

The strategic approaches to CSR by large companies: a contingent model

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ABSTRACT

Corporate Social Responsibility is an issue which is on the corporate agenda of most top managers. Its strategic importance comes from its pervasiveness (since it impacts on almost all functions and activities of a business organisation), and from the possible relevant impacts on a firm competitiveness and market value.

After introducing a rationalisation of the fundamental concepts related to CSR, this paper illustrates the results of a research project, aimed at analysing the determinants of the different CSR strategies adopted by firms.

The research has been structured in three steps:

- *analysis of existing literature;*
- *an empirical analysis, consisting of a series of case studies of large multinational companies operating in Italy;*
- *the elaboration of an interpretative framework, which links the different implemented CSR strategies to some context variables, with a focus on the oil and gas sector.*

The results of the case study research show that there are some industry specific aspects which influence the behaviour of firms. Moreover, some differences can be justified by the history, the culture and the value systems of a company (the “corporate DNA”), as well as by its size, its degree of globalisation, and, finally, by the degree of vertical integration.

INTRODUCTION

The *Green Paper* of the European Union (2001) defines Corporate Social Responsibility as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

This is perhaps the most diffused (although not always shared) definition of an issue which is living a renewed popularity, and represents one of the top priorities of most top managers’ agendas.

The relevance of this issue is also due to its pervasive effect: indeed, CSR affects all the activities and functional areas of a company, from operations to marketing and sales, from communication and external relations to human resources management, from strategy to audit.

In the literature several classification of CSR have been proposed:

- One of the most diffused is the “triple bottom line” model by Elkington (1997), who states that a company must take into account the effects of its activities according to three dimensions, dealing respectively with:
 - economic
 - environmental, and
 - social issues.
- The above mentioned *Green Paper* of the European Union proposes a different classification of CSR initiatives, which are grouped into two different categories, according to:
 - 1) The internal dimension, including human resources management, health and safety at work, adaptation to change, management of environmental impacts and natural resources; and

- 2) The external dimension, including local communities, business partners, suppliers and customers, human rights and global environmental concerns.
- The *First Report on CSR in Italy* (ISVI, 2002) adopts the classification introduced by ORSA (2002), which identifies nine dimensions:
 - 1) values, codes and programs;
 - 2) governance system;
 - 3) accountability, auditing & reporting;
 - 4) finance;
 - 5) relations with employees;
 - 6) marketing policies;
 - 7) community relationship;
 - 8) environment;
 - 9) human rights and development.These areas are then classifiable in the three main CSR dimensions: economic, environmental and social, the last one subdivided into internal and external.

This latter classification is quite interesting, for it attempts to integrate the other two in a more articulated, multi-level tree structure. Nevertheless, none of the existing classifications seems to be fully comprehensive and satisfactory. As a preliminary step of the research, a reference framework for CSR has then been developed. As illustrated in Figure 1, different dimensions of CSR has been identified. In particular, a first distinction has been made between:

- 1) socially responsible initiatives,
- 2) support instruments/tools.

With regard to the first point, the initiatives can be grouped into four large areas of impact on corporate activities (or on the external environment):

- human resources,
- supply chain and competitive context,
- community,
- environment.

The second fundamental dimension is constituted by the support instruments and tools which can be used for the (strategic) management of CSR initiatives:

- all the (internal) CSR management systems (CSR Governance),
- the external communication strategy (and related tools)
- ethical training programmes (sensibilization/awareness initiatives).

Further, other elements have been added to the framework, which are a sort of support either to the implementation of the initiatives or to the introduction and to the use of previously named instruments:

- references, like laws/regulations, guidelines, standards, business cases;
- change management tools, in order to start a path of sustainability which will impact in a meaningful way on the attitudes, the praxes and the corporate organisational layout;
- a strong structure of government endowed with the necessary levers to co-ordinate all CSR activities and instruments (Program management)

Finally, all CSR activities are influenced by (and must be coherent with) the shared values' system of the whole organization.

