotion in the concept for corporate social responsibility. *Medycyna Pracy*, 59(3), 255–261.
- Wolcott, H. (1994). *Transforming qualitative data: Description, analysis and interpretation*. London, UK: Sage.
- Wood, S. (1996). High commitment management and payment systems. *Journal of Management Studies*, 33(1), 53–77.
- Wright, C. (2008). Reinventing human resource management: business partners, internal consultants and the limits to professionalisation. *Human Relations*, 61(8), 1063–1086.
- Wright, P., & McMahan, G. (1992). Theoretical perspectives for strategic human resource management. *Journal of Management*, 18(2), 295–320.
- Wright, T. (2006). To be or not to be happy: The role of employee well-being. *Academy of Management Perspectives*, 20(3), 118–120.

- Wright, T., Cropanzano, & Bonett, D. (2007). The moderating role of employee positive well being on the relation between job satisfaction and job performance. *Journal of Occupational Health Psychology, 12*(2), 93–104.
- Yang, N., Colvin, C., & Wong, Y.-Y. (2013). Navigating corporate social responsibility components and strategic options: The IHR perspective *Academy of Strategic Management Journal, 12*(1), 39–58.
- Yu, X. (2008). Impacts of corporate code of conduct on labour standards: A case study of Reeboks athletic footwear supplier factory in China. *Journal of Business Ethics, 81*(3), 513–529.
- Zadek, S. (2004). The path to corporate responsibility. *Harvard Business Review, 82*(12), 125–132.
- Zappala, G. (2004). Corporate citizenship and human resource management: A new tool or a missed opportunity? *Asia Pacific Journal of Human Resources, 42*(2), 185–201.
- Zappala, G., & Cronin, C. (2002). *The employee dimensions of corporate community involvement in Australia: Trends and prospects*. Paper presented at the The 6th ANZTSR Conference, UNITEC, Auckland, New Zealand.
- Zu, L., & Song, L. (2009). Determinants of managerial values on corporate social responsibility: Evidence from China. *Journal of Business Ethics, 88*(1), 105–117.
- Zwetsloot, G., & Starren, A. (2004). *Corporate social responsibility and safety and health at work*. Luxembourg, UK: European Agency for Safety and Health at Work.

---

## Appendix A – Interview Invitation



Dear .....,

My name is Harshakumari Sarvaiya, a PhD Researcher at the School of Management, Massey University. As per our telephone discussion, I would like to share my research details. My research topic is *“The relationship between corporate social responsibility (CSR) and human resource management (HRM): A study of large New Zealand organisations”*. I have been working on this subject for the last one year. In this regard, now I am going to conduct empirical study.

This research focuses on the links between CSR and HRM, including application of CSR to HRM and roles of HRM in CSR. The study will investigate three issues; first, how CSR can be linked into HRM practices, second, what can be the role of HRM in the development and implementation of CSR strategy and third, how the integration between CSR and HR manager works. This is a qualitative research, based on the interviews methods. In particular, interviews will be conducted with CSR and HR managers.

This study will involve 15–30 large New Zealand companies. The selection of these companies is based on two criteria, first the size of company (i.e. large) and second, their explicit and proactive CSR. Through the research of web sources, I came to

know that your organisation is one of the large New Zealand companies with substantial CSR initiatives. Therefore, I am really interested to conduct research in your organisation through your interview. I would be grateful if I will be given such an opportunity. *(Please find details about my research from the attached document.)*

I look forward your positive feedback.

Yours sincerely,

Harshakumari Sarvaiya (ID-08430950)

School of Management,

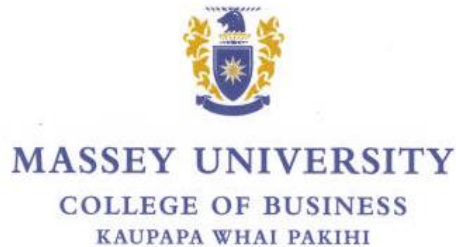
Massey University (Albany)

Phone: 64 (9) 414 0800 ext. 9242

Mobile: 64 (21) 02742637



## Appendix B – Information Sheet



### **Research Title: The Relationship between Corporate Social Responsibility and Human Resource Management: A study of Large New Zealand Organisations**

#### **Project Summary**

CSR is concerned with treating stakeholders of the firm ethically and in a socially responsible manner, including customers, shareholders, employees, and communities. CSR is now an established topic for research; however, CSR has not been linked with Human Resource Management (HRM). Therefore, this research aims to investigate the relationship between CSR and HRM. In particular, the objectives of the study are as follows:

- To study how far CSR policy is related to HRM
- To understand the role of HRM in CSR strategy
- To examine the integration between CSR and HR professionals.

