Corporate Social Responsibility in the Water Sector

Copenhagen
Business School
HANDELSHØJSKOLEN

Corporate Social Responsibility in the Water Sector

How Material Practices and their Symbolic and Physical Meanings Form a Colonising Logic

Linne Marie Lauesen

Ph.d. Serie 06.2014

Doctoral School in Organisation
and Management Studies

Ph.d. Serie 06.2014

Corporate Social Responsibility in the Water Sector: How Material Practices and their Symbolic and Physical Meanings Form a Colonising Logic

Linne Marie Lauesen

Principal Supervisor:

Professor MSO Esben Rahbek Pedersen,

Centre for Corporate Social Responsbility,

Intercultural Communication and Management

Auxiliary Supervisor:

Professor MSO Carsten Greve

Department of Business and Politics

Copenhagen Business School

October 2013

The Doctoral School of Organisation and Management Studies (OMS) is an interdisciplinary research environment at Copenhagen Business School for PhD students working on theoretical and empirical themes related to the organisation and management of private, public and voluntary organizations.

For Tobias, Sophus, and Rune Bech Lauesen

ACKNOWLEDGEMENTS

School has made this project come to be realised. My friends and colleagues in the seven Danish water companies, whose willingness to let me participate in their everyday organisational lives and make interviews and datacollection with them has made the findings of this PhD thesis possible, are also acknowledged here. In this sense my special acknowledgements go to Ole. S. Øgelund, Director of Vand & Affald, Gerda Hald, Chair of SSTT, and Dorte Salskov-Iversen, Head of Department of ICM.

Finally, and most importantly, I want to thank my sons, Sophus and Tobias, and my husband, Rune, who have supported my work over the last three years with their love, care, understanding and tenderness. The same thanks goes to my sister Iben, my parents Tove and Egon, and my parents- and brother-in-law and their families, Kis, Holger, Ebbe and Tina. You have all both mentally and physically supported me when I had to write, to travel, to work in Copenhagen, and listened when I had to empty my mind either in frustration or in exhilaration. Thank you all for being there for me!

Linne Marie Lauesen

October 2013

Copenhagen, Denmark

ABSTRACT

This PhD thesis is the outcome of three-year doctoral study of corporate social responsibility (CSR) and stakeholder engagement in the water sector. This study contributes to new knowledge about water companies formed as hybrid organisations in the aftermath of the new public management (NPM) era worldwide. Today we see different hybrid organisations of water companies around the world that have either been fully privatised or quasi-privatised. Quasi-privatisation in Denmark means that water utilities are still perceived as natural monopolies, which has not made them into for-profit driven companies. Instead a simulated market and state regulation has been introduces with annual, national benchmarking to set a price cap as an upper limit for the consumer-price of water. Similar systems are seen in fully privatised water companies in the United Kingdom, the United States, and partially in South Africa. However, here the water companies are typically owned by private companies and not established as municipality-owned limited liabilities[1] as in Denmark and elsewhere in Scandinavia. This PhD thesis proposes new models and principles and corporate social responsibility and stakeholder engagement of these water companies. The findings of the study suggest a new definition of a colonising logic of CSR competing and coexisting with the regulators' colonising logic of NPM. Through the study and definition of these logics as colonising the water sector this PhD theisis provides an understand of new perspectives of how CSR is enacted through stakeholder engagement and how the logic of CSR frames the top managers' claim: *"We are CSR!"* (Interview B, March 2011) and the consequences of this logic. Both the logic of CSR and the logic of NPM is found to be based on the materials that the water companies are organised around, namely water. Water is perceived as a natural good that should ideally be free and plentiful for all citizens around the world. However, the competition between the two colonising logics stems from another material, namely the money or price that providing clean and pure water for all are allowed to cost the citizens. Through the dialectical interaction of these in terms of material practices between producing water and infrastructure to distribute it and collecting money as a payment for it and the regulation of this, this PhD thesis proposes a new definition of the role of materials and material practices underlying several institutional logics such as the institutional logic of capitalism, state, democracy, family, religion/science, profession, and corporation (Friedland & Alford, 1991; Thornton et al., 2012; Friedland, 2013).

---

[1] also called publicly owned enterprises

ABSTRAKT

Denne afhandling er resultatet af tre års ph.d. studie af virksomheders sociale ansvar (CSR)[2] og involvering af deres interessenter heri i vandsektoren. Denne undersøgelse bidrager til ny viden om hybride organisationer såsom vandselskaber, der er blevet dannet i kølvandet på den nye offentlige forvaltnings bevægelse (NPM)[3] verden over. I dag ser vi forskellige hybride organisationer af vandselskaber rundt om i verden, der enten er blevet fuldt privatiseret eller kvasi-privatiseret. Ved sidstnævnte menes, at vandselskaberne i Danmark fortsat opfattes som naturlige monopoler, hvilket har gjort at de kun er blevet kvasi-privatiseret med en simuleret marked gennem et årligt nationalt benchmarking system som indstiller et prisloft som en øvre grænse for prisen på vand. Lignende systemer ses i de fuldt privatiserede vandselskaber i Storbritannien, USA og delvist i Sydafrika, men her er det vandselskaberne typisk ejet af private virksomheder og ikke etableret som en kommunalt ejet aktieselskab som i Danmark og andre steder i Skandinavien. Denne Ph.d. afhandling foreslår nye principper og modeller for CSR og interessentinvolvering gennem studiet af disse virksomheder, og af resultaterne foreslås ny definition af en koloniserende CSR-logik som konkurrerer og sameksisterer med regulators koloniserende NPM-logik. Gennem studiet og definitionen af disse logikker som værende koloniserende i vandsektoren, kommer vi til at forstå nye perspektiver på, hvordan CSR er implementeret gennem interessentinvolvering, og hvordan CSR-logikken genfindes i vandselskabernes topledelses påstand: "*Vi er CSR*" (interview B, marts 2011), og konsekvenserne af denne logik. Både CSR-logikken og NPM-logikken er vist baseret på de materialer som vandselskaberne er organiseret omkring, nemlig vand, der opfattes som et naturlig gode som ideelt set bør være gratis og i rigelige mængder for alle borgere i hele verden. Men konkurrencen mellem de to koloniserende logikker stammer fra et andet materiale, nemlig penge eller pris for at levere rent vand til alle hvad dette skal koste for borgerne. Gennem denne dialektiske interaktion i form af materielle praksisser mellem det at producere vand og infrastruktur for at distribuere det og at indsamle penge som betaling for det og selve regulering af dette, er der denne forskning foreslået en ny definition af rollen af materialer og materielle praksisser som underligger flere institutionelle logikker såsom de institutionelle logikker omkring kapitalisme, stat, demokrati, familie, religion/videnskab, profession, og virksomhed (Friedland & Alford, 1991 ; Thornton et al., 2012; Friedland, 2013).

---

[2] corporate social responsibility
[3] new public management

TABLE OF CONTENTS

INTRODUCTION

This PhD thesis is the outcome of my intensified work over the last three years of studying corporate social responsibility (CSR) in the water sector. I have worked as a practitioner in the Danish water sector since 2000 as a project manager, however, it was from 2003 I became interested especially in CSR and began collecting data, which I continued with after enrolling as a PhD student in 2011 at Copenhagen Business School.

This PhD thesis is paper based and consists of eight papers. The first two are published; the third, fourth, and fifth are in press; and the sixth, seventh, and eighth paper are in ongoing review processes. The papers are placed in chronological order so the reader can follow my PhD 'journey' through my publication order.

Knowing that this thesis contains more papers than a traditional paper based thesis, I have included all papers because they together form a holistic contribution to my study of CSR in the water sector as an institution. Omitting some of the papers from this thesis would to my opinion harm my overall academic contribution. My study encompasses an entire institution and has for me taken a comprehensive study to present what is in- and outside it.

Thus, I ask my PhD committee to bear over with me having to read so many papers, and I hope that they will excuse this due to the coherence and consistency of my thesis. However, in order to reduce the amount of reading for my PhD committee, I have chosen not to include extensive literature reviews for every underlying theory or field used in my overall kappa[4]. The reader is referred to the proper reviews already stated in the papers to learn more about these subtheories and fields. My academic contributions prioritises my literature reviews to the field of CSR informed by stakeholder theory and the institutional logics' perspective. See "Objective of the thesis: academic contribution" page 4.

My study of corporate social responsibility (CSR) in the water sector begins with the Danish Structural Reform in 2007[5]. This reform marks the point of departure for my thesis through its seminal entrance of Danish water companies in the epoch of (Post-) New Public Management. This choice makes these companies comparable internationally to other (quasi-) privatised pub-

---

[4] Kappa is used as a term for what is known as introductory chapter in English speaking countries. The kappa forms and surrounds my collection of papers. It is typical for Danish paper based PhD theses that the kappa includes an introduction, description of the field, theory, philosophy of science, methodology, overall findings, and conclusion, and afterwards the papers are presented as individual contributions to the PhD thesis.
[5] http://www.sum.dk/Aktuelt/Publikationer/Publikationer/~/media/Filer%20-%20Publikationer_i_pdf/2004/Strukturaftale.ashx, retrieved 26 August 2013

lic companies. This landmark is chosen specifically in order to highlight that this thesis is not a historical survey of institutional changes[6]. It aims to be a cross-geographically comparative, institutional study of water companies. These companies are both local/national Danish companies, and geographically and culturally diverse water companies from Scandinavia, the United Kingdom, the United States and South Africa. At the same time the project is positioned in an era of economic turbulence since the 2007/2008 financial crisis leading to the current recession, which has challenged the stability-change dichotomy of organisations in general (Van Wart, 2012, p. 230). Thus, this project naturally will deal with the global context as an environmental frame impacting the organisations I examine.

I initiated my study by a curious observation regarding the field of the Danish water sector. Many top managers were obviously furious about the new Structural Reform in 2007, which introduced a stricter regulation of them as seen abroad. They explained that this regulation *"harmed our entire work with social responsibility"* (interview A, March 2011). This conflict became crucial to me in the direction and snowball effect of my study. I wondered all through my investigation what was underlying this anger and its identification with the concept of CSR and used this as a guide for my further study. My research questions are:

> **How is corporate social responsibility interpreted and enacted in the water sector?**
> - o What role does CSR play in this sector?
> - o Which institutional logics underlie this role?
> - o How do materials and material practices constitute the logic of CSR in this sector's and its engagement with its stakeholders?

To embrace such complexity in my study of CSR in water companies I have found theoretical interest in the theory of institutional logics (Friedland & Alford, 1991; Thornton et al., 2012). Institutional logics consist of *"a set of material practices and symbolic constructions"* (Friedland & Alford, 1991, p. 248), which are *"symbolically grounded, organisationally structured, politically defended, and technically and materially constrained, and hence have specific historical limits"* (Ibid., pp. 248-249). This definition initiated the literature of institutional logics

---

[6] although critical historical events will be mentioned

in a reaction to institutional isomorphism (DiMaggio & Powell, 1983) and its macro-oriented approach to organisational change and agency explained by coercive, normative, and mimetic isomorphism (DiMaggio, 1988; Friedland & Alford, 1991; Thornton & Ocasio, 1999, 2005; Thornton et al., 2012). The institutional logic's perspective is thus claimed to be more inclusive of micro- and meso-processes of action (Thornton et al., 2012). As my investigation of CSR and stakeholder engagement in water companies developed, I wondered how the object or the material product of these companies might have framed their perception of CSR and stakeholder engagement.