MISSION AND SHARED VALUES			
INITIATIVES			
Human Resources <ul style="list-style-type: none"> - Learning Organisation - Great place to work - Health and safety - Policies for changes - Equal opportunities - Child labour / forced labour 	Supply chain / Competitive context CLIENT-SUPPLIER / COMPETITIVE CONTEXT <ul style="list-style-type: none"> - Supply chain auditing - No violation of bargaining power - No contracts which generate interests conflicts CONSUMER <ul style="list-style-type: none"> - Product safety and quality - Correctness of the commercial practices - Ethical trade - Supply chain traceability - Innovation 	Community <ul style="list-style-type: none"> - Support to the local community (gifts, voluntarism) - Partnership with NPO - Development of the local economy - Financing of the social economy 	Environment GREEN PROCESSES <ul style="list-style-type: none"> - Minimisation of the negative impacts of the processes - Optimisation of the usage of the resources GREEN PRODUCTS <ul style="list-style-type: none"> - Life cycle analysis - Recycling
REFERENCES			
<ul style="list-style-type: none"> - Standards / Normative / Guidelines - Business Case 			
INSTRUMENTS			
CSR Governance	External Communication & Reporting	Ethical training and sensibilisation	
Corporate Governance instruments Ethical code Internal auditing system (Balanced Scorecard for CSR, Internal Ethical Auditing) Management systems (environment, quality, safety)	Cause Related Marketing Environmental and social certification Web site Environmental and social reporting: sustainability and social report	ORGANISATIONAL INSTRUMENTS Courses Internal workshop	TECHNICAL INSTRUMENTS Intranet Ethics help line
CHANGE MANAGEMENT			
PROGRAM MANAGEMENT			

Figure 1. The CSR reference framework

Once the concept of CSR was been defined and declined, the attention turned to the analysis of that part of CSR literature which deals with the diffusion of CSR within firms. Different studies can be found, which try to draw some conclusions on the basis of surveys or case studies. Some sort of “databases” of CSR initiatives can also be found, built by getting together the most meaningful experiences made by companies in this field. In particular, the following studies focus on the state of the art in Italy:

- the REBUS Project by ISTUD business school (ISTUD, 2002);
- the First Report about Corporate Social Responsibility (ISVI, 2002)
- the research Project CSR-SC, by Italian Ministry of Welfare and *Bocconi* University (2002)
- the survey “Social Responsibility Models of the Italian Companies” commissioned by Unioncamere (the Union of Italian Chambers of Commerce) (ISVI, 2002);
- the survey on social reporting diffusion among Italian companies (Valdani&Vicari, 2002);
- the ORSA database (ORSA, 2003)

From the analysis of this literature some important differences emerge, concerning:

- on the one hand, the importance given to the several areas of CSR, the nature of the corporate initiatives within each of them, as well as the used instruments;
- on the other hand, the underlying justifications for these choices. In relation to this latter point CSR can be seen by companies as an element of differentiation and of competitiveness from a strategic point of view, or as an obliged investment for the reaching of the necessary “license to operate” in some environmental (*i.e.* political/social) contexts, or finally as a “natural” result of corporate values.

It would be then interesting to investigate if the observed differences in the CSR approaches of the companies can be put in relationship to particular context variables. But the existing literature seems to be rather poor on this issue: studies tend to focus only on some aspects, thus lacking in completeness. In particular:

- the survey made by Unioncamere in collaboration with ISVI (ISVI, 2003) investigated which initiatives and instruments are adopted by firms, linking the observed differences to some context variables, but did not take into account the motivations behind the choices made.
- on the contrary, the REBUS project (ISTUD, 2002) analysed the CSR approach, not only in terms of initiatives and instruments implemented, but also in terms of underlying drivers and explaining factors, but without linking the observed differences to contingent variables.

