Four Aces: Bringing Communication Perspectives to Corporate Social Responsibility

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Abstract

How can communication studies prove its worth in relation to corporate social responsibility (CSR)? This theoretical essay reviews relevant literature on CSR communication and points to what we consider as four aces. Communication studies alert us to, (1) how meaning is constructed through communication, something that has implications for the management of organizations as publics hold different views of CSR and expect different things from them; (2) how a dialogue between an organization and its publics should be unfolded; (3) how practices of transparency can assist organizations to come across as trustworthy actors; and, importantly, (4) how a complexity view is fruitful to grasp the CSR communication process. These four key themes could be instructive for practitioners that want to argue for and demonstrate the usefulness of strategic communication for the management of CSR and bridge meso and macro levels of analysis.
Introduction

With the corporation as the dominate social institution of today (Deetz, 1992; Korten, 2001), it becomes important to understand the attempts of this institution to manage its relationship with society. The claim to be taking responsibility beyond that of profit seeking is recognized as a major corporate strategy to maintain legitimacy. As part of this, corporations engage in programs for corporate social responsibility (CSR). CSR is here defined as the corporate attempt to negotiate relationships to stakeholders and the public at large (Ihlen et al., 2011b). Corporations might attempt to map and evaluate actual and potential demands from stakeholders and develop and implement responses. The demands might include the expectation of dialogue, transparency, and accountability, among others. It might also incorporate the expectation to create a product or service that serves the public good and is sold at a fair price. Publics might also expect that corporations will do no harm to their diverse sets of stakeholders, whether it be environmental degradation, tax evasion, outsourcing of jobs, or faulty products and services, among others. Finally, publics might demand that corporations engage in citizenship by preserving democratic ideals and maintaining community engagement on a variety of issues.

The management literature that deals with the corporate challenges above increasingly draws attention to communication as part of this process. While we maintain that communication is treated rather haphazardly in the mainstream CSR textbooks, there is evidence of interest in the management journals. Scholars have focused on non-financial reports (e.g., Aras & Crowther, 2009; D. Campbell et al., 2001; Clarke & Gibson-Sweet, 1999; Hartman et al., 2007; Perrini, 2005), communication of corporate ethic codes (e.g., Painter-Morland, 2006; Svensson et al., 2009a; Svensson et al., 2009b), as well as stakeholder dialogue processes (e.g., Burchell & Cook, 2006, 2008; Habisch et al., 2011; Morsing & Schultz, 2006). Often, however, articles are published that focus on communication as something instrumental (e.g., merely as a means to an
economic end) or they do not make any references to the scholarship of communication studies (e.g., Du et al., 2010). This chapter will pick up and extend on some particular themes that we argue should be brought forward from communication studies in order to highlight the contribution this field can make to the understanding and management of CSR as well as how CSR functions discursively. The themes relate to epistemology as well as principles for effective communication, in particular the notions of dialogue and transparency. We also call attention to the importance of a perspective on complexity that can help correct attempts to oversimplify or control the environment. Moreover, we argue that these themes are crucial for the linkage between the organizational meso and societal macro levels of analyses, whether the scholar has a critical or an instrumental approach to CSR communication.

The essay starts by discussing the epistemological perspective of social constructionism and the role of language. Next it moves on to explicate the role of dialogue and then the concept of transparency is discussed which also seems to be a prerequisite to increase trust. Finally, attention is drawn to the importance of injecting a view of complexity. We suggest that by considering these concepts, communication studies can help move beyond the typical failure of the control strategy favoured by many modernist thinkers. These then, are four keys areas—or aces if you like—where we believe communication has most to say and where it is easy to demonstrate the value of communication studies.