Managers of water companies clearly perceived their identity as providers of a crucial consumer good to the public such as clean water and furthermore treat and clean the end product of wastewater before diffusing it back to nature. It has to my research clearly become a part of their institutional logics driven by their material practices and defended in their logic of CSR. This logic has shown to be capable of colonising multiple institutional logics existing in the water sector such as the institutional logic of capitalism, the state, bureaucracy, religion/science, profession, and corporation (Friedland & Alford, 1991; Thornton et al., 2012). My interest was to find out to which degree the claim: *"we are CSR"* is embedded in the organisational culture of diverse water companies and what was possible to learn about CSR by participating in the everyday life in such companies.

The institutional logics perspective frequently refers to the term culture and how materials and material practices are embedded in this. According to scholars of institutional logics' perspective, logics consist of cognitive schemas, normative expectations, and material practices (Jones et al., 2013, p. 52; Friedland & Alford, 1991; Thornton & Ocasio, 2008). Since the literature of institutional logics' perspective lacks studies and descriptions of materials or material practices (Jones et al. 2013, p. 51) my study of how water companies work with CSR and stakeholder engagement sets out to contribute to filling this gap. To contribute to the understanding of the role of materials and material practices in institutional logics I will utilise my findings of studying agents working with corporate social responsibility in the water sector and show how this work related to the object or material product of water and how the logic of CSR is traversing or bridging different institutional logics. I conclude that the material practices and its physical and symbolic meaning forms what I term a colonising logic of CSR in the water sector due to its historical roots as a public service company.

To explore the logic of CSR and its enactment through the water companies' stakeholder engagement has meant that I had to think very broad in order to capture the institutional logics flowing in the field. I had to determine which (other) logics are in flow (entering and passing), which are sedimented (permanent), and which are in-between (potential of becoming permanent or disappearing). I have identified a logic of economy, a logic of environment, a logic of new public management, and most importantly, the logic of corporate social responsibility. These are all more or less permanently sedimented through the period of the observation study in the Danish water companies. Research has recognised that multiple logics typically exist in organisations (e.g. Binder, 2007) and they may compete, coexist, or be hybridised in different ways (e.g. Reay & Hinnings; Westenholz, 2012).

However, it has for me been more interesting to find new descriptors of what constitutes a certain logic that seems to dominate, compete or coexist (or both) with other logics (Jones et al., 2013), and which role do materials and material practices play in constituting a colonising logic. Therefore I have tried continuously to cover as large a range of agents in the field as possible without exhausting myself in data overflow, which is more specifically explained in the section on "Philosophy of science" and "Methodology" page 48 and 55 respectively. Next, I will explain the overall objectives of my thesis and state my academic contribution as well as how the thesis is structured.

Objective of the thesis: academic contribution

Since my thesis is based upon eight different papers relating to the field of CSR and stakeholder engagement in the water sector it naturally explores different theories and quasi-theories. Some of the theories and fields are more pervasive than others throughout my thesis. Those theories and fields that contribute more specifically to my overall academic contribution are prioritised as my academic contribution:

- **Primary academic contribution** to the field of corporate social responsibility seen from a stakeholder perspective (Freeman, 1984/2010; Freeman et al., 2010).
- **Secondary academic contribution** to the institutional theory of the institutional logics' perspective (Friedland & Alford, 1991; Thornton, Ocasio, & Lounsbury, 2012).

This prioritisation informs the thesis as a whole. It is therefore also displayed in the composition of the kappa starting the field of CSR and stakeholder engagement and followed by the theorisation into the institutional logics perspective.

Structure of thesis

After this introduction the "Contextual background" for my study is provided consisting of a description of how a water company works and its overall contextual frame within the New Public Management field. It is crucial to understand this contextual background especially since CSR developed from the private sector (Moura-Leite & Padgett, 2011) and is emerging in the public sector, in which the water sector in question originates. Next, the field of corporate social responsibility seen from a stakeholder approach is examined in the section called "Field". Both the field of CSR and stakeholder theory have separate, but entangled trajectories, and therefore the main contribution to the field of CSR will be informed by stakeholder theory.

In the following section, the theoretical basis of the thesis is elaborated in the institutional logics' perspective (Friedland & Alford, 1991; Thornton et al., 2012). Hereafter I reflect upon the philosophy of science, which plays an important role in the way research studies are performed (Buch-Hansen & Nielsen, 2008). I explain how my own background in respectively positivism and humanism has made my choice of philosophical stance blurred. I took initially a typical sociological stance in social constructivism, and I struggled with its general counter-reaction against positivism or neopositivistic approaches, which I found a little bit odd. I had a hard time reconciling with the social constructivism's deontological stance explaining every phenomenon only in epistemological terms.

For instance, physical phenomena are only perceived and interpreted and thereby constructed by human beings (Berger & Luckmann, 1967). That physical objects only means something to humans through our knowledge about it and does not have a meaning outside this epistemological conception was hard for me to grapple with. As one follows my papers, the readers may recognise that I move towards a stance of critical realism, which shares some parts with social constructivism since it too criticises positivism severely. However, it also recognises the ontological part of philosophy of science acknowledging that physical objects do have a meaning that may be beyond our knowledge of it (Buch-Hansen & Nielsen, 2008).

This section is followed by the methodology part of my thesis, which shows the same movement from constructivism towards critical realism. I have been relatively consistent in my choice of analytical method by using James Spradley's (1979, 1980) ethnosemantic method as an instru-

ment for analysis (see especially paper #3, #4, and #6)[7]. Next, I assemble my findings from respectively the papers and the kappa respectively in the section called "Finding", and finally I conclude my thesis in the "Conclusion" before the papers are presented.

Limitations

Since my PhD thesis is mainly based upon a qualitative study of seven Danish water companies, my contribution is working on the premise of being *analytically generalisable* (Flyvbjerg, 2006; Kvale, 2007; Yin, 2009). I have carried out participant observations in one main host organisation and to a minor degree in another, interviewed managers and stakeholders of all seven companies, followed seven case study pipeline installations and sustainable project management in Denmark, Norway, and Sweden, and collected thousands of documents from Danish, British, American, and South African water companies. This means that my conclusions are generalisable to the specific situations studied and can due to its cross-geographical character be seen as proposing generalisable findings to inform the literature, academic fields, and theories chosen in this thesis.

---

[7] Although paper #3 and paper #6 are informed by critical theory I do not see the inappropriateness neither towards constructivism nor critical realism since both concepts claim to include this approach as well (Buch-Hansen & Nielsen, 2008)

CONTEXTUAL BACKGROUND

The water sector

The examined water companies have at least two main distinct functions[8]: 1) abstraction, purification, and distribution of fresh water and 2) transportation and purification[9] of wastewater. Abstraction of water means collecting the water from the natural resource available. In Denmark almost all freshwater stems from groundwater deposits, and only in a few locations[10] freshwater is still abstracted surface water. In general the Danish groundwater is free of contaminants that it almost without any processing is available for distribution (Andersen et al., 2006). This is not a typical setting in other countries. Groundwater deposits may be depleted and polluted that purification of fresh water is needed no matter which source the raw water is abstracted from (Gray, 2010).

Processing fresh water prior to distribution consists of different techniques due to the purity of the raw water abstracted. In Denmark uncontaminated fresh water is only processed through two steps: i) a sand and gravel filter to detach iron particles from it (ocher) mainly due to create a good taste (and not a taste of iron) of the water, and ii) an oxidation process in order to re-oxgenate it and make it taste well (Karlby & Sørensen, 1998). In many other nations additional processing is needed before the fresh water is ready for distribution. A typical process to eliminate bacteria and other contaminants is to add a chlorine solvent in order to reduce health related risks of drinking freshwater. This affects the taste of water eventually (Gray, 2010).

Distribution of water as well as the transportation of wastewater happens through networks of pipelines, storage, and pressure systems to reach or leave the consumers. Water distribution is typically done by pressure systems in order to provide running water in the taps of a certain pressure. Wastewater transportation typically consist of two distinct but combined techniques: a) a gravitation systems, where wastewater gravitate (run downwards due to the force of gravitation), which saves a lot of energy and b) pumping systems, where wastewater is pumped from A to B (Karlby & Sørensen, 1998). There are many different ways to process the purification of wastewater. Different methods are preferred according to the condition of the wastewater, which may locally differ from each other even in the same city. The typical overall processing consists of a separation of fluids, lipids, and hard material through first a grating process followed by a

---

[8] albeit with several subfunctions
[9] for most companies that is
[10] typically around Copenhagen

sedimentation process. After this different biological processes follow in a flow of a combination of aerobe, anaaerobe, and sedimentation processes. These processes respectively detach nitrogen, phosphorus, ammonium, and derived/combined chemical compounds and furthermore they sediment sludge for reprocessing. Finally, a chemical process detach the remaining contaminants that the biological part could not process. Parallel to this 'fluid' process is running a sludge process of dewatering it to a level where it can be utilised either for energy making (biofuel) or as fertiliser on farmlands (see e.g. Tchobanoglous et al., 2003 for a more in depth description).

The above describes very shortly the main processes of a water company. Besides these operations, renewal and maintenance of the infrastructure of pipe systems, pumping stations, basins and reservoirs as well as buildings and processing assets is also part of the companies to take care of. Although the above seems to encompass most of the work a water company does, the short description of this part of the work does not leave a full impression of how much the work actually entails. The processing is run almost automatically by computers and machines (mainly pumps) in a water company, whereas the work of the people is concerned with operation, maintenance, renewal, rehabilitation, creating new pipeline systems and administration (Lenton & Muller, 2009), which I will not describe in further detail here, but leave readers to read more in the papers of the PhD thesis.

New Public Management

The study of the water sector gained relevance in Scandinavia and especially in Denmark when it in 2003 was announced in a Danish ministerial report that a major institutional change was underway (Spenner & Wacker, 2003). Here a thorough service investigation of the Danish water sector was announced in order to find ways and potentials for making the sector more efficient and effective. Although no names of international movements nor intergovernmental bodies were mentioned in this report, it was clear that this was not an invention manufactured by the Danish state. It was a part of a larger New Public Management (NPM) trajectory going on worldwide induced by the OECD into its member states and slowly introduced (Greve, 2009; Torfing, 2008) to the Danish water sector. To understand what was going on in the Danish water sector from the Structural Reform in 2007[11] it is necessary to understand this movement and its implications.

---

[11] see http://oim.dk/media/58904/UK-overhead-august-2004.pdf (in English), retrieved June 13th 2013.