This study will involve large companies professing commitment to CSR. For the purpose of selection, the database of the top 100 companies published by Deloitte NZ (2009) is used along with the review of websites of the companies. Data for this study will be gathered through interviews of CSR and HR managers.

#### **First stage – Interviews with CSR managers**

In the first stage of data collection, semi-structured interviews will be conducted with the CSR managers of selected companies. Each interview is expected to be 45–60 minutes in length and will be tape-recorded with the interviewee's consent. Anonymity and confidentiality will be ensured. \*To accommodate for the expected busy schedule of the participants, the interview will be conducted at physical

locations that are most convenient to the participants according to their requests. All interviewees will be assured of absolute confidentiality at the start of the interview. Audio recordings will not mention the names of the interviewee. Only the researcher will know their identities and a cross-reference to the recording will be maintained by way of a written record for the purpose of verification. This information will remain confidential at all times. Pseudonyms will be used to identify participants in the write up of the data collection.

### **Second stage – Interviews with HR managers**

After the primary analysis of interviews with CSR managers, interviews will be conducted with HR managers of the selected organisations. Each interview will last around 45–60 minutes and will be tape-recorded with the consent of the interviewee. Anonymity and confidentiality will be ensured. The other information on confidentiality given in the above paragraph will also be applicable here\*.

### **An Invitation**

I would like to invite you to participate in this study by agreeing to an interview on your views on the relationship between CSR and HRM. Please be assured that your participation is completely voluntary and all information collected will be used for this research only.

### **Your Rights**

You are under no obligation to accept this invitation. If you decide to participate, you have the right to:

- stop the interview at any time
- ask for the sound recorder to be turned off at any time
- refuse to answer any particular questions
- be given access to a summary of the project findings
- access the full report findings when completed.

### **Publication of Findings**

Findings from this study will be reported in a PhD dissertation. Following the submission of the doctoral dissertation, it is possible that aspects of the emergent data will be published in refereed journals, and also presented at conferences. Pseudonyms of all participants, the departments, and the institution will be used to safeguard the privacy of the participants.

### **Contact Details**

Thank you for taking time to consider this invitation. If you have any questions about the project, please do not hesitate to contact us.

The researcher  
Harshakumari Sarvaiya  
School of Management, Albany  
Massey University  
Tel: 9-4140800 ext. 9546  
Email: h.k.sarvaiya@massey.ac.nz

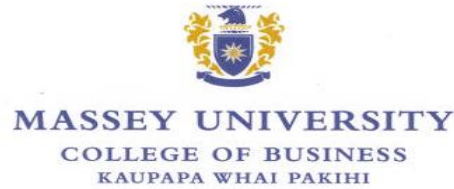
Supervisor  
Dr Gabriel Eweje  
School of Management, Albany  
Massey University  
Tel: 9-4140800 ext. 9291  
Email: g.eweje@massey.ac.nz  
j.arrowsmith@massey.ac.nz

Supervisor  
Prof. James Arrowsmith  
School of Management, Albany  
Massey University  
Tel:9-4140800 ext. 9581  
Email:

### **Committee Approval Statement**

This project has been evaluated by peer review and judged to be low risk. If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor O'Neil, Director (Research Ethics), telephone 06-350 5249, e-mail humanethics@massey.ac.nz.

## Appendix C – Consent Form



### **The Relationship between Corporate Social Responsibility and Human Resource Management: A study of Large New Zealand Organisations**

#### **PARTICIPANT CONSENT FORM**

I have read the Information Sheet and have had the details of the study explained to me. My questions have been answered to my satisfaction, and I understand that I may ask further questions at any time.

I agree/do not agree to the interview being sound recorded.

I wish/do not wish to have my recordings returned to me.

I agree to participate in this study under the conditions set out in the Information Sheet.

**Signature:**

**Date:**

.....

**Full Name -**

**Printed**

.....