**Communication and Social Construction**

As argued by May and Zorn (2003), CSR at its core is “about the simultaneously contested and consensual nature of the relationship between organizations and culture(s)” (p. 595). It is about corporations and other groups making claims about what is good and what is bad (Wehmeier & Schultz, 2011). What is considered to be ethical business behaviour is historically and socially conditioned, and for corporations it can be very costly if they do not keep abreast
with changes in the ethical landscape (Ihlen, 2008). Corporations need to map their surroundings to find who and what is “out there”—stakeholders, publics, the public—but they also need to get a grasp of views that are articulated and how these might change over time. Being informed by communication studies (including rhetoric) and sociology is helpful in terms of understanding the co-constructive interrelationship between communication and action, and how “truth” is created.

Thinkers in the rhetorical tradition have pointed to how communication (rhetoric) is epistemic, in the sense that it creates truth and knowledge, or rather, understanding (Scott, 2008). Our knowledge and what we consider truth is historically and socially conditioned and based on social agreement. Communication is a key “when something is declared to be a fact, in the interpretation of that fact, and also in how it is used to justify action” (Ihlen et al., 2011b). In short, truth is inseparable from discourse; it is inseparable from the way we use language and interact. It is not possible to unearth truth; truth or understanding is created through communication (Scott, 2008). For example, over the course of many years of CSR research and practice, several common truths have developed. One of the most commonly held assumptions has been the belief that CSR involves the negotiation of relationships with external publics rather than internal constituencies, such as employees. For many fields of study, such a focus has caused scholars to focus on issues management more so than labour conditions, for example.

Similarly, widely accepted definitions of CSR have begun to develop emergent truths, as well, including Carroll’s (1979) contention that CSR encompasses the “legal, ethical, and discretionary expectations that a society has of organizations at a given point in time” (p. 500). Increasingly, businesspersons and scholars alike have begun to bracket corporate compliance and even business ethics from society’s discretionary expectations of corporations. The result has been a growing interest in non-governmental organizations (NGOs), advocacy groups, and broader sets of communities in general, that corporations affect. While worthwhile and relevant, such an
emphasis does divert CSR-related attention away from legal considerations, for example. In fact, CSR is often defined as what corporations are doing beyond the legal requirements (McWilliams et al., 2006; Perrini et al., 2006). In many respects, then, CSR scholars and practitioners have developed naturalized, self-imposed silos between legal, ethical, and discretionary/CSR questions.

Social constructionism is among the most prominent epistemological theories and places communication at the centre. A social constructionist perspective maintains that communication constructs and modifies reality, social conditions, and relationships (Berger & Luckmann, 1966). While many scholars (e.g., Bourdieu, 1991; Fairclough, 2001; Foucault, 1972) have argued that language is crucial, they have not accepted the radical versions of social constructionism bordering on relativism/subjectivism. Instead, the basic schism between the latter position and that of objectivism/realism is often bridged by placing the two positions on a continuum, and by introducing different mixtures of the two positions (Cherwitz & Hikins, 1999). Reality can be seen as a product of a synthesis between material structures and practices on the one side, and the use of symbols that reinforce or question these structures and practices on the other (Sandmann, 1996). While acknowledging the existence of material structures, it is argued that communication is needed for the social mediation of this knowledge.

This epistemological position can be used for self-reflective purposes for corporations and function as a guard against naïve realism. Not only do different views exist regarding values, what is ethical or not, but one’s own position of knowing in general becomes less certain. It invites self-reflection and also attention to communicative choices. In order to handle the complexity and challenges created by public pressure, modernization, rationalization and social change, communicators need to approach their tasks in a reflective manner (Holmström, 2004; van Ruler & Verčič, 2005; Wehmeier & Schultz, 2011). This also relates to different meanings of
CSR. The concept has taken on a range of different meanings in various fields, industries and countries. For example, rhetoric, public relations, organizational communication, and business (see Ihlen, Bartlett, & May, 2011, for a summary) have each drawn on their own epistemologies to orient readers to a specific view of CSR that may focus on discourse, publics, labour processes, or management, respectively. In addition, employees in divisions that range from marketing, public relations, branding, strategy, and customer service, among others, may not only identify different key audiences for CSR but may also develop quite unique practices. Finally, developing countries have a decidedly different perspective on CSR and community-based initiatives, for example, than established economies (Blowfield & Frynas, 2005). Both the benefits and consequences of CSR, then, may vary widely from country to country depending on economic conditions, as well as political, social and technical dimensions. In sum, communication studies calls attention to the complex situations described above and points to implications for both practitioners’ and scholars’ view of CSR and communication.