New Public Management is an umbrella term for a global movement consisting of neoliberalistic economic ideas initiated in the 1930s (O. K. Pedersen, 2011), which gained political momentum in the late 1980s through prominent figures such as Margaret Thatcher and Ronald Reagan (see Hood, 1991, 1998; Osborne & Gaebler, 1992; Lynn, 2006). Neoliberalism arose after the Great Depression as an academic discussion of how to prevent a similar situation from happening again. Figures such as Milton Friedman, Frederick von Hayek, and Joseph Schumpeter were among those, who in the post-war period led a discussion as to how to connect economic theories with theories of democracy into a new synthesis of individual freedom away from the totalitarian regimes seen during the World Wars (O. K. Pedersen, 2011).

In the neoliberalist approach people were perceived as utility maximising for their own sakes. Theories such as rational choice and agency theory were established to explain how people first and foremost were characterised by rational, but egoistic thinking about their own benefit before others' and how to cope with these traits. Theories of the market as an equilibrating system grew emphasising a system of freedom and competitiveness and agency theories were developed to combine this with systems of fair, political control, such as principal-agent relations, contract-establishments, monetarism, and other rational behavioural theories.

> *"While post-war international economies were built upon states' objectives of national protection of "domestic markets" and national welfare-states' compensation for their workforce[12], today's international competition rests on assumptions regarding that nations compete through opening their economies and mobilising their material and immaterial resources in competition with others"* (O. K. Pedersen, 2011, p. 31-32, my translation).

These neoliberal ideas laid the foundation for the political lines of thinking that characterised New Public Management from the 1980s and later. It is debatable whether today after 20-30 years of implementation it should still be termed New Public Management rather than Post-NPM, Public Governance or just Public Management (Kettl, 2002; Pollitt & Bouckaert, 2004; Torfing, 2008; Greve, 2009, 2011). I have chosen to continue naming it New Public Management as initially, since many of the initial ideas and instruments within the international trajectory of NPM are new to the water sector. These instruments used in this sector are derived from both the first and second international waves of NPM from respectively the 1990s and 2000s.

---

[12] for instance when work was not applicable or available

The first wave of NPM changes in the public sector was inspired by neoliberal economic ideas that minimised and streamlined the public sector by introducing managerial instruments and techniques from the private business sphere to save money and create more welfare through privatisation (Hood, 1991; O. K. Pedersen, 2011). This idea was explained in the New Right policy movement adopted by the Niskanen-inspired Margaret Thatcher and Ronald Reagan and taken up in the Anglo-Saxon and Amerian public administrations in the late 1980s as a reaction to the financial crisis in the 1970s and the following massive inflations that had stalled the global economy in many countries (Niskanen, 1973; Kettl, 2000; Pollitt & Bouckaert, 2011).

One of the first nations to implement this change was New Zealand, who faced an economic collapse already in 1984. The experiences from stabilising this nation's economy formed what came to be international reform strategies induced by the OECD and diffused to many other nations as New Public Management (Pallot, 1998; de Vries, 2011; O. K. Pedersen, 2011). The overall idea behind NPM was to save money by improving performance in the public sector, or to 'do more with less' to prepare nations for the global competitiveness that governments faced (O. K. Pedersen, 2011).

Instruments to improve the Three E's; economy, efficiency and effectiveness in the public sector were soon adopted from the private business sector (Pollitt & Bouckaert, 2004; J. S. Pedersen, 2010; Christensen & Lægreid, 2010) such as budgeting and accounting, Total Quality Management, benchmarking, performance auditing, LEAN management, outsourcing, and privatisation. Some countries suffered severely from financial depletion, and this strategy proved to have a certain effect of stabilising its national economies, such as in New Zealand (see Whitcombe, 2008). However, not all instruments proved to be viable to 'do more with less'.

The quality of public service–privatised or not–did not improve everywhere, but was creating a new massive bureaucracy, which only counted quantitatively how many was serviced but not how well they were serviced. Especially in the human relation part of public services such as hospitals, nursing homes, child care, and schools, sending more individuals through the system with less 'warm hands' did not improve the quality the citizens experienced (see Gustafsson & Szebehely, 2009). To count the quality performed in quantitative measurements through performance auditing was also hard to do in Denmark. For instance, patients, elderly, children, and

their relatives feel that a nurse having only 15 minutes to serve ones relatives in nursing houses a day is rather inhuman (see NetAvisen, 03/04-2013[13]).

The second wave of NPM was initiated in the late 1990s and tried to improve the quality of public service in new ways by moving away from the rigid counting of quantities. Instead this wave went into defining qualities that could be measured both by counting but also by more descriptive ways. Meeting qualitative objectives was typically measured by client surveys or described as annually overall qualitative goals (Pallott, 1998). For instance, in hospitals new ideas of restitution at home supported by hospital facilities, supervision from general practitioners or municipal services allowed patients, instead of lying in hospital beds for several weeks, to recover faster by being more physically active (e.g. Wind et al., 2006; Kehlet & Wilmore, 2008; Pedersen & Huniche, 2011). In this way hospitals could improve patient frequency, rehabilitation, and reduce waiting lists as their primary objectives by sending the patients to other public service areas near their own home.

The Danish state–as well as other Scandinavian countries–has in general been reluctant to adopt the instruments from the first wave of NPM. Typically the privatisation momentum did not have the same effect here as in the Anglo-Saxon countries. Budgeting and accounting as well as performance contracting was adopted in some state offices in the beginning of 1990s (personal communication with official from the Financial Ministry, February 2012). Privatisation or quasi-privatisation of the oil and gas sectors (mid 1980s[14]), the airports (1990)[15], telecommunication (1991), postal service (1995)[16], the electricity sector (1999)[17] as well as cultural institutions (2002)[18] also happened. Seeing the effects from early adopters of NPM and how they changed into less counting and more descriptive measurements of quality in public service, the first decade of the 2000s inspired a series of reforms in Denmark. Danish reforms have during the last

---

[13] http://navisen.dk/blog/minuttyranniets-afskaffelse-er-en-succes/ (In Danish), retrieved June 13th 2013.
[14] for instance Dong Energy A/S has roots back to 1972 as Dansk Naturgas A/S, but begins producing oil and gas in 1984, merges with other state-owned companies in 2002, and is fully liberalized in 2006, see http://www.dongenergy.com/EN/About%20us/dong%20energy%20in%20brief/Pages/history.aspx, and Vagtborg and Langfrits (2008) http://studenttheses.cbs.dk/bitstream/handle/10417/334/snjezana_m_vagtborg_og_marianne_t_langfrits.pdf?sequence=1, retrieved June 13th 2013.
[15] see http://www.cph.dk/CPH/UK/ABOUT+CPH/Organisation/, retrieved June 13th 2013
[16] see http://www.postdanmark.dk/en/Om%20os/Virksomheden/Historie/Pages/home.aspx, retrieved June 13th 2013
[17] see http://www.co-industri.dk/Lists/Pjecer/Attachments/134/Elsektor.pdf (in Danish), retrieved June 13th 2013.
[18] see http://www.smk.dk/fileadmin/user_upload/Dokumenter/om-museet/organisation/rammeaftale_2002-2005.pdf (in Danish), retrieved June 13th 2013.

decade been implemented in the sectors of education; higher education (2002)[19], secondary education (2007)[20], the police service (2007)[21], the tax institution (2005/2013)[22] and the water, wastewater (2007/2009)[23] and waste sectors (2007/2010)[24]. The typical NPM instruments used in Denmark up till today are the creation of independent boards, budgeting and accounting, performance contracts between owners and operators, outsourcing and contracting out services to private companies, performance auditing (benchmarking) and evaluations, and in some institutions and companies LEAN management tools.

However, debates of quality in the Danish public sector are still going on, and diverse opinions of the quality of public service have and will always take place. Quality is often converted to measures of more quantities in the statements of the politicians, regulators and other public decision makers, while the *receivers* of public service such as citizens and the media often claim that the quality of the provided service may be impaired (Lægreid & Christensen, 2010; Pollitt & Bouckaert, 2011). Especially in times of financial crisis, where instruments such as the above may be further tightened into more economic savings, these services and instruments may be used to squeeze the lemon further and may have a hard time 'doing more with less'[25].

Throughout the last 20 years, innovation seems to be the word the public sector continously has been looking for by adopting business sector management tools to renew the sector and create more 'value for money' (Bowman & Ambrosini, 2000). J. S. Pedersen (2010) analysed Danish reforms during this period and found no evidence that there has been more innovation in the Danish public sector after the introduction of NPM than before. The new innovation of the Danish water sector seems not to come from structural reorganisations and introduction of new business instruments as mentioned above, but merely from the incentives inherited within the idea of 'doing more with less' despite of the structure facilitated to create it. The Danish water

---

[19] see https://www.retsinformation.dk/Forms/R0710.aspx?id=96204 (in Danish), retrieved June 13th 2013.
[20] see http://www.cser.dk/fileadmin/www.cser.dk/5074_gymnasier_der_rykker.pdf (in Danish), retrieved June 13th 2013.
[21] see. http://www.fm.dk/publikationer/2008/1678_aftaler-om-finansloven-for-2009/gennemfoerelse-af-politireformen/ (in Danish), retrieved June 13th 2013.
[22] see http://www.fm.dk/publikationer/2008/1678_aftaler-om-finansloven-for-2009/gennemfoerelse-af-politireformen/ (in Danish), retrieved June 13th 2013.
[23] see https://www.retsinformation.dk/forms/R0710.aspx?id=125346 (in Danish), retrieved June 13th 2013.
[24] see http://www.mst.dk/Virksomhed_og_myndighed/Affald/organisering_affaldssektoren/den_nye_affaldssektor/Affaldsbekendtgoerelsen/ (in Danish), retrieved June 13th 2013.
[25] See the new Danish debate on outsourcing prison-management to private agents in Politiken, June 13th 2013 http://politiken.dk/indland/ECE1995576/danske-faengsler-er-dyre-i-drift/ (in Danish), retrieved June 13th 2013.

sector now works under a new Water Sector Act[26], which is created with inspiration from the UK water sector especially in regard to economic regulation[27]. In spite of important structural and operational differences between Danish and UK water companies such as respectively working under the cost-recovery principle versus profit/surplus with interest to private investors, the UK institutional water regulation system have with its 20 years of experiences adopted incentives for UK water companies to invest in sustainability initiatives and keep their economic improvements in their coming price cap reviews[28]. This idea has being adopted by the Danish water regulators in January 2013[29]. These are some of the issues this PhD is grounded in, and in the next the reader will be introduced to the field of CSR and to the dilemmas inherited by it in relation to the contextual settings of the water sector.

---

[26] https://www.retsinformation.dk/forms/R0710.aspx?id=125346 , retrieved June 13th 2013.
[27] http://www.ofwat.gov.uk/ , retrieved June 13th 2013.
[28] see for instance http://www.ofwat.gov.uk/sustainability/climatechange/pap_pos_climatechange.pdf page 15, retrieved June 13th 2013.
[29] see https://www.retsinformation.dk/forms/R0710.aspx?id=145200, (in Danish) retrieved June 13th 2013.