---

## Appendix D – Sample Interview Protocol

### CSR in general (For CSR managers only)

1. What does CSR mean to you personally?
2. What does CSR mean to the firm? (CSR statement of the company)
3. Can you describe your formal CSR strategy and its priorities?
4. What initiative and projects are implemented?
5. What is the state of CSR in the organisation structure?
6. What is the reporting line? Is there any CSR committee?
7. Any organisational linkage with the HR department? How?
8. Which stakeholder groups are considered in the CSR strategy and practice?  
Priority?
9. Do you have codes of conduct? Please describe? Is it based on any international standard like OECD, UN?
10. Any commitment to CSR reporting? Based on which international standards?  
GRI or Dow Jones Sustainability Indices or other?
11. Reporting of employee-related aspects?

### HR in general (For HR managers only)

12. What is the state of HR in organisation structure? Corporate level or departmental level?
13. Can you describe in general your role as HR manager?
14. What are the main functions or practices of HR?
15. Do you have codes of ethics? Please discuss, is it based on any international codes like OECD, UN.
16. What does CSR mean to you?
17. Do you have an idea about company's CSR policy? What does it mean to company? CSR statement.
18. Do you have formal CSR policy? Please describe?

19. Do you have idea about CSR initiative and projects?
20. Any formal link with the CSR division? How?

**The roles of HRM in CSR**

21. Is there any involvement of the HR department or professionals in CSR? If yes, how?
22. Any role in CSR-related decisions?
23. Is it related with the development of strategies or designing of initiatives? Describe.
24. Is there any role in implementation stage? Describe.
25. What kind of change is required to ease CSR implementation?
26. What changes are expected among employees?
27. Do you think HR has some roles in addressing CSR culture and change? If yes, how?
28. Are the employees involved in CSR initiatives? External or internal? How?
29. How is CSR communication carried on? Any role for HR?
30. Any role of HR in such employee engagement?
31. Are there any supportive or administrative roles of HR?
32. Do you think CSR implementation requires changes in employment practices? If yes, is it employed in your organisation? How? Roles of HR?
33. Factors affecting such links.

**The relevance of CSR to HRM**

34. Do you think your company/ HR has social responsibility towards employees? How important are employees considered as stakeholders in your CSR?
35. What made the company implement such initiatives? Driving force behind this?

36. If yes, what kind of specific HR practices do you implement for employees' well-being and social responsibility? Can you please discuss?
37. Is CSR is related to such practices? How?
38. How does your CSR initiative influence HR? Any change of policies in HR?
39. Do you review these practices from the CSR perspective? How?
40. Do you use any CSR indicator to benchmark such practices?
41. What is the role of HR manager in policy or implementation of such policies?
42. What are the roles of CSR in such practices?
43. If CSR is not linked/ linked, do you think such HR practices can be labelled as CSR? Why- Why not?
44. Will it make any difference for the company?
45. Reporting of such practices on website and social reports? How and why?
46. Factors affecting such links.

**Links between managers**

47. Is there any relationship between CSR and HR manager? If yes how?
48. How often do you see each other?
49. Formal meeting? What kind of? For which purpose? Informal meetings?
50. Do you work together for your projects?
51. Mutual objective, goals? Formal?
52. Organisational linkage?
53. Are your CSR and HR co-ordinated (harmonised) (If no, do you think CSR and HR are related or is there any need to link them?)
54. How do you see the link?
55. Factors affecting such links.

## Appendix E – Screenshot of Nvivo Project

The screenshot displays the Nvivo software interface. At the top, there is a menu bar with options like File, Home, Create, External Data, Analyze, Query, Explore, Layout, and View. Below the menu bar is a toolbar with various icons for editing and analysis. The main workspace is divided into several sections. On the left, there is a 'Nodes' list with the following data:

Name	Sources	References	Created On	Modified
FINDING NODES	0	0	3/15/2012 5:05 PM	HS 3/20/2011 HS
connectors-CSR-HR	0	0	12/29/2012 6:36 PM	HS 12/29/2011 HS
CSR factors	0	0	3/15/2012 5:07 PM	HS 11/16/2011 HS
HR Factors	2	3	3/15/2012 5:09 PM	HS 11/16/2011 HS
Integration Between CSR and HRM	21	52	3/15/2012 5:15 PM	HS 11/16/2011 HS
Prevalence of CSR to HRM	15	26	3/15/2012 5:14 PM	HS 11/16/2011 HS
Role of HR in CSR	16	33	3/15/2012 5:11 PM	HS 4/24/2011 HS
LITERATURE REVIEW NODES	0	0	3/15/2012 5:03 PM	HS 11/16/2011 HS

On the right side of the workspace, there is a vertical toolbar with icons for Sources, Nodes, Classifications, Collections, Queries, Reports, Models, and Folders. The 'Nodes' icon is highlighted. At the bottom of the window, there is a taskbar showing the system tray with the date and time (11:41 AM, 11/16/2011).