THE RESEARCH PROJECT

Based on the results of the analysis of the state of the art literature, a research project has been designed, whose aim was to analyse the CSR approaches of (large) companies, and to link the possible emerging differences to some context variables.

The analysis focused on a particular sector, in order to circumscribe the field of analysis, given the inherent complexity of the issue: the Energy & Oil industry. This choice was suggested by the preliminary analysis of the literature, which showed the particular sensitiveness of the companies operating in this sector towards the environmental and social issues, perhaps due to the particular nature (and possible impacts) of their activities.

The research methodology consisted in the analysis of 17 case studies: in particular, 7 companies belonging to the E&O industry, plus 10 companies operating in other industries, as a support of the analysis. Companies operating in different sectors were needed to “test” the meaningfulness of the industry specific contingent variables (as well as of “cross industry” factors). Given the focus on the E&O industry, most of the sample was constituted by large companies.

With regard to the methodology, telephonic or personal interviews were conducted on top managers (namely, the person in chief for CSR activities – where existing –, CEO or first level reports)

The objective of the questionnaire was twofold:

- understand how the firm is answering to the growing need of social responsibility:
 - has a deliberate strategy been developed?
 - which initiatives and instruments have been already implemented or are planned to be implemented in the next future?;
- rebuild the process that has led the management to cope with CSR issues, and the underlying motivations (strategic choice by the top management, needs expressed by particular categories of stakeholder, ethics values, etc.).

THE RESULTS OF THE EMPIRICAL ANALYSIS

The main results of the empirical analysis are the following:

- there seem to be some industry specific aspects: companies belonging to the E&O sector seem to be characterised by some common patterns in their CSR approach;
- but some noticeable differences in CSR approaches within the same sector also emerged, which can be linked to some relevant contingent variables.

Industry specific aspects

Firms operating in the Energy & Oil sector are characterised by a higher average environmental impact of their business activities (compared with that of other firms operating in other sectors): the relationships with all the different stakeholders who are somehow interested in environmental issues must then be carefully managed.

All companies are aware of their responsibilities towards the environment, and this leads to some common features in their CSR strategies.

In particular:

- 1) Companies tend to associate CSR especially with the environmental dimension. They (at least officially) claim their willingness to contribute to the achievement of the global sustainability goals, by undertaking initiatives aimed at minimising product and process environmental impact and at optimising the utilisation of natural resources.

Some meaningful examples are here proposed:

- In order to control and to manage the activities, as well as to continuously improve their environmental performance, companies implement environmental management systems in conformity with international norms (UNI EN ISO 14001 and European Regulation 761/01 EMAS).
Moreover, companies develop an articulated communication strategy to give visibility to their commitment and to the achieved results: environmental and sustainability reports are usually very well structured in these companies.
- Companies carry out specific programmes to minimise the emissions, thus providing a contribution to the mitigation of the climate change.

BP fosters the use of gas as a substitute for the more polluting fossil fuels. Over the past few years the proportion of gas in BP's production portfolio has increased: gas has risen from around 15% of BP's daily output in the late nineties to around 40% today. This positive trend is also fostered by economic factors, like the reduction of costs for gas production and distribution. Moreover, the cost of the electric energy generation through the combined cycle gas turbine (CCGT) process has fallen to less than 50% in a decade.

Cleaner fuels have been produced and introduced in BP's marketing portfolio (for example, zero sulphur fuels and compressed natural gas).

BP is a major producer of hydrogen for industrial use, and is taking part in research and demonstration projects all over the world to help overcome barriers to the introduction of hydrogen as a fuel for motor vehicles, in partnership with renowned companies of the automotive industry, like Mercedes.

Moreover, BP strategies contemplate a refocusing on renewable and alternative energy sources (and in particular on wind and solar energy).

BP is already the world second producer, with a share of 20%, and the first self-consumer of solar energy, which meets the needs of the service stations, plants and offices.