**Ideas for Dialogue**

As mentioned, corporations have to conceptualize their environments; that is, they need to get a picture of whom they depend on and have to relate to. Secondly, engaging in *dialogue* with groups both inside and outside the organization is preferred over one-way communication about the corporations’ CSR policy and action. Dialogue can be defined as an exchange between two or more parties and can be seen as both a technique and an orientation. The latter is characterized through, for instance, reciprocity, propinquity, empathy, risk and commitment (Kent & Taylor, 1998, 2002; Pieczka, 2011; Theunissen & Wan Noordin, 2012).

Although one-way communication might be more prevalent in today’s business practice, there are several good reasons, both ethical and pragmatic, for why corporations should embrace dialogue as an orientation. Such dialogue can ideally create effective decision making,
stakeholder engagement and improve corporate governance (Golob & Podnar, 2011; Ihlen et al., 2011a). As noted by Golob and Podnar (2011), dialogue “can maximize stakeholders’ perceptions of legitimacy and trust, provided that the process of dialogue is transparent and the initiator responds constructively to their expressed expectations” (p. 231).

Dialogue can help catapult new issues to the forefront that otherwise might have been ignored. It can help make sense of issues in both economic and ethical terms, and be valuable for the discussion of how the issues might be integrated in the overall corporate strategy. Ideally, dialogue also opens up for a negotiation process where judgments and assumptions are set in play in an open and visible process (Bohm, 2008; Ihlen et al., 2011a).

Pedersen (2006) has argued that five dimensions are necessary for stakeholder dialogue to work well: inclusion (all relevant stakeholders are included), openness (all issues can be discussed), tolerance (critical and alternative views should not be suppressed), empowerment (stakeholders should be able to influence the structure, process and outcome), and transparency (stakeholders should have access to information about the outcome after the dialogue has ended to be able to evaluate).

A corporation and its stakeholder dialogue can score high or low on these dimensions, and through this dialogue the corporation will create new borders between itself and its stakeholders. The views that are articulated in this process will be interpreted and used in the corporate decision making process (Pedersen, 2006). As studies have shown, however, stakeholders might feel that the dialogue is strategic in its intent. That is, it is mainly conducted to further corporate interests and predefined corporate goals (Burchell & Cook, 2006).

Critics point out that dialogue can be abused in this sense to co-opt NGOs and critical stakeholder groups (Bator & Stohl, 2011; Dempsey, 2011). A hidden goal can, for instance, be to privatize the debate by pulling it out from the public sphere. One positive consequence for the
corporations is that this leaves out the larger audience that the NGOs might be able to influence otherwise (Rowell, 2002).

A basic problem is that most often it is the corporations that lay down the premises and that instrumentalize the dialogue. The dialogue is used as a corporate tool for predefined goals, which reduces the ethical value. It also acts as a way to cut democratic processes short as ideas are presented and need to be resolved in required time frames so that processes of evaluation of options do not have time to circulate amongst groups (Herbst, 1995).

At the same time, few parties would argue that corporations should not engage in dialogue with their stakeholders. Instead, critics point to the potential for learning and development for the corporation (Burchell & Cook, 2008; Gergen et al., 2004). To engage in dialogue with stakeholders might be a way of getting a better grasp of the different understandings that stakeholders have of CSR. On the one hand, corporations can then proceed to use this new insight to manage or even manipulate stakeholders. On the other hand, the dialogue can also be used to rethink the relationship between the corporations and society in new ways. Again, this serves as a reminder that a reflective approach is necessary if corporations want to be able to handle public pressure, social change and complexity (Holmström, 2004, 2009; van Ruler & Verčič, 2005). Dialogue can potentially lead to a more active engagement where the corporation actually risks something, for instance, getting criticism and unpleasant feedback. If the corporation does not engage in dialogue it also runs the risk of only asking questions with answers that it would like to hear, thereby reinforcing existing views (Golob & Podnar, 2011; Morsing & Schultz, 2006).