Lit Review (NVivo10).mvp - NVivo

File Home Create External Data Analyze Query Explore Layout View

Go Refresh Open Properties Edit Paste Copy Merge B I U A Paragraph Styles PDF Selection Text Region Find Replace Delete Spelling

Workspace Item Clipboard Format Paragraph Styles Editing Proofing

Look for: Search In: Nodes Find Now Clear Advanced Find

Name	Sources	References	Created On	Created	Modified	Modified
FINDING NODES	0	0	3/15/2012 5:05 PM	HS	3/20/201	HS
connections-CSR-HR	0	0	12/29/2012 6:36 PM	HS	12/29/20	HS
CSR factors	0	0	3/15/2012 5:07 PM	HS	11/16/20	YS
HR Factors	2	3	3/15/2012 5:09 PM	HS	11/16/20	YS
Integration Between CSR and HRM	21	52	3/15/2012 5:16 PM	HS	11/16/20	YS
Common Meeting-Agenda	21	60	3/15/2012 5:17 PM	HS	4/20/201	HS
CSR consulting in HR	10	27	3/16/2012 6:38 PM	HS	4/27/201	HS
Disconnections	14	40	3/15/2012 5:17 PM	HS	10/31/20	HS
Factors affecting the link	18	59	3/15/2012 5:17 PM	HS	1/1/2013	HS
interaction between CSR and HR	1	4	1/16/2013 3:01 PM	HS	1/17/201	HS
Reasons for interactions	2	2	3/15/2012 5:18 PM	HS	4/30/201	HS
Culture and Change mgt	11	14	4/30/2012 2:34 PM	HS	5/1/2012	HS
Diversity	8	15	3/15/2012 6:03 PM	HS	4/27/201	HS
Employee awareness	11	12	3/15/2012 5:18 PM	HS	4/12/201	HS
Employee Engagement	8	13	3/15/2012 5:18 PM	HS	4/30/201	HS
Induction	8	13	3/15/2012 5:18 PM	HS	4/30/201	HS
interaction in Volunteering	15	41	3/15/2012 5:54 PM	HS	4/30/201	HS
other reasons	19	40	3/19/2012 10:45 AM	HS	5/1/2012	HS
Pay-roll giving	7	8	3/15/2012 5:54 PM	HS	4/19/201	HS
Reporting	5	5	4/30/2012 2:30 PM	HS	5/1/2012	HS
Training-Development	7	15	3/15/2012 5:18 PM	HS	4/30/201	HS
Relevance of CSR to HRM	15	26	3/15/2012 5:14 PM	HS	11/16/20	YS
Role of HR in CSR	16	33	3/15/2012 5:11 PM	HS	4/24/201	HS
LITERATURE REVIEW NODES	0	0	3/15/2012 5:03 PM	HS	11/16/20	YS

YS 137 Items

Lit Review (NVivo10).mvp - NVivo

File Home Create External Data Analyze Query Explore Layout View

Go Refresh Open Properties Edit Paste Copy Merge B I U A Paragraph Styles PDF Selection Text Region Find Replace Delete Spelling