FIELD

The Danish water sectors' transformation from typically a municipality driven public service into a hybrid of public and private organisational forms alongside the emerging debates of CSR and sustainability in the sector soon became part of a new agenda among leading water company managers. Stakeholders such as customers, landowners, and citizens were implicitly connected to the way that these managers talked about CSR alongside environmental issues such as 'mitigating the climate change' and 'substitution for green energy'. Following these observations I chose to focus on the stakeholder approach to corporate social responsibility.

The Stakeholder Approach to Corporate Social Responsibility

The Stanford Research Institute (SRI) initially developed stakeholder theory in connection with strategic management in the 1960s as a part of their corporate planning process. It was based on the works of for instance Abrams (1951), Cyert & March (1963), Rhenman (1964), Ansoff (1965), Ackoff (1974), and Mitroff & Mason (1982). A stakeholder was by SRI defined as *"those groups without whose support the organisation would cease to exist"* (Freeman et al., 2010, p. 26). However, according to this term the stakeholders were perceived as the most friendly groups that could support the firm in question and not external groups such as the media, NGOs, or other more peripheral groups (Ibid., p. 38).

It was not until R. E. Freeman published his seminal book *Strategic Management: A Stakeholder Approach* (1984), which emphasised the importance of organisations and managers investing in the relationships with *all* those, who have a stake in the firm and not only, as Milton Friedman (1970) argued, the stockholders of the firm, that the literature around stakeholder theory was established as an academic field of its own (Steurer, 2006). A 'stakeholder' according to Freeman's definition is:

> *"Any group or individual who can affect or is affected by the achievement of the firm's objectives" (Freeman, 1984, p. 25).*

Freeman stated that the world had moved away from the input-output mode of the production view of the firm seen as suppliers delivering resources to the company, which it made into products for sales to customers (see Freeman, 1984, p. 5). It was in 1984 even moving beyond a managerial view of the firm regarding the suppliers, owners, employees and customers as not the only salient stakeholders of the firm (Ibid., p. 6). Now it had moved towards an entire net-

work of equally important stakeholders from the external sphere, whose risks and claims in a global context were as viable as the internal stakeholders (Freeman, 1984, pp. 11-24).
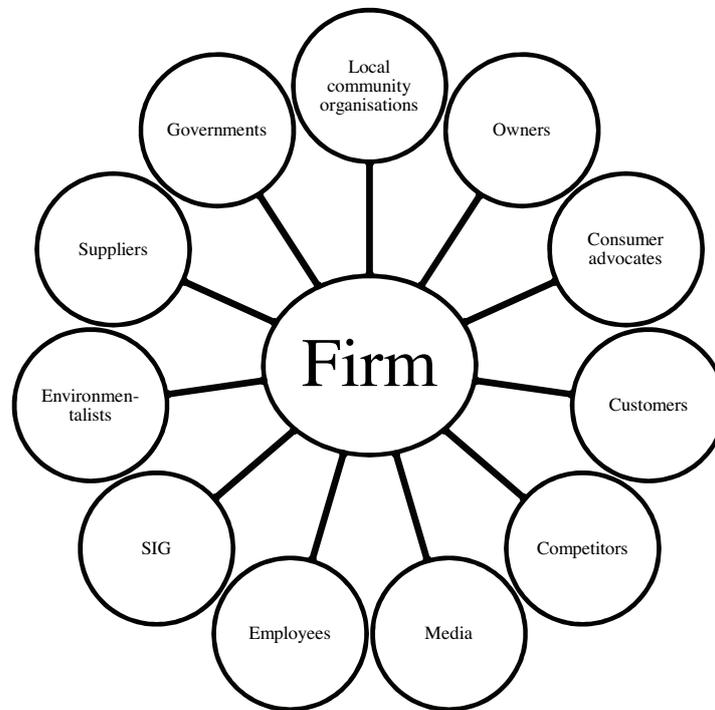
FIGURE 1: FREEMAN'S EXHIBIT 1.5 STAKEHOLDER VIEW OF THE FIRM (FREEMAN, 1984/2010, P. 25)

Freeman's stakeholder view of the firm placed a long but not infinite range of stakeholder groups around the firm having equal salience in their eventual claims upon the firm. This model set a whole new agenda of business responding to multiple stakeholders. Figure 1 shows only the principle of the model. Each company may have a long network of different stakeholders interrelated in a network, which may be unique for each company in question. The core point of Freeman's stakeholder model is that stakeholders are not divided into different hierarchies or degrees of importance. They are treated according to the type of stake they justifiably have. However, none are neglected if the company wants to succeed (see Freeman, 1984, pp. 74-80).

This idea of promoting the company's engagement with its total stock of stakeholders in order to make a company strategically successful has been one of most important approaches to the conceptualisation of CSR (Garriga & Melé, 2004; Matten & Moon, 2004, 2008; Valor, 2005; Crane & Matten, 2007; Fassin, 2009). It has even initiated the discursive gap between the proponents of respectively the 'economic' versus 'social' responsibilities of the corporation.

Ever since, Freeman has inspired stakeholder theorists to supplement his model (e.g. Donaldson & Preston, 1995), develop it (e.g. Mitchell et al., 1997; Wartick & Wood, 1998; Wood, 2008;

Fassin, 2008, 2009) or make new stakeholder concepts and perspectives (e.g. Rowley, 1997; Jensen, 2002; Fassin, 2009). All of which have made the literature of stakeholder theory vast and diverse (Buchholtz & Carroll, 2009; Crane & Matten, 2007). I have chosen to follow the line from Freeman through elaborations of his initial ideas by authors like Mitchell et al. (1997), Wartick & Wood (1998) towards contemporary and new developments like Fassin's (2009) stakeholder model.

I argue for this streamlining of ideas and its appropriateness to understand stakeholder relationships in water companies, which is seen especially in Paper #2.

Mitchell et al. (1997) and Wartick & Wood (1998) emphasised the importance of power in the relations between the company and its stakeholders. They claimed that the salience of the stakeholders depends on power, legitimacy and urgency. Stakeholders, they claim, are holding three types of power (Wartick & Wood, 1998): formal (shareholders, directors), economic (employees, customers, suppliers, creditors), political power (pressure groups, activists, governments and the community), or multiple power bases of the former (King, 2000). This emphasis on the power of diverse stakeholders divided them into a kind of hierarchy (e.g. primary and secondary stakeholders (Carroll, 1989). At the top of the hierarchy were especially those who possess all three kinds of power. It is not necessarily the stockholders or investors that in all cases host the most salient power. For instance, the consumer boycott of French products during the nuclear testing initiated by the French state in the South Pacific in 1995-96 had severe economic consequences for the French market agents long time after the testing had taken place and was politically abandoned after six out of eight announced testings (Thakur, 1996).

Fassin (2009) continued this line in his *Stake Model* and defined three types of stakes: the stakeholder who holds a stake (i.e. stockholder, owner), the stakewatcher who watches the stake (i.e. pressure groups) and the stakekeeper (i.e. regulators) who keeps the stake (Fassin, 2009). Stakeholder engagement, however, is not discussed by Fassin, who focused on mapping out different kinds of stakeholders and their connections in a network as well as their internal-external relationships (see also Rowley, 1997). However (unlike Rowley) Fassin's model is illustrated not only by ties (relationships) and knots (actors) but also by circles interacting with each other (Fassin, 2009). See Figure 2 and Figure 3.

The triangular relation between stakeholder, stakewatcher and stakekeeper transposed on the new framework as a solar system.
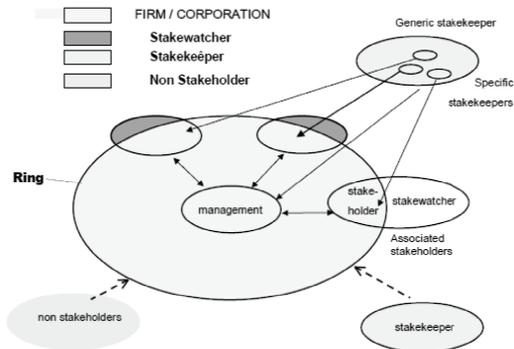
FIGURE 2

The stake model of the firm
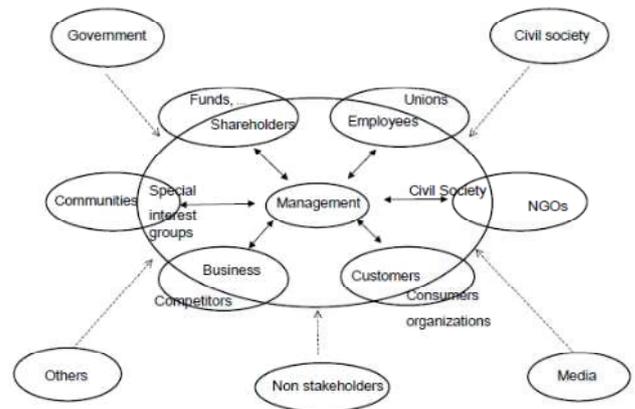
FIGURE 3

In Paper #2 I go beyond this structural unilateralism of the network focus using Fassin's model as an inspiration to elaborate my own ideas of a less stifled and more organic way of thinking about stakeholder engagement in ethical decision making. The strenght of Fassin's model is that it still contains the power/legitimacy/urgency-typology of Mitchell et al. (1997) in a new mix that accepts that stakeholders have different roles and do not always have real stakes, i.e. regulatory control (Fassin, 2009). It also acknowledges the Freemanian cognitive power between stakeholders binding them together and the simplicity that allows firms to cope with organisational complexity in a manageable way (Fassin, 2009).

The contemporary applied (or descriptive) stakeholder literature, which evaluates how different companies and managers engage with their stakeholders, supports a rather simple approach to stakeholder engagement (e.g. Pedersen, 2006; Strand, 2009; Cennamo et al., 2012; Arrigo, 2013). Even in Scandinavia multinational companies with activities in several different nations (e.g. Strand, 2009) or in public service companies working with complex and cost intensive infrastructural projects or city development use more simplistic ways to handle multiple stakeholders equally (see Flyvbjerg, 1998, and Paper #2). The Organic Stakeholder Model developed in Paper #2 is based on findings from concrete outcomes of stakeholder engagement in large infrastructural projects conducted in two Danish water companies suggesting that treating multiple stakeholders equally does not need a complex network of stakeholder analysis. It needs a well defined way of treating all stakeholders in a moral, trustworthy, and humble way related to the actual claim these different stakeholders might have, based upon the risks they face.

17

It is not hard to see why stakeholder theory has had a success as an approach to frame corporate social responsibility (CSR). As Freeman claims (Freeman, 2010, Preface to the 2010 reissue), it is almost unnecessary to talk about CSR because ideally stakeholder theory contains it all. If all stakeholders literally were satisfied with business conduct, why bother engaging in corporate social responsibility? Stakeholder theory is framed around the process of how to interact with stakeholders regardless of their claim, and corporate social responsibility is framed around the issues of concern, which the stakeholder theory does not offer an answer to. My claim is thus that the match of stakeholder theory and corporate social responsibility is successful due to its dual purposes of linking a kind of issues management with stakeholder engagement.