Marketing research has often concluded that people have little knowledge of CSR (Auger et al., 2010; Du et al., 2007; Sen et al., 2009). People are not necessarily interested in dialoguing with corporations, at least in traditional forms like a stakeholder meeting. At the same time, however, it seems that the corporate intent towards and invitation to dialogue is considered
important (Eriksson, 2003). Thus, there is a seeming disconnect between public interest in CSR and the emphasis that corporations place on it. It is important to remember, however, that the intended audience for CSR communication often is what has been called expert audiences (e.g., politicians, local authorities, journalists, critical stakeholder NGOs). These groups cannot only be expected to be more interested in CSR, they may also have some knowledge about this topic. Indeed, it has been recommended that these groups should be the ones CSR communication is directed to, so that the general public and customers can be reached indirectly (Morsing et al., 2008).

**Transparency and Trust**

An invitation to dialogue might be seen as an expression of goodwill for the audience—a classical rhetorical strategy to strengthen credibility (Aristotle, trans. 2007). Much research has pointed to how corporations have a rhetorical challenge when they want to communicate about CSR. Studies suggest that CSR efforts can backfire if they are seen to be flaunting themselves and appear as self-serving (Lindgreen & Swaen, 2010; Schlegelmilch & Pollach, 2005; Yoon et al., 2006). Stakeholders typically want to see alignment between the talk and action of CSR. Criticism of CSR is often rooted in disappointment as a result of how practices of CSR have not met the expectations created by the corporate discourse of CSR (May et al., 2007). Problems can arise when corporations argue that they are motivated by what is “good, or in other words, as having pure motives when, in reality, corporations may be merely meeting their fiduciary obligations to stockholders under the law” (Ihlen et al., 2011a, p. 555). Ihlen et al. has summarized the advice in the literature the following way:

Communicators should fess up to their motives, but also to problems and dilemmas, and engage in dialogue about what they have learned and what they want to achieve. They should give proof through numbers, statistics and examples of outcomes and impacts, and
have credible third parties attest to their work (Ihlen et al., 2011a, p. 559).

This then, is also a call for transparency. May (2006) has pointed out that transparency about CSR is a prerequisite to create trust, respect, fairness, and a sense of procedural justice. Henriques (2007) has argued that “transparency is part of the moral baseline for business conduct, rather than an optional extra to be adopted when it doesn’t adversely affect the bottom line” (p. 4). Transparency would concern governance, missions, policies, procedures, and guidelines, as well as information about products and services, financial, environmental and social performance. Transparency is also crucial to create trust and credibility (Bentele & Nothhaft, 2011; Ihlen, 2011).

Nadesan (2011) has pointed out, however, that transparency as a communicative phenomenon gives credence to the framing of corporate social responsibility that sees voluntary responsibility measures as preferable to mandatory ones. This limits the potential of transparency. As Livesey and Kearins (2002), explain,

Transparency thus carries with it the potential to reconstitute “reality” related to sustainable development in one-sided, arbitrary, and manipulative ways. That is, in exercising the mechanics of knowledge production—for example, decisions as to how to categorize and assign value to data—sustainability reporting can be used as a way of imposing form on nature and society. It serves firms’ attempts to construct themselves, and business more generally, as “making progress” toward sustainable development. (Livesey & Kearins, 2002, p. 250)

While transparency certainly has limits that should be recognized, we maintain that some level and form of transparency is needed to allow stakeholders to make more informed decisions regarding corporate practices. This could in turn allow ”them to make employment, purchasing, and investment decisions that are consistent with their own values” (Ihlen et al., 2011a, p. 554).
Transparency, we believe, is a cornerstone for trust. This trust develops, over time, as corporations provide clear and accessible information about their mission/vision/values, employment practices, products or services, financial status and future direction, and positive and negative impacts on the lives of their various stakeholders, whether it be a consumer, a stockholder, a community member, or a concerned citizen.