Workspace Item Clipboard Format Paragraph Styles Editing Proofing

Look for: Search In: Nodes Find Now Clear Advanced Find

Name	Sources	References	Created On	Created	Modified	Modified
FINDING NODES	0	0	3/15/2012 5:05 PM	HS	3/20/201	HS
connections-CSR-HR	0	0	12/29/2012 6:36 PM	HS	12/29/20	HS
Disconnection	1	7	12/29/2012 6:36 PM	HS	12/29/20	HS
CSR factors	0	0	3/15/2012 5:07 PM	HS	11/16/20	YS
Background of professional	11	15	3/15/2012 5:09 PM	HS	4/19/201	HS
CSR initiatives	18	62	3/15/2012 5:08 PM	HS	4/19/201	HS
Meaning of CSR	14	26	3/15/2012 5:08 PM	HS	4/19/201	HS
Motivation for CSR	13	43	3/15/2012 5:08 PM	HS	4/10/201	HS
Role-Responsibility of CSR professional	11	29	3/15/2012 5:09 PM	HS	4/19/201	HS
Scope of CSR	10	20	3/15/2012 5:08 PM	HS	3/28/201	HS
Stakeholders	12	18	3/15/2012 5:08 PM	HS	4/19/201	HS
Strategic CSR	2	5	3/15/2012 5:27 PM	HS	3/28/201	HS
Structure of CSR	18	47	3/15/2012 5:08 PM	HS	10/25/20	HS
HR Factors	2	3	3/15/2012 5:09 PM	HS	11/16/20	YS
Knowledge & Understanding of CSR	10	28	3/15/2012 5:10 PM	HS	4/19/201	HS
Meaning of CSR	10	16	3/15/2012 5:10 PM	HS	4/19/201	HS
Role of HR	9	16	3/15/2012 5:10 PM	HS	4/19/201	HS
Structure of HR	8	13	3/15/2012 5:10 PM	HS	4/19/201	HS
Integration Between CSR and HRM	21	52	3/15/2012 5:16 PM	HS	11/16/20	YS
Relevance of CSR to HRM	15	26	3/15/2012 5:14 PM	HS	11/16/20	YS
Role of HR in CSR	16	33	3/15/2012 5:11 PM	HS	4/24/201	HS
LITERATURE REVIEW NODES	0	0	3/15/2012 5:03 PM	HS	11/16/20	YS

YS 137 Items

The image displays two screenshots of the NVivo software interface, showing the 'Nodes' pane and a table of node analysis results. The top screenshot shows a list of nodes under the 'FINDING NODES' category, and the bottom screenshot shows a more detailed view of nodes under the 'Relevance of CSR to HRM' and 'Role of HR in CSR' categories.

**Top Screenshot: FINDING NODES**

Name	Sources	References	Created On	Created	Modified	Modified
connections-CSR-HR	0	0	12/29/2012 6:36 PM	HS	12/29/12	HS
CSR factors	0	0	3/15/2012 5:07 PM	HS	11/16/12	YS
HR Factors	2	3	3/15/2012 5:09 PM	HS	11/16/12	YS
Integration Between CSR and HRM	21	52	3/15/2012 5:16 PM	HS	11/16/12	YS
Relevance of CSR to HRM	15	26	3/15/2012 5:14 PM	HS	11/16/12	YS
Role of HR in CSR	16	33	3/15/2012 5:11 PM	HS	4/24/20	HS
Culture development & Change management	9	30	3/15/2012 5:11 PM	HS	5/1/201	HS
Diversity-Flexibility or any new policy dvlo	12	25	3/21/2012 9:20 PM	HS	4/24/20	HS
Employee awareness	14	37	3/15/2012 5:11 PM	HS	4/24/20	HS
Employee Engagement	8	13	3/15/2012 5:11 PM	HS	4/19/20	HS
Pay roll giving	6	7	3/15/2012 5:12 PM	HS	4/19/20	HS
Performance measurement_KPIs	5	12	3/21/2012 9:20 PM	HS	4/12/20	HS
Planning of CSR	4	5	3/15/2012 5:12 PM	HS	4/12/20	HS
Support in Implementation	11	16	3/15/2012 5:12 PM	HS	4/26/20	HS
Volunteering	20	51	3/21/2012 9:13 PM	HS	10/25/12	HS
LITERATURE REVIEW NODES	0	0	3/15/2012 5:03 PM	HS	11/16/12	YS