Moreover, BP group joined the emission trading system a few years ago: thanks also to this motivating factor, the target emission levels have been achieved nine years earlier than it was expected.

Enel, the first company in Italy, signed in 2000 a "Voluntary Agreement" with the Italian Government about the "greenhouse gas" emissions reduction. Through this agreement Enel has committed itself to reduce average equivalent emissions of CO₂ by 20% in the years from 1990 to 2006, through the increase of efficiency in the field of energy generation, the increase of electricity production from renewable sources, and the improvement of energy efficiency in the final use of the electric energy and of the gas. Renewable sources count for 18% of the whole resources used for energy production by Enel.

After European and Italian ratification of the Kyoto Protocol, Eni took part to the elaboration of the "national plan for the reduction of the greenhouse gases", and it is going to contribute to the achievement of the target emissions reduction fixed for Italy.

- Companies manage the environmental risk of their own activities.

Enel carries out activities of the raw materials transport and logistics in the maximum respect of the environment. In particular, it pays particular attention to the safeguards of the marine environment. In fact, Enel collaborates with national and international organisations on research programs on the safety of sea transport. Indeed, Enel has been a member of the Oil Companies International Marine Forum (OCIMF) from 2002.

KP has always been on the forefront in the environmental field. For example, an intervention (disaster recovery) procedure in case of environmental accident had been spontaneously adopted before the "Ronchi" enactment was introduced (in 1997).

- Companies try to establish an open dialogue and to build collaborative relationships with the main environmental associations/NGO and related stakeholders:

Edison collaborates with environmental associations and local authorities, in order to integrate itself in the economic and social context of the country. For example, since 1996 the company has taken part as sponsor and partner to the Legambiente's "Treno Verde" initiative, an itinerant environmental campaign which takes place in the main Italian cities. It is a educational initiative and, at the same time, a scientific research project about air quality and acoustic pollution .

BP establishes partnerships with NGOs, particularly with environmental associations, with which an open and constructive dialogue is active. As a matter of fact, BP has received an important international award as the most collaborative company on environmental issues. A person with several years experience in the WWF is in charge of the "relationships with NGOs" office. Moreover, several important projects are approved with NGOs before they are implemented. This is very useful because NGOs can provide a different point of view which has not been taken into consideration by the company.

While in the E&O sector CSR mainly consists in undertaking initiatives in the environmental area, in the other sectors the focus shifts on different CSR dimensions, according to the typical issues of the specific industry.

For example, in those industries where the potential negative impact of the product on the final consumer represents one of the most critical issues, such as the food & beverage or the pharmaceutical sector, CSR efforts are focused on programs aimed at guaranteeing the product quality and safety through initiatives, such as supply chain traceability and responsible marketing policies.

It is the case of Carlsberg and Novartis, for example: on the one side they implement product quality and safety programs, which are consistent with their business strategy, and from the other side they impose ethical rules in marketing policies, because of the impact that products as alcoholic beverages or drugs can have on the health of consumers. Instead, the most relevant CSR issue in the apparel industry is linked to the social and normative backwardness of the low-cost labour countries where companies tend to transfer their production activities. Consequently, companies must guarantee there the same challenging standards they are used to apply in the native country. Companies as Adidas and Levi's Strauss, for example, have introduced guidelines and codes of conduct for suppliers, concerning workers' rights, health and safety, environment and community issues.

In the E&O industry the environment is seen also a possible source of competitive advantage: typical success critical factors of the industry are environmental efficiency and innovation, and the environmental commitment is supposed to generate advantages, in terms of licence to operate from governments, NGOs and the public opinion, which (in the words of a top manager of one of the interviewed companies) "is particularly aggressive towards a "dirty" industry which is supposed also to manipulate geopolitics". All the analysed companies seem to be aware of the strategic role of the environment as a mean to increase corporate value in the long period.

ASM environmental policy focuses on the eco-efficiency goal, which allows the company to make compatible the respect for the environment with economic profit.