Corporate social responsibility

The CSR literature credits the earliest contribution to Bowen (1953) with his book *Social Responsibilities of the Businessman* (e.g. Caroll, 1999; Moura-Leite & Padgett, 2011) and how these businessmen should run their businesses (e.g. Barnard, 1938; Clark, 1939; Kreps, 1940; all cited in Carroll, 1999, p. 269). Bowen's landmark book claimed that the largest companies had a vital power due to their impact upon society and the lives of citizens in many ways (Carroll, 1999, p. 269). Therefore these businessmen must *"pursue those policies, ... make those decisions, or ...follow those lines of action which are desirable in terms of the objectives and values of our society"* (Bowen, 1953, p. 6; cited in Carroll, 1999, p. 270). Although Bowen did not define social responsibility as a term, his work set forth a literature in the 1960s that tried to come around to such a definition, for instance Davis (1960):

> *"[B]usinessmen's decisions and actions [are] taken for reasons at least partially beyond the firm's direct economic or technical interests" (Davis, 1960, p. 70; cited in Carroll, 1999, p. 271).*

Frederick was in line with these ideas, but offered a more concise definition:

> *"[Social responsibilities] mean that businessmen should oversee the operation of an economic system that fulfills the expectations of the public....in such a way that production and distribution should enhance total socio-economic welfare" (Frederick, 1960, p. 60; cited in Carroll, 1999, p. 271).*

It is from this time clear that the seeds for contemporary understanding of corporate social responsibilities were initiated although they had a hard time suppressing the economic profit motive of business. Possessing such power, scholars said, did not prevent them from having social

responsibilities and moral obligations toward the society, who had allowed them to enact their business in a rather free and unconditioned market (e.g. Votaw, 1964; Epstein, 1969). However, since most corporations did not necessarily take these responsibilities *per se* a debate was initiated about what were the actual social responsibilities businesses had.

The literature hereafter was divided into economic and social viewpoints. Some claimed that a business' only social responsibilities were to create jobs and make profit (e.g. Ansoff, 1965; Friedman, 1970; Jensen & Meckling, 1976). Others argued that businesses had more responsibilities than solely towards their stockholders and complying minimally with the law (Davis, 1973). These responsibilities were, for instance, to integrate their social responsibilities with their economic objectives (e.g. Ackerman & Bauer, 1976), to engage in public issues and balance stakeholders interests (Post, 1978; Preston & Post, 1981; Sethi, 1975), and eventually to be overseen by others in terms of stakeholder audits or corporate social audits (e.g. Bauer & Fenn, 1972; Hargreaves & Dauman, 1975). According to this divide, the economic school emphasising stockholder and shareholder wealth and the normative, ethical school emphasising societal and stakeholder welfare initiated future debates around CSR. In this historical period a third approach, which later came to intervene in the CSR debate, is the environmental issues framed in the sustainability literature (e.g. Lovelock & Margulis, 1974; Lovelock, 1979). I will postpone this issue a little but return to this movement and how it came to influence CSR later in this review.

In the late 1970s, some of the most influential concepts of CSR were published such as Frederick's (1978/1994) CSR_1 and CSR_2 and Carroll's (1979, 1991) Pyramid of CSR. Although Sethi (1975) discussed the terms CSR_1 and CSR_2 before Frederick, the latter did a more intensive job in questioning CSR_1 referring to the debatable normative responsibilities of businesses. Frederick defended the concept of CSR_2 that otherwise describes how businesses must be responsive towards stakeholder needs and expectations instead of vaguely defining what CSR really is:

> *"The CSR_2 approach simply sidesteps the issue of defining 'social betterment' [or CSR_1]...it takes, as given, that social pressures exist and that businesses must respond to them. In one sense it puts business in a passive role of simply responding to a society that actively expresses its wishes" (Frederick, 1994, p. 160).*

This shortcoming in the concept of CSR_2 as purely managerial responsiveness to others, who have to define what CSR_1 is, it is suggested, necessitates a managerial approach to CSR, which departs from the moral values of for instance stakeholder theory. Stakeholder theory assumes that the responsible company impacting the society should be morally and ethically grounded and prior to its decisions take stakeholders' and society's needs into consideration instead of waiting for a claim to respond to. Frederick's description of social responsiveness is therefore prone to be interpreted as an economic response to business managers just to let others determine if their conduct is good enough and then adjust to these demands afterwards. This is a kind of optimization and value creation by acting first and then later apologizing and seeking forgiveness if the business conduct was not accepted by society or groups within it.

Later, however, Frederick (1998) concretised his own visions about CSR framed as Social Issues in Management (SIM) and framed a third movement, CSR_3, as corporate social rectitude meaning adopting a business culture of ethics and moral consciousness (Frederick, 1986). Finally, he focused upon corporate social performance and actions taken by businesses involving stakeholder engagement in an ethical manner of recognizing their rights and justice, and focussing upon what managers actually do when they work and operate their businesses and make decisions. This was now called CSR_4 (Frederick, 1998).

Frederick had in his CSR_4 concept integrated responsiveness (CSR_2) with the ethical and moral rectitude (CSR_3) approach by a new focus away from the company as the centre (Frederick, 1986). With his CSR_4 concept the issues and those holding the risks related to those issues (the stakeholders) were emphasised by framing corporate social *performance* as the main output (Frederick, 1998). This rather long journey of Frederick's suggests that his original standpoint has moved from an economic school (Moura-Leite & Padgett, 2011) to a more ethical school over twenty years from the '70s till the end of the '90s.

Back in the late 70s, however, it was not a problem for Carroll (1979/1991) to provide an early proactive way for business managers to address such integrated issues in terms of societal and stakeholder concerns prior to decision making. He provided a simple, but ethical business model addressing the economic, legal, ethical and discrete/philanthropic responsibilities of businesses (reproduced in Figure 4).
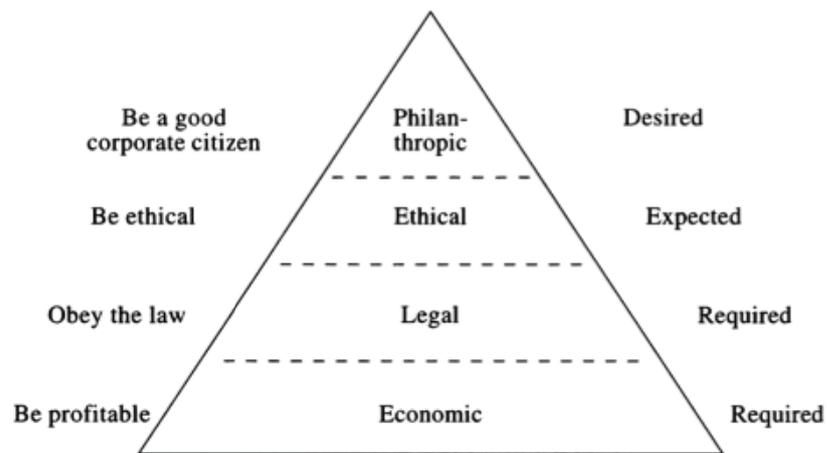
FIGURE 4: THE PYRAMID OF CSR (CARROLL, 1991)

Carroll recognised that the core of the business is to be economically profitable, maximise sales and minimise costs, and provide dividends to its investors while it at the same time should obey all laws, adhere to all regulations, and fulfil all contractual obligations. Besides this, businesses should operate above the minimum requirements and adopt an ethical behaviour and do what is right, fair, and just in an ethical manner. In that way businesses could be seen as a good corporate citizen and give back to society for its allowances of legitimacy and power to the company to run their business (Davis, 1973).

To give back was framed in terms of financially supporting the community, education, human health services, culture and art programmes to support community betterment in general (Buchholz & Carroll, 2009, p. 44). Carroll's social responsiveness model described how business could approach social pressure: either by reaction (fight or withdrawal), defence (minimum requirements or relate to the public claims), accommodation (be progressive or follow a legal approach), or proactivity (lead the industry or solve the problems at hand). He saw this as the *"action phase of management responding in the social sphere"* (Carroll, 1979, p. 502). Using this model, business could find a response towards the most important social issues related to consumerism, the environment, discrimination, product safety, occupational safety, and shareholders (Ibid., p. 503, Figure 3 in the paper referred to).

During the 1980s, Carroll's model was especially adopted in the sub-fields of corporate social performance, corporate social responsiveness, as well as the field of stakeholder management and business ethics, corporate citizenship, and public policy making (Waddock, 2004; Moura-Leite & Padgett, 2011). For instance, Jones (1980) argued that business processes of CSR should involve a hearing of all stakeholders in a fair manner. Likewise Preston & Post (1981)

argued that CSR should be seen as a kind of corporate governance tool seeing business in the context of public life and thus consider the consequences of business actions for final judgement (Moura-Leite & Padgett, 2011). This view made Donaldson argue that CSR should be framed in terms of a social contract between business and society (see also Donaldson & Dunfee, 1994). This social contract consists of economic morality, ethical norms specified by local economic communities grounded in informed consent buttressed by a right of exit that are compatible with hyper-norms. These hyper-norms framed several concrete social and environmental issues such as:

- adopting adequate health and safety standards for employees;
- granting employees the right to know about job related health hazards;
- respecting the rights of all persons to life, liberty, security and privacy;
- controlling specific operations that contribute to pollution of air, water, and soils,
- respecting core human rights such as freedom, physical security and well being, political participation, informed consent, property ownership, the right to subsistence; and the obligation to respect the dignity of each human person.

> *"In case of conflicts among norms satisfying (these) Principles, priority must be established through the application of rules consistent with the spirit and letter of the macrosocial contract" (Donaldson & Dunfee, 1994, p. 269).*

This specification, which inherently is the core issue message of CSR since the idea developed initially, made Wartick & Cochran (1985) interpret Carroll's (1979 version of the) Pyramid of CSR as an ethical principle, social responsiveness as a process, and social issues management as a kind of policy (Moura-Leite & Padgett, 2011, p. 533). Wood (1991) followed these ideas into a model of corporate social performance as:

> *"..a business organisation's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships." (Wood, 1991, p. 693).*

To assess a company's social performance Wood found it crucial to examine to which degree the company's actual principles of social responsibility motivate actions. By motivation she meant how they make use of socially responsive processes, how their policies and programmes actually are designed to manage the firm's societal relationships, and which social impacts these ac-

tions, programmes and policies eventually have (Ibid.). Wood asserted that *"the basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities; therefore, society has certain expectations for appropriate business behavior and outcomes."* (Wood, 1991, p. 695). Wood's model reproduced in Table 1 shows how these ideas build upon both Carroll's ideas (1979), Preston & Post's (1975), Sethi's (1975), and Wartick & Cochran's (1985):

The Corporate Social Performance Model

Principles of corporate social responsibility

Institutional principle: legitimacy
Organizational principle: public responsibility
Individual principle: managerial discretion

Processes of corporate social responsiveness

Environmental assessment
Stakeholder management
Issues management

Outcomes of corporate behavior

Social impacts
Social programs
Social policies

TABLE 1: THE CORPORATE SOCIAL PERFORMANCE MODEL (WOOD, 1991, P. 694)

Wood framed Carroll's categories as *"domains within which principles are enacted, but not as principles themselves"* (Wood, 1991, p. 695). Businesses may act out of self-interest trying to maximise its profits, out of mutual interest trying to balance the firm's interests with its stakeholders, or out of societal interest seeking to maximise jobs or production etc. With her new model she managed to relate Carroll's categories (economic, legal, ethical, and discretionary) to principles of social legitimacy, public responsibility, and managerial discretion. At the same time she identified processes of social responsiveness (Carroll's reactive, defensive, accommodative, and proactive) into environmental assessment, stakeholder management, and issues management. In this way she framed it all through Wartick & Cochran's (1985) ideas into outcomes or outputs of corporate behaviour as corporate social performance (CSP) (Moura-Leite & Padgett, 2011, p. 534).