**Complexity**

In communication studies, attention has lately been paid to the idea of complexity (e.g., Gilpin & Murphy, 2008, 2010). Here it is also possible to draw on the preceding movement in organization science (e.g., Anderson, 1999). A basic tenet of complexity theory is that organizations set themselves up for failure if they opt for a controlling strategy and/or approach their environment as a given entity. This is perhaps most challenging during crisis situations. Organizations typically engage in scientific planning and prescriptive decision-making, but it is highly likely that they will find themselves in situations where they cannot control the driving factors of a crisis. This means that organizations are better off working with the challenge, and that they should learn to improvise and adapt. Complex systems are in a state of emergence, which make them unpredictable, and ambiguity and uncertainty are unavoidable. The advent of social media has, for instance, shown itself to propel CSR crises by, for instance, presenting additional channels for stakeholder complaints (Gilpin, 2010; Mei et al., 2010).

We posit that organizations are fluid and socially constructed, and that they aim for legitimacy. Gilpin and Murphy (2008) argue that organizations should utilize “double loop learning”—questioning the variables themselves when something goes wrong. This activity easily ties in with thinking on CSR. The latter authors argue that improvisational, metacognitive and situational awareness skills are examples of what can turn organization members into learning experts which eventually will help organizations to adapt to uncertainty: “Complexity
Four Aces offers a framework for advances in conceptualizing stakeholders, studying the emergence of issues and crises, and tracking reputation across media and across national borders” (Gilpin & Murphy, 2010, p. 80).

The call for using complexity theory sits well with the three other elements mentioned in this review. When reality is seen as socially constructed through communication, it also implies that we acknowledge that people hold different views of reality. It is simply not possible to have a unified view of reality on the grander scale. In itself, a social constructionist perspective is by large a view of a complex system. Similarly, theories on dialogue recognize the multiple goals and the intricacies of the dialogic process. As mentioned, some theorists argue that corporations need to risk something (Golob & Podnar, 2011; Morsing & Schultz, 2006). This might be something that goes against the functionalistic grain of attempting to control, seeing risk as ultimately negative. A call for complexity is also a call to see transparency as a potential reconstruction of reality through, for instance, choices of what kind of data is made available to stakeholders, in what format, and at what time. The transparency practices are, as Livesey and Kearins (2002) remind us, rooted in certain perspectives. In its simplest sense then, it could be argued that complexity theory is urging corporations and scholars alike to add more nuances to the picture of their environment and to realize that adaptation is preferable to controlling strategies.

Conclusion

In this chapter we have argued that communication studies have a pretty good hand that could be used in the academic and practical play around influence on CSR policy and practice. More specifically, we have used the metaphor of having four aces: Communication studies contribute a particular epistemological perspective built around social constructionism and complexity, as well as considerations about notions like dialogue and transparency in a way that can further ability for corporate self-reflection. By focusing on practices at the meso level, further
insights can be added to a dominant discourse in the CSR literature on institutionalised pressures on organizations to comply with social and mandated norms (J. Campbell, 2007). Dialogue and transparency for example, allow the micro-foundations of organisation’s CSR practices to be examined, which in turn impact the practices at the meso and macro level. This can pave the way for new approaches to CSR and CSR communication that steer clear of too simple solutions such as, for instance, reporting against best practice guidelines that favour instrumental perspectives.

Normative theory on dialogue for its part also provides a standard for criticism of corporate practice, and a perspective on the communicative and political function of transparency also furthers discussion of corporate interests and power. It is through such approaches that communication studies can bring deeper insights into the CSR discussion and seek to address paradoxes such as the co-existent expectations and criticisms of CSR practices and communication. As such, they bridge meso and macro levels of analysis to contribute to the broader CSR discussion.
References


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