First in Italy to invest in combined cycle, Edison is leader in the research of eco-compatible energetic solutions. Environmental leadership corresponds to the primary objective to gain a competitive space as regards to its major competitor which is Enel.

On the contrary, in different industries the effort in the environmental field is limited to the law compliance, and doesn't represent a relevant element of differentiation.

In these cases, the choice to adopt stricter norms (which go beyond the laws and regulations) can come from a responsible choice of the company on the basis of its ethical principles.

An exception is represented by Lavazza, who views the eco-compatibility of the production process as a way to differentiate its products. Indeed, the investments in this field are judged coherent with the product strategy, which is based on the offer of a "superior quality" product.

In order to take advantage from the most relevant success critical factors of the Energy & Oil industry (environmental innovation and efficiency), firms create partnerships with universities and research centres, and they collaborate with other companies with the aim to obtain and to develop know-how, for example:

- BP takes part in research projects in partnership with renowned companies of the automotive industry, like Mercedes, to promote the use of hydrogen as a fuel for motor vehicles engines;
- Enel actively collaborates with the main universities and schools in order to exploit their contribute on projects definiti nel tempo (time-projects), thus establishing a mutual knowledge;
- Eni created a new firm, Eni Corporate University, which incorporates all training activities and manages all the relationships with academic institutions and business schools. This fact underlines the importance given by the company to the skills development within new competitive contexts and different cultures.

- 2) As for the Energy and Oil industry, the high environmental impact of the activities implies not only a focus on the "environmental" area it influences also the kind of motivations at the bottom of local community initiatives, since it makes more critical the obtaining of the "license to operate".

Edison implements initiatives for the local community, corresponding to official agreement with municipalities, such as discounts in the energy distribution, the building of solar panels for an hospital and of infrastructures, etc.

It can be mentioned the agreement between Edison and the local government of Torviscosa (a village in the North-East of Italy), which was signed after the approval of a project of a combined cycle power station.

ASM fosters initiatives in the local context which are strictly connected with the industrial activity. For example, the creation of “green” areas around a new power station is justified by the need to be accepted as an integrating part of the local community.

Erg has carried out specific projects for Genova and Siracusa local communities, as well as the “young and the school” project. The aim is to establish a good relationship with the local community: given the potential risk of business activities, the objective is to manage this risk by minimizing the impact on the image of the company.

On the contrary, in the sectors where environmental impact is not so relevant, interventions for the community can be justified by different motivations.

In the sectors where a success critical factor is the brand (for example Food & Beverage, consumer goods, etc.), companies implement initiatives for the local communities in order to improve their image:

- Parmacotto undertakes initiatives in the field of the art, culture and sport in Parma and in other cities. These are considered as an opportunity to associate its brand to particularly appreciated events;
- Henkel promotes Cause Related Marketing initiatives, thus trying to associate social commitment with brand strategy;
- Lavazza carries out several communication initiatives (fairs, etc.) in order to strengthen the relationships with customers.

Initiatives for the community can be inspired also by a feeling of belonging to the local territory, as in the case of Colgate-Palmolive in Anzio and Lavazza in Torino, can derive from declared corporate ethical values (Levi’s) or from the philanthropic tradition (Carlsberg, ex foundation).

Differences within the industry

If companies operating in the same industry have similar CSR approaches from some points of view, which are linked to the typical characteristics of the sector (for example, environmental impact of the activities, kind of product, success critical factors, etc.), within the same sector some behaviour’s differences can be observed, which can be linked to different context variables.

In particular, in the energy & oil industry, the context variables that seem to be meaningful are the following:

- Corporate DNA, that is to say corporate tradition and culture, since there is always a decisional component depending on corporate values
 - Global presence and corporate size, which imply a bigger visibility in the eyes of NGOs and public opinion
 - Vertical integration level, on which the specific success critical factors of the supply side depend.
- 1) Corporate DNA influences CSR choices, as in the case of Acea in Rome and ASM in Brescia, ex-municipal (*i.e.* local government owned) multi-utilities companies, whose corporate strategies have always been designed according with the policies of local government. In these cases, the motivation at the bottom of the initiatives for the local

community is clear, and this fact explains why CSR has always been embedded in the corporate DNA of these companies.