The philosophy of CSP is to evaluate and judge business morality *post hoc* upon how the business acts. This approach differs from the more normative CSR prescribing how the businesses should act. However, it is hard to see CSP as being non-normative since most authors explicitly provide a model of 'what really matters' as a kind of 'how to' prescription for the businesses in

question. These descriptions or models of Carroll's, Wartick & Cochran's, and Wood's thus become normative seen from a managerial point of view. Caroll's Pyramid of CSR has also been equally credited and famed for its simplicity and assembling arguments between the economic school and the ethical stakeholder school by both authors of CSR and CSP (see Visser, 2006). However, it was later criticised by Schwarz & Carroll (2003) for its unintended focus on the top of the pyramid for philanthropic giving (charity) as the simplest solution for businesses to claim to be socially responsible while continuing doing business as usual.

The Pyramid of CSR, however, was among the strongest models of CSR, which stood almost unquestioned for two decades during the '80s and '90s. All the while global scandals by multi-national corporations such as sweatshop scandals by sports manufacturers (e.g. Nike, Adidas) and retailers (e.g. Walmart), environmental pollution incidents or resource depletion scandals (e.g. British Petrol, the Brent Spar case, the Shell case in Nigeria, and Coca Cola in India) proved that CSR was more paper work than actually embedded in business behaviour. Despite the vast literature of the stakeholder approach to CSR in both academia and the professional literature and the re-manifestation of the Sustainability Movement by the Brundtland Report (United Nations, 1989) focusing upon the severe harm to human capital and the environment created by centuries of industrialization, several problems of the globalization in the '90s occurred.

The economic welfare among as well multinational companies as well as individuals had lifted off the shadows of the oil crisis in the 1970s and the financial crises in the 1980s. The end of the Cold War initiated an economic growth that paved the way for the rich to become wealthier at the expense of others and the environment. The state of the art of nature including the climate, the divide between rich and poor, and the exploitation of poor working forces including child labour as well as natural resources such as water, oil and cheap labour in Third World were more severe than ever before. Ecological and poverty crises had taken over where economic crises and international tensions had left off (Crane et al., 2009; Buchholz & Carroll, 2009). The response from these multinational companies was in the first place to add philanthropic money to the refurbishment of the inflicted area and pay off by building schools for children, hospitals, and regenerating the natural resources these companies had exploited. However, alongside this move the critique of CSR and especially of Carroll's Pyramid of CSR and its top positioning of philanthropic giving as the primary part of CSR during the '90s, Carroll chose to revise his model with Schwartz in 2003 to correct this misunderstanding (Matten & Crane, 2005; Visser,

2006). The Three-domain Approach (illustrated in Figure 5) was a revision of the Pyramid of CSR due to Carroll's (self) critique of the companies, who interpreted the philanthropic part of his Pyramid as the most salient factor in being socially responsible (Schwartz & Carroll, 2003, p. 505).
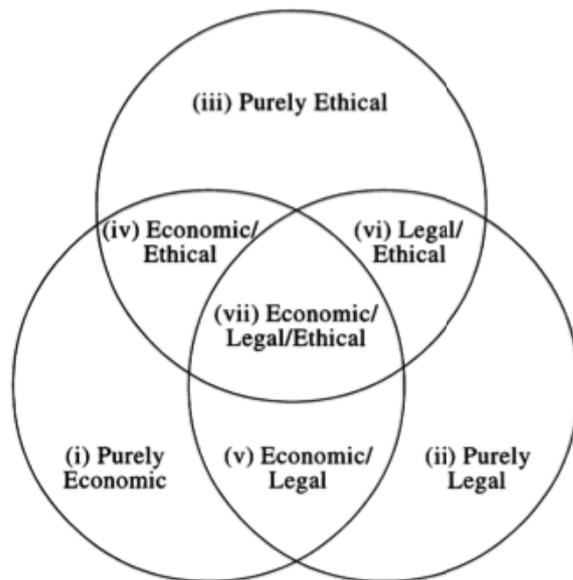
FIGURE 5: THE THREE-DOMAIN MODEL OF CSR (SCHWARTZ & CARROLL, 2003, P. 509)

The new Three-domain Model has merged the philanthropic part into other three other now more aligned parts, albeit mainly in the ethical part of the Venn diagram.

The model consists of seven parts of which number VII, the simultaneously economic/legal/ethical, is the most salient to Schwartz & Carroll (2003, p. 518). Schwartz & Carroll's model still hosts the main premises for CSR that it is voluntary and discretionary for companies to engage in.

This way of perceiving CSR as voluntary is widely recognised not only in America, but also in Europe and elsewhere. However, in Europe and especially in these days of financial recession, this voluntary part is much discussed (e.g. Karnani, 2011a+b, see also Paper #5).

A parallel stream of CSR literature has evolved around economic and political theories (e.g. Jensen, 2002, continuing Friedman's (1970) ideas in his value maximization approach to CSR (Kaufman, 2002). Coupled with the stakeholder literature the business case of CSR was perceived interesting especially after the many corporate scandals revealing how multination businesses had a hard time adopting the normative ideas of CSR during the 1990s and the beginning of the Millennium. In strategic management the work of Porter & Kramer (2002, 2006) stood as pillars voicing how businesses could get a competitive advantage by adopting CSR into their business policies, and a literature around the comparison of corporate social performance (CSP) and corporate financial performance (CFP) was initiated (e.g. Orlitzky et al., 2003). Porter & Kramer claimed that strategic philanthropy (corporate giving/funding targetted issues in society)

and cause-related marketing would pay off eventually for the company by enhanced earnings due to strengthened reputation (Porter & Kramer, 2002, p. 16):

> *"If systematically pursued in a way that maximizes the value created, context-focused philanthropy can offer companies a new set of competitive tools that well justifies the investment of resources"*.

Later they modified their claim (Porter & Kramer, 2006, p. 4) into *"the reputation argument seeks that strategic benefit, but rarely finds it",* and suggested that *"both business decisions and social policies must follow the principle of <u>shared value</u>"* (Porter & Kramer, 2006, p. 5) between business and society. Business should identify those areas of greatest strategic value for their social investments in order to create a competitive advantage for themselves that at the same time benefits society best. Orlitzky et al. (2003) analysed 52 studies with a total sample size of 33,878 observations of CSP-CFP[30] relationships among different business sectors and found that although it was possible to find a positive CSP-CFP in some issues of CSR, it was not found in businesses' environmental performances. Another approach to the business case of CSR was the Bottom of the Pyramid (BOP) initiated by Prahalad and colleagues (Prahalad & Hart, 1999; Prahalad & Hammond, 2002). This model suggested that multinational companies operating in economies at the bottom of the pyramid could make a fortune while improving the lives of millions by moving their production to the world's poorest areas:

> *"They [the MNCs] need only to act in their own selfinterest, for there are enormous benefits to be gained by entering developing markets" (Prahalad & Hammond, 2002, p. 4).*

Surely, many multinationals had been aware of this fortune, but mainly for themselves and not for the societies in which they moved in, who perhaps did receive the benefit of more jobs in local areas. However, at the same time they realised that multinationals did not do much good to their society's resources other than to deplete and pollute them (e.g. the Coca Cola adventure in India and the recent fashion adventure in Bangladesh). After the global financial crisis in late 2007 researchers have blamed the business case argument of CSR (or CSP) for not being as effective as promised. This critique of the economic approach to CSR (e.g. Porter & Kramer, 2002, 2006; Karnani, 2011a+b) made Porter & Kramer (2011) claim that businesses had misun-

---

[30] Corporate Financial Performance

derstood the entire idea of shared value and continued business as usual without following up on the good intentions of CSR at all.

As shown in Paper #5, the ideas behind the CSR models initiated by the normative and non-business case claiming literature such as Carroll's models has for many reasons survived and passed on into the contemporary literature of CSR. It has also found its way into institutional understanding of CSR supported by intergovernmental bodies such as the UN Global Compact and the OECD Guidelines for Multinational Companies[31]. This PhD thesis builds upon the ideas initiated by Carroll (1979/1991) and Schwartz & Carroll (2003) in which I try to analyse what is needed for future CSR models and how upcoming businesses in the intersection of the private and public sphere such as (quasi-) privatised water companies can contribute to this knowledge and development of the CSR concept. It is clear that the mind of *homo economicus* (Mill, 1836, 1874; Persky, 1995) in business life has had a hard time being integrated with the idea of serving society and the stakeholders inhabiting it. The global problems seen lately explicitly in the financial sector needs an understanding of how CSR might have failed in this matter, but the CSR concept in Europe and Scandinavia needs also to be reviewed before it is possible to understand how companies created out of former public service agencies can serve as models for new conceptualization of stakeholder engagement and CSR.

CSR IN EUROPE

Although CSR had had much more attention in America long before the agenda reached the European Continent, it does not mean that European business life was not socially responsible due to the absence of academic literature before the 1990s. Matten & Moon (2004a[32], p. 1) referred to the early signs of CSR in Europe in the 1980s with a major British business coalition Business in the Community (BITC) and in 1996 with the industry organisation CSR in Europe. The aim of these programmes were to foster and promote CSR among European businesses prior to the European Commission's embedding CSR into its policies (Commission of the European Communities, 2001, 2002). According to Matten & Moon it was not until the multi-stakeholder organisation the European Academy of Business in Society (EABiS) was founded in 2002 focusing on CSR in business education and research that the European academic literature took speed (Matten & Moon, 2004a, p. 1). To understand the academic literature gap between

---

[31] see www.unglobalcompact.org and http://www.oecd.org/daf/inv/mne/
[32] see http://195.130.87.21:8080/dspace/bitstream/123456789/1124/1/29-'Implicit'%20and%20'Explicit'%20CSR%20A%20conceptual%20framework%20for%20understanding%20CSR%20in%20Europe.pdf

American and European contributions Matten & Moon (2004a+b, 2008) researched the socio-economic premises current on both continents and suggested a new term called 'explicit' and 'implicit' CSR. Matten & Moon (2008, p. 405) set up the research question:

"Why have U.S. corporations long made explicit their attachment to CSR, whereas European business responsibility to society has tended to be more implicit such that few specific corporate claims have been made?"