**Bottom Screenshot: Detailed Node View**

Name	Sources	References	Created On	Created	Modified	Modified
Relevance of CSR to HRM	15	26	3/15/2012 5:14 PM	HS	11/16/20	YS
Employee Attraction	25	47	3/15/2012 5:15 PM	HS	10/27/20	HS
Employee Engagement	21	72	3/15/2012 5:15 PM	HS	10/27/20	HS
Employee Retention	13	23	3/15/2012 5:15 PM	HS	10/25/20	HS
Influence on HR practices	13	30	3/15/2012 5:14 PM	HS	10/24/20	HS
Developing new policies -practices	9	18	3/15/2012 5:16 PM	HS	4/23/201	HS
Induction	11	17	3/15/2012 5:14 PM	HS	4/23/201	HS
Performance Management	7	20	3/15/2012 5:15 PM	HS	10/25/20	HS
Recruitment and Job description	12	20	4/20/2012 1:30 PM	HS	11/5/201	HS
Team benefit	2	4	4/23/2012 6:25 PM	HS	10/27/20	HS
Training-Development	8	12	3/15/2012 5:14 PM	HS	10/25/20	HS
Organisational Culture	13	26	3/15/2012 5:16 PM	HS	4/30/201	HS
Workplace CSR	16	37	3/15/2012 5:13 PM	HS	10/26/20	HS
CSR or HR	21	76	3/15/2012 5:13 PM	HS	10/24/20	HS
Diversity	16	30	3/15/2012 5:13 PM	HS	10/26/20	HS
Flexibility	10	15	3/15/2012 5:13 PM	HS	4/24/201	HS
Health-safety	13	20	3/15/2012 5:13 PM	HS	4/24/201	HS
Leadership development	12	22	3/15/2012 5:13 PM	HS	4/24/201	HS
Other	7	14	3/23/2012 12:39 PM	HS	4/24/201	HS
Reporting of HR issues	20	37	3/20/2012 7:28 PM	HS	10/26/20	HS
Women leadership	5	5	3/15/2012 5:13 PM	HS	4/24/201	HS
Role of HR in CSR	16	33	3/15/2012 5:11 PM	HS	4/24/201	HS
LITERATURE REVIEW NODES	0	0	3/15/2012 5:03 PM	HS	11/16/12	YS

## Appendix F – Human Ethics Approval Letter



MASSEY UNIVERSITY

25 March 2010

Harshakumari Sarvaiya  
3/4016 Great North Road  
Glen Eden  
Waitakere  
AUCKLAND 0602

Dear Harshakumari

**Re: Corporate Social Responsibility in the Workplace: A Comparative Study of Human Resource Practices of New Zealand and Indian Banks**

Thank you for your Low Risk Notification which was received on 22 March 2010.

Your project has been recorded on the Low Risk Database which is reported in the Annual Report of the Massey University Human Ethics Committees.

The low risk notification for this project is valid for a maximum of three years.

Please notify me if situations subsequently occur which cause you to reconsider your initial ethical analysis that it is safe to proceed without approval by one of the University's Human Ethics Committees.

Please note that travel undertaken by students must be approved by the supervisor and the relevant Pro Vice-Chancellor and be in accordance with the Policy and Procedures for Course-Related Student Travel Overseas. In addition, the supervisor must advise the University's Insurance Officer.

**A reminder to include the following statement on all public documents:**

*"This project has been evaluated by peer review and judged to be low risk. Consequently, it has not been reviewed by one of the University's Human Ethics Committees. The researcher(s) named above are responsible for the ethical conduct of this research.*

*If you have any concerns about the conduct of this research that you wish to raise with someone other than the researcher(s), please contact Professor John O'Neill, Director (Research Ethics), telephone 06 350 5249, e-mail humanethics@massey.ac.nz".*

Please note that if a sponsoring organisation, funding authority or a journal in which you wish to publish requires evidence of committee approval (with an approval number), you will have to provide a full application to one of the University's Human Ethics Committees. You should also note that such an approval can only be provided prior to the commencement of the research.

Yours sincerely

John G O'Neill (Professor)  
**Chair, Human Ethics Chairs' Committee and  
Director (Research Ethics)**

cc Dr Gabriel Eweje  
School of Management  
Albany

Assoc Prof Tim Bentley, HoS  
School of Management  
Albany

---

Massey University Human Ethics Committee  
Accredited by the Health Research Council

Te Kunenga  
ki Pārehuroa

Research Ethics Office, Massey University, Private Bag 11222, Palmerston North 4442, New Zealand  
T +64 6 350 5573 +64 6 350 5575 F +64 6 350 5622  
E humanethics@massey.ac.nz animaethics@massey.ac.nz gtc@massey.ac.nz  
www.massey.ac.nz