At the local level, Acea shows itself to be integrated in its territory through information activities about social and environmental issues in the schools, solidarity, and support of culture. For example artistic lighting of the monuments, in eco-compatible way, sponsorship of the Roma's marathon, collaborations with Saint Egidio community, etc. which show the will to establish a stricter relationship with the municipalities, also extra Roma. The motivations at the bottom of the local interventions come from a strong will to show the company as "good citizen" and from the intention of giving out a part of corporate profit to the society that supports and legitimates the company itself.

ASM is integrated in Brescia and, as an ex-municipalized company which has provided utilities for almost 100 years, has always fostered social and cultural activities in the local community. In 1999 the company decided to make this engagement more transparent and functional, through the creation of the ASM Foundation, which is active in the social, cultural and environmental field for the benefit of all of the citizens, and in particular of the poorer classes, and which is funded by a part of corporate profits.

For example, in 2003 several initiatives were realized in order to redefine and to increase the value of the urban disposition through the settlement of sports plants, meeting-rooms and libraries.

These examples show how the past history plays often a fundamental role in determining CSR policies. This consideration is supported by cases of companies operating in different industries, whose choices are linked for example to the fact of being an ex-foundation having not only the profitability as objective, like Carlsberg, or of inheriting a philanthropic tradition from its own founder, like Levi's.

- 2) A large company, and particularly a large multinational, because of its global presence, is more visible to NGO and to the public opinion which, ever more exigent, ask global companies to take on a global responsibility.

It becomes therefore more relevant for the company to obtain the external acceptance, necessary to keep on with its own activities, and this fact represents a further incentive to be socially responsible.

Particularly in the Energy & Oil industry, only multinational enterprises (even if still at a first stage of internationalisation) promote projects for those foreign countries where they conduct (or are going to locate) business activities (especially if through direct foreign investments).

For example BP top management justifies its choices as in the following:

“The global presence of BP, which operates in 100 countries in the five continents, represents a business opportunity, but implies a responsibility too: we cannot think to locate activities of our supply chain in a country characterized by remarkable difficulties, without taking into consideration these difficulties and without taking care of them, because this wouldn't be an ethically acceptable behaviour.

Besides the ethical incentive to undertake a social responsibility, there is the need to comply with the requirements of a category of stakeholders which in the last years have achieved an ever more important role and power and which are the NGOs.

“A global company like BP, which intends to grow in a way that is compatible with sustainable development, must take into consideration the current context characterised by environmental and macro-social issues such as: (i) the increase of CO₂ in the atmosphere and of globe's temperature, (ii) the foreseen demographic grow of low-income populations, and (iii) to the increasing gap of wellbeing between rich and poor countries, with the obvious political and social consequences” (BP Vice-president). The BP's commitment for the economic and social development in the developing countries where it operates, becomes concrete through the realisation of several projects aimed to improve life conditions of those populations. For example, BP is delivering the world's largest solar project in the Philippines, Brazil and Vietnam, where isolated villages are benefiting from irrigation, drinking water and lighting for their homes.

To enable local suppliers to benefit from its business, BP's Group develop local capacity, provide training in new skills, transfer technology and business know-how and increase their ability to access global markets.

To give signs of BP's attention towards the sustainable development, a BP delegation took part at the UN's World Summit on Sustainable Development in Johannesburg in August 2002. Government officials, NGOs and business representatives, among others, attended the summit. Attention focused on five key issues: water, energy, health, agriculture and biodiversity. This participation enabled BP to develop a deeper understanding of the issues, to engage in dialogue with other stakeholders, and to share experiences.