Their findings suggested that the answer was to be found through institutional and cultural differences related to how businesses work in these two continents. In America there was relative less business regulation and more institutional incentives for businesses to provide benefits for employees such as health insurances, pensions, educational financial support, and charities of various kinds. In Europe, businesses act in a system based upon a much larger national welfare system funded through citizen and business tax systems and not to the same degree upon direct business paid welfare (Matten & Moon, 2008, p. 409). Matten & Moon defines the derived kinds of CSR as:

"By "explicit CSR," we refer to corporate policies that assume and articulate responsibility for some societal interests. They normally consist of voluntary programs and strategies by corporations that combine social and business value and address issues perceived as being part of the social responsibility of the company.... The point remains that explicit CSR rests on corporate discretion, rather than reflecting either governmental authority or broader formal or informal institutions".

"By "implicit CSR," we refer to corporations' role within the wider formal and informal institutions for society's interests and concerns. Implicit CSR normally consists of values, norms, and rules that result in (mandatory and customary) requirements for corporations to address stakeholder issues and that define proper obligations of corporate actors in collective rather than individual terms. While representative business associations would often be directly involved in the definition and legitimization of these requirements, individual corporations would not normally articulate their own versions of such responsibilities." (Matten & Moon, 2008, p. 409).

Since these definitions became popular in a growing European CSR literature (e.g. Hiss, 2009; Meyer & Höllerer, 2010; Höllerer, 2012; Höllerer et al., 2013; Strand, 2012) it is valuable to dwell a little more on Matten & Moon's model to understand why this has had this influence. The comparison of explicit and implicit CSR (reproduced in Table 2) shows a business-oriented approach in the explicit CSR versus a societal, institutional approach to CSR in the implicit CSR, which is expressed less

Explicit and Implicit CSR Compared

Explicit CSR	Implicit CSR
Describes corporate activities that assume responsibility for the interests of society	Describes corporations' role within the wider formal and informal institutions for society's interests and concerns
Consists of voluntary corporate policies, programs, and strategies	Consists of values, norms, and rules that result in (often codified and mandatory) requirements for corporations
Incentives and opportunities are motivated by the perceived expectations of different stakeholders of the corporation	Motivated by the societal consensus on the legitimate expectations of the roles and contributions of all major groups in society, including corporations

TABLE 2: MATTEN & MOON (2008, P. 410) COMPARISON OF 'EXPLICIT'/'IMPLICIT' CSR

Implicit and Explicit CSR

CSR as an *implicit* element of the institutional framework of corporations

CSR as an *explicit* element of corporate policies

Liberal market economies

National institutions encouraging
• Individualism
• Discretionary agency
• Incentivizing responsive actors
• Liberalism
• Network governance
• Policies providing discretion
• Isolated actors

Coordinated market economies

National institutions encouraging
• Collectivism
• Systemic/obligatory agency
• Incentivizing program-driven agency
• Solidarity
• Partnership governance
• Policies providing obligations
• Interlocking/associated actors

FIGURE 6: MATTEN & MOON (2008, P. 411) DIFFUSION OF 'EXPLICIT'/ 'IMPLICIT' CSR

directly in business policies, because it is more or less institutionally taken for granted that these are the premises, that businesses have to live up to.

Similarly, in Figure 6, Matten & Moon show how the typical explicit CSR approach is more aligned with an individualistic oriented liberal market economy. Here it is assumed that businesses should have as much freedom to operate while under certain and vital responsibilities to contribute to societal wealth. Whereas in coordinated market economies based on more collective objectives, these things are embedded in societal expectations that may be more clearly expressed in (mandatory and codified) laws, union agreements, and normative, cultural ways to serve a broad audience outside the business sphere.

Compared to the former part of this literature review, it has through Matten & Moon's contribution become easier to see why the stream of corporate social responsiveness and corporate social performance–i.e. that businesses should be judged by their stakeholders due to its *action* and adjust their actions as a response to stakeholder claims–had been more flourishing in America throughout the '80s and the '90s. In Europe during these decades, the CSR literature had been almost absent perhaps due to a more institutionally controlled (and regulated) governance of businesses in terms of how they should live up to stakeholder concerns (see also Doh & Guay, 2006). Due to this stronger institutional foothold on business life in Europe another trend making businesses less prone to object towards institutional control is suggested by Doh & Guay (2006, p. 51):

> *"Interest groups have a formal, institutionalized place in the policymaking process of many European countries (Wilson, 2003). For reasons ranging from history (Italy) to economic efficiency (Germany) to the maintenance of social peace (Austria), most West European governments regularly include business, labour, and other significant interest groups in the policy making process".*

This means, that the way businesses had influence in public policy making was not to promote CSR as explicit, but to actively engage in the policy making on national level (lobbyism) that promoted implicit CSR. This was much less visible for the external audience such as citizens and other interest groups than it was to the directly involved politicians and businesses in the game.

As we saw in the former review of the history and movement of New Public Management (NPM) being more and more embedded in a European context[33], it makes more sense that during the last two decades the evolvement of a specific European CSR literature has grown parallel with the detachment and deregulation of its institutions (see Hiss, 2009; Meyer & Höllerer, 2010; Höllerer, 2012; Paper #1 and Paper #3). However, the NPM trajectory cannot necessarily explain why European business life has become more explicit in its CSR approach. For this reason it is more likely that Matten & Moon's (2008) institutional analysis of the globalization and their use of the theory of institutional isomorphism (DiMaggio & Powell, 1983) may explain

---

[33] by dividing the state and local governments into independent and business driven entities such as privatised or quasi-privatised public service companies

this development. CSR has been diffused from the multinational companies (MNC)[34] down to small and medium sized companies due to imitation, branding, reputation management and other marketing related issues in order to compete in a globalised society (see also Habisch et al., 2005; Steurer, 2010; Steurer et al., 2012; and Paper #3).

CSR IN SCANDINAVIA

The high trust in institutions in Europe is especially viable in Scandinavia (e.g. Korhonen & Seppala, 2005; Morsing, 2005; Willums, 2005; Strand, 2009). In Finland companies are found to be less trusted than state institutions but still trusted more highly than elsewhere in the European Union (Korhonen & Seppala, 2005, p. 14). In Norway the *"social responsibility of family-owned companies has been far more important than any religious drivers or family traditions that can be found in other countries"* (Willums, 2005, p. 40). In Sweden, where large multinational companies such as IKEA, H&M, and Volvo are based, it has been possible to make a business case out of their CSR implementation (Strand, 2009). And in Denmark, although exposed to strong environmental regulation since the 1980s, Morsing (2005, p. 23) reports that *"many Danish managers also claim that ethics and social responsibility always have been an inherent way of doing business"* due to social initiatives implemented implicitly to local stakeholders' expectations and demands (see also Strand, 2009).

Morsing gives an example of why the framing of corporate social responsibility has been absent in a Danish context with reference to the Danish social legislation from 1933, where it is clear that the Danish state is the sole provider of all social services (Strand, 2009). This clear divide in responsibilities between the state and businesses and the strong environmental regulation and traditional negotiations with trade unions in questions means that the debate about CSR was perhaps absent in explicit terms. However, it has been framed into other academic fields such as social and political research areas of social welfare. The Nordic Welfare Model grants its citizens extensive social rights (e.g. Berghmann, 1997; cited in Morsing, 2005, p. 24), and due to the high tax level in Nordic countries for both citizens and businesses it has been and still is possible to continue this divide between state and business responsibilities (see also Paper #1).

Scandinavian companies perform disproportionately well in the major sustainability indices in comparison to other regions, including U.S. companies (Gjølberg, 2009; cited from Strand, 2012, p. 96). The management in Scandinavian companies typically involve employees in dia-

---

[34] especially through the promotion by the OECD Guidelines for Multinational Enterprises and United Nations Global Compact, the European Commission (2001, 2002) and several European governments

logue and strategy making as well as them cooperating with their local communities and other external stakeholders prior to decision making (Morsing et al., 2007, p. 89; Lauesen, 2012). This may be partly in order to avoid delegitimation, scams and public harassment, which might make a company operating in small countries with approximately five million citizens more vulnerable than it would be for multinationals placed in distant and areas abroad more disconnected to their local stakeholders in Scandinavia.

However, many Scandinavian managers favour the sustainability approach to CSR due to these strong institutional settings securing the stakeholder engagement with companies. This stream is growing also within the institutionalised CSR concepts promoted by the OECD Guidelines and UN Global Compact as well. It is even said, that CSR in Europe and Scandinavia especially is much more focused upon environmental issues than other social issues (Visser, 2010a+b). This may be due to the still strong involvement of implicit CSR in legislation and institutional norms and values concerning social issues in Europe. This leads me to the final part of the literature review taking the special field of Sustainability as an approach to corporate social responsibility into consideration as well.

SUSTAINABILITY AS A CONCEPT ADOPTED IN CSR

The Sustainability literature, which also has inspired my understanding of CSR, is partly an independent stream initiated in the late '60s and beginning of the '70s (e.g. Lovelock, 1969; Lovelock & Margulis, 1974). Since then, it has become part of a broader CSR conceptualization especially after the Brundtland Report adopted in 1989 by the World Commission on Environment and Development (WCED) initiated by the United Nation's General Assembly chaired by the then Prime Minister of Norway, Gro Harlem Brundtland.

This report had a great impact on the world's international and national policies (Schubert & Láng, 2005) since it recognised that human poverty, gender inequity, and wealth eschewed redistribution, and were endemic alongside environmental deterioration due to the economic growth in industrialised and industrialising societies in general (United Nations, 1989). This report introduced the term 'sustainable development', but did not offer any concrete solution to the problems at hand. Alongside the development of CSR concepts–especially institutionalised CSR promoted by the OECD Guidelines, the UN Global Compact, and by the European Com-

mission–the sustainability idea was directly adopted into recommendational 'soft law' and diffused into the globalised business sphere at the beginning of the Millennium[35].

Contemporary academic literature inclusion of sustainability within the concept of CSR reviewed organisational activities and asked managers to revise their company processes to live up to stakeholder's expectations and behave in a sustainable, responsible way (e.g. Aras & Crowther, 2007, 2008, 2010). Sustainability refers to several issues and how they can be sustained for future generations (United Nations, 1989). Environmental sustainability recognises that on a finite Earth the depreciation of natural capital cannot go on endlessly (Lovins et al., 1999, p. 146; cited in Dyllick & Hockerts, 2002, p. 133). Some natural capital such as wood, fish, and culturally grown seed is renewable while others such as fossil fuels and biodiversity is non-renewable.