Eni, with an average annual investment of about 40 million euro, contributes to the sustainable development and self-sufficiency of the communities in which it operates and of which is an integral part.

The company prefers initiatives in the sanitary, social and environmental fields: for example Eni has become one of the leading private partners in the World Health Organization's Roll Back Malaria initiative, a program launched by the United Nations agency in 1998, together with UNICEF, UNDP and the World Bank, whose goal is to halve the incidence of the disease in the world by 2010. In the social field, one of the major Eni's development projects is the Green River Project, an integrated agricultural program launched in Nigeria in 1987. Through the adoption of appropriate farming techniques and the introduction of modern agricultural machinery, it has contributed to the development and wellbeing of a community of more than 177,000 people living in the Niger Delta. Closely linked to this program, the Burma Rice Farm project has the specific objective of developing large-scale rice production in Bayelsa State.

Eni's responsible attitude towards communities is testified also by the adoption of measures to evaluate the overall impact of its business activities. For example, in Kazakhstan the company is currently conducting a Strategic Impact Assessment of the economic, social and environmental impact of its North Caspian oil exploration and production project.

In the foreign countries where Acea operates, initiatives in the social field aim to contribute to the local social and economic development. Examples of this kind of initiatives are the restructuring of schools, the building of aqueducts for local farmers, etc.

3) The specific success critical factors of the supply side are strictly related to the level of vertical integration, (for instance, the service quality for companies which lead the phase of electrical energy distribution, as Acea, Asm, Enel).

A large part of the Acea’s commitment is oriented to the customers needs, so that the corporate behaviour is inspired by criterias of attention to the customer satisfaction, and of availability and politeness towards him. Acea is committed to offer a products’ range as wide as possible, to guarantee their high quality, and to deliver appropriate information. The customer orientation also involves an open and available dialogue with various organized delegations (of citizens, consumers, etc.), in order to improve the level of quality service.

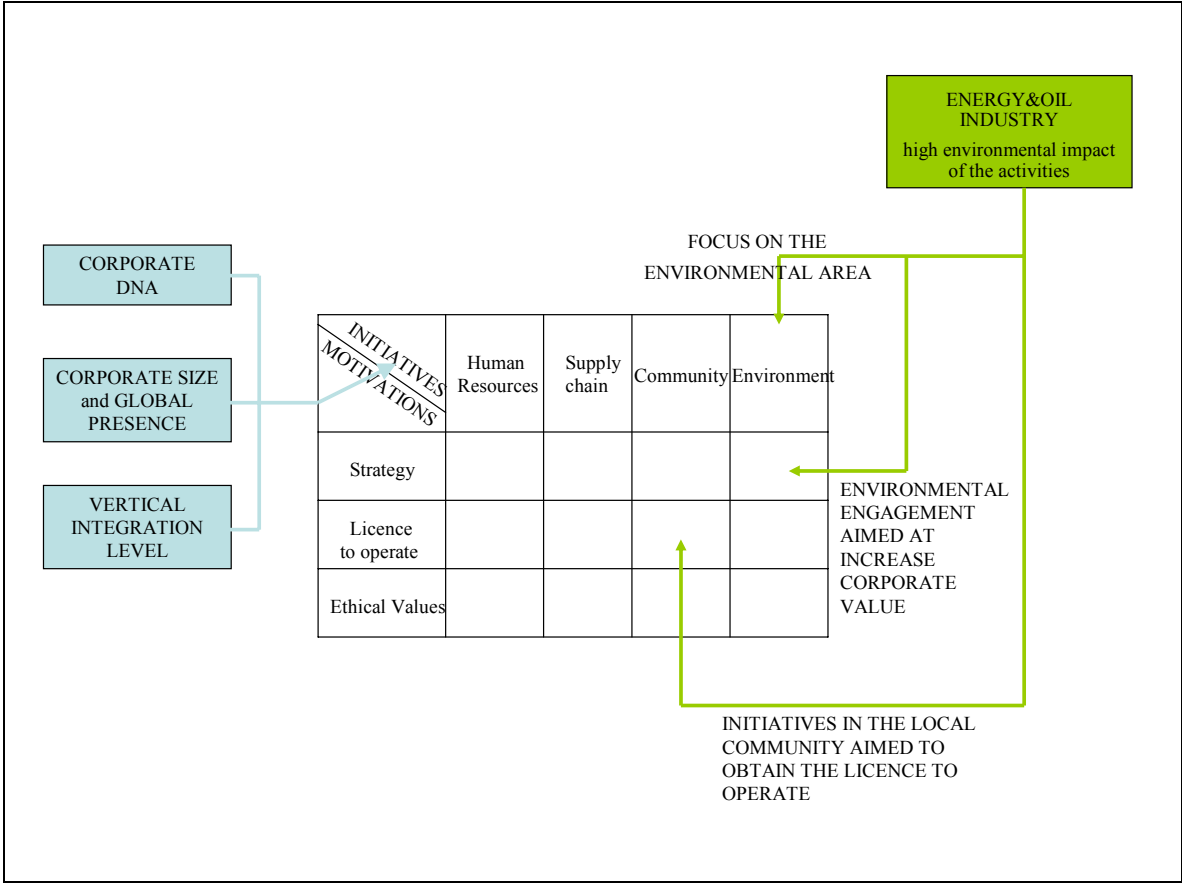


Figure 2: The CSR contingent model

CONCLUSIONS

This paper was aimed to illustrate the results of an on-going research which analyses the analogies and the differences in the CSR approaches by large multinational companies, in

order to see if these differences can be linked to particular context variables, as a typically contingent approach.

After a preliminary cross-industry analysis, the research focused on the Energy & Oil sector. First empirical evidence seems to confirm the existence of some industry specific aspects (hence, sector seems to be a first context variable influencing the CSR approach).

In particular, the (at least potentially) very high environmental impact of the business activities in the E&O industry determines the weight given to this area of CSR (if compared with the other typical CSR dimensions, and with the importance given to the same area in other sectors).

The first common feature of the analysed E&O companies consists in the identification of very accurate environmental policies, aimed at minimising the environmental impact of products and processes, and at optimising the use of resources. Moreover, behind this kind of initiatives always there is the awareness of their strategic role in increasing corporate value, because the environmental engagement implies advantages in terms of image and of license to operate from governments, NGOs and public opinion, and because typical success critical factors of the industry are environmental efficiency and innovation.

The second common aspect is the nature of motivations at the bottom of the local community interventions, since the high environmental impact of the activities makes the obtaining of the “license to operate” (especially in some foreign countries) more critical.

But, at the same time, some relevant differences in firms’ CSR strategies can be observed within the same industry, which can be linked to different context variables. In particular, three context variables seems to better explain these peculiarities.

Firstly, corporate DNA influences CSR choices, as it can be observed in the case of state-owned (municipal) multi-utilities companies, which have always paid great attention to CSR issues, given their direct link with local government.

Moreover, the global presence and the market size, which imply a great visibility in the eyes of NGOs and the public opinion, make the obtaining of the so-called “licence to operate” more critical, and then they represent a further incentive to be socially responsible. In the analysed sector, it seems that only multinational enterprises promote specific CSR projects for foreign countries.

Finally, the degree of vertical integration determines the specific critical success factors of the supply side and then influences the kind of initiatives undertaken in the CSR field. For example, for the companies which lead the phase of electrical energy distribution, the service quality is very important, so they are particularly careful to the customers' needs (Figure 2).

Future developments of this research could consist in the validation of the here formulated hypothesis and with the search of further context variables, besides those introduced in this paper, which however need further empirical analysis for their validation. Moreover, future studies should thoroughly examine links between CSR approaches and context variables characteristic of other particular sectors, as it has been done for the Energy & Oil industry.

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