Social sustainability *"includes the quality of public services, such as a good educational system, infrastructure or a culture supportive of entrepreneurship"* (Dyllick & Hockerts, 2002, p. 134). Economic capital may be able to substitute some natural and social capital due to technological innovations. However, not all natural capital can be substituted by economic capital due to the irreversibility of natural depletion or climate change. However, despite new agendas such as the introduction of reporting instruments of environmental, social, and financial bottomlines such as the Triple Bottom Line (Elkington, 1997), Aras & Crowther critically point to the theoretical dilution of the term 'sustainability' (2008, p. 434). They suggest instead a view based on the initial definitions of the Gaia Hypothesis (Lovelock & Margulis 1974; Lovelock 1979):

> *"[The Gaia Hypothesis is] a model in which the whole of the ecosphere, and all living matter therein, is co-dependant upon its various facets and formed a complete system...interdependent and equally necessary for maintaining the Earth as a planet capable of sustaining life" (Aras & Crowther, 2008).*

From this departure they have developed four core issues of sustainability of equal importance: (1) societal influence, defined as a measure of the impact that society makes upon the corporation in terms of the social contract and stakeholder influence; (2) environmental impact, defined as the effect of the actions of the corporation upon its geophysical environment; (3) organisational culture, defined as the relationship between the corporation and its internal stakeholders,

---

[35] see http://www.oecd.org/investment/mne/1903291.pdf,
http://www.un.org/News/Press/docs/1999/19990201.sgsm6881.html, http://www.unglobalcompact.org/, and
http://eur-lex.europa.eu/LexUriServ/site/en/com/2001/com2001_0366en01.pdf

particularly employees; and (4) finance, understood in terms of an adequate return for the level of risk undertaken (Aras & Crowther, 2008).

The sustainability term was not only about how the business sphere should change its behaviour in order to mitigate human poverty, inequality, and environmental depletion and pollution, but evolved into a concept that also framed business financial objectives in a sustainable mode integrated in a holistic, managerial framework. According to Aras & Crowther, the impact that society makes upon the corporation reflects the whole interest of society, its multiple stakeholders, and the possible conflicts inherited when expectations of the corporations meet the expectations of society at large.

If corporations impact the environment, they do not sustain themselves in the long run. They must take care of the environment in order to make it possible for the corporation to exist and to exploit the natural resources in a way that preserves and gives back to nature what has been taken (Aras & Crowther, 2008; Lauesen, 2012). In order to make the corporation sustainable in itself, it must preserve the employees and their interests in staying and working for it and provide incentives for the employees and thereby the corporation itself to create good labour conditions for making the corporation productive.

> *"Sustainability is focused on the future and is concerned with ensuring that the choices of resource utilisation are not constrained by decisions taken in the present." (Aras & Crowther, 2008, p. 438).*

The emphasis on long-term financial returns in Aras & Crowther's sustainability concept does not neglect the pending short-term financial expectations of most corporations. However, the risk undertaken does not necessarily match the idea of sustainability investments if this short-term financial focus continues (Aras & Crowther, 2008; Lauesen, 2012). The focus upon sustainability has become a vigilant part of CSR and many use the terms interchangeably (Van Marrewijk, 2003).

Sustainability has for instance become a part of what has become intergovernmental through the UN Global Compact and OECD Guidelines. This is understood as something inherent in the very idea of CSR alongside its vast focus upon stakeholder engagement. However, as my literature review in Paper #5 shows, the Global Compact (GC) definition of CSR is not without critique either (e.g. Cernic, 2008). Although the GC definition of the ten principles of CSR covers human rights, labour conditions including avoidance of child labour, environmental sustainabil-

ity, and anti-corruption[36], it has been criticised for its inability as a 'soft law' of voluntariness to ensure adaptability, controllability, and effect (Ibid.).

As Paper #5 shows from the literature review and the consequences of CSR in the aftermath of the financial crisis in 2007/2008, the ideas behind CSR and stakeholder engagement have changed relatively little. They are still primarily based on the intersection between what Carroll suggested already in 1979: economy, the legal, the ethical, and the discretionary (Carroll, 1979, 1991; Schwartz & Carroll, 2003).

I have used these basic ideas combined with Aras & Crowther's ideas of sustainability to develop a new Four 'E' Principle (Economy, L/Egal, Environment, and Ethics) for the development of future CSR models. This principle takes into consideration the historical events of the current recession as well as the scandals of sweatshops, oil spills, and violations of human right and labour conditions, and the financial scandals impoverishing everyday people all around the globe.

Summing up....

Corporate social responsibility has developed as an academic field throughout the last 70 years into many different streams. The stakeholder approach to CSR and the focus upon how well businesses can and should contribute to society in order for both to be sustainable in the long run has been one of the strongest approaches surviving especially in Europe and Scandinavia. Living side by side in a globalised society steered mainly by economic interests, contemporary researchers argue that CSR should no longer be an add-on to business management. It should be an integrated, stakeholder-oriented part of business leadership that avoids the Fallacy of the Separation Thesis (Freeman, 2010) between a business's economic and social responsibilities and interests.

CSR has been very differently integrated in business life; some sectors have adopted it successfully (e.g. Strand, 2009); others have not (see Paper #5); again others have always thought of CSR as something that they 'are' (e.g. Lauesen, 2012); and European businesses that never questioned why it was necessary to be explicit about it before now (e.g. Hiss, 2009; Meyer & Höllerer, 2010). Thus, it was to me interesting to analyse the mindset of public service companies to understand their former implicit CSR and how it has been transformed into explicit CSR. Through an analysis of the institutional logics in water companies it has been possible to con-

---

[36] see http://unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html

35

tribute to the academic field of CSR and at the same time to the theoretical field of institutional theory, which suggests a direction of how CSR can become integrated with financial sustainability in daily business management.

THEORY

The institutional logic's perspective

As my research revealed more and more information of what was going on in the water sector, I became interested in finding out which dichotomies existed in the logics in the Danish water companies. Not surprisingly, I found that several logics were at stake simultaneously, and that these logics had their conflicts and compromises in the new situation after the Structural Reform in 2007. The implementation of the Water Sector Act[37] and the Price Cap Notice[38] forced the agents to think in other terms than they were used to (Lauesen, 2011).

On the one hand I followed some discourses that unfolded both on the organisational level and interorganisationally. For instance where water companies consulted each other, cooperated and raised several issues at professional conferences, and through hearing letters from their branch organisation to the lawmakers. At the same time a flow of discourses showed how the water sector sought to stabilise them while at the same time they also seeking to change the uncertain situation they found themselves positioned in.

The apparent motive underlying the neoliberal ideas of NPM in the regulation of the water companies accentuated structure in order to control the perceived utility maximizing agents that were placed in influential public positions. The answer to why NPM inflicted seemingly opposite ideas and motives on CSR were not to be sought in an institutional theory that supported the structure argument. It was to look for a theory that focused upon institutions as well as on agency, but at the same time did not reject the impact of structure to serve as an explanatory guide to address the underlying motives and logics behind the articulated CSR schism (see Paper #1, page 83).

I chose to work with the institutional logic's perspective to find out, how institutions form and are formed by the agency of their inhabitants such as organisations and individuals (Scott, 1987; Binder, 2007). The institutional logic's perspective offers a way to analyse the interrelationships among institutions, organisations, and individuals including a micro- and meso-perspective of institutional agency (Thornton et al., 2012, p. 2). My last Paper #8, page 261 goes in depth into the institutional logics perspective, so I will use this chapter to form an argument based upon the theory's prospects and shortfalls to contribute to the field of corporate social responsibility.

---

[37] https://www.retsinformation.dk/forms/R0710.aspx?id=125346
[38] https://www.retsinformation.dk/Forms/R0710.aspx?id=140562

Friedland & Alford (1991, p. 248) coined the term The Logic of Institutions based upon their idea that the most important institutional orders such as capitalism, state, democracy, family, and religion/science each has a central logic consisting of material practices and symbolic constructions as principles of how to organise these institutions. These institutions were defined not as a kind of organisation or a thing, but as *"supraorganisational patterns of human activity by which individuals and organisations produce and reproduce their material subsistence and organize time and space"* (Friedland & Alford, 1991, p. 243). It becomes crucial to understand that institutional logics should be understood as patterns that are voluntary and possible to elaborate and understand in different contexts. From institutional logics being patterns of how to organise institutions Thornton & Ocasio (1999) elaborated these ideas further and defined institutional logics as:

> *"The social constructed, historical patterns of cultural symbols and material practices, including assumptions, values, and beliefs, by which individuals and organisations provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences"* (Thornton et al., 2012, p. 2).

This new understanding has twisted Friedland & Alford's initial ideas a little, because in Thornton et al.'s understanding institutional logics are no longer patterns of how to organise institutions, but patterns of cultural symbols and material practices by which agents find meaning through their daily activities. This shift in emphasis, although hardly recogniseable, frames a difference in perspective and has come to form a recent discurse between Friedland (2013) and Thornton et al. (2012). In Thornton et al.'s perspective it is clear that they have sought a specific agency alternative to the initial structure argument in institutional theory in general (e.g. institutional isomorphism (DiMaggio & Powell, 1983)).

Thus their interpretation goes far to include a long range of perspective theories both from institutional theory (e.g. institutional entrepreneurship and institutional work (Battilana et al., 2009; Lawrence & Suddaby, 2006), organisation studies, and social psychology (e.g. Carnegie School theories of attention, decision making, interests and motives, and power, strategy and negotiation; as well as different perspectives of social interactionism and sensemaking) (Mead, 1934; Mills, 1940; Simon, 1947; March & Simon, 1958; Cyert & March, 1963; Goffman, 1967; Blumer, 1969; Weick, 1969, 1995; Cohen, March, & Olsen, 1972; March & Olsen, 1976, 1994; Gioia & Chittipeddi, 1991; Vannini, 2008; Collins, 2004; Weick & Sutcliffe, 2007; Miller, 2009).

Organising principles	Capitalism, market	State, bureaucracy	Democracy, community	Family, nuclear	Religion, Christian	Profession	Corporation
Rituals (reinforce beliefs)	Signing constracts	Issuance of budgets and plans	Voting	Marriage	Communion		
Values (relativation of)	Accumulation and commodification of human activity	Rationalisation and regulation of human activity	Popular control over human activity	Motivation of human activity	Symbolic construction of human activity		
Basis of affiliation		Legal and bureaucratic hierarchies	Citizen participation	Community	Membership in congregation		
Basis of obligation	Convert human activity to a price	Convert diverse individual issues into consensus		Reproduction of family members	Convert issues into moral principles		
Basis of loyalty / legitimacy	Share price	Democratic participation	Unity of will/belief in trust and reciprocity	Unconditional loyalty to members	Faith and sacredness of congregation	Personal expertise	Market position
Authority	Shareholders	Bureaucracy	Community values and ideology	Patriarchal	Priesthood	Professional association	Board of direction / Top managers.
Identity	Faceless	Social and economic class	Emotional connection and satisfaction	Family reputation	Association with deities	Association with quality of craft and personal reputation	Bureaucratic roles
Norms	Self-interest	Citizenship in nation	Group membership	Membership in household	Membership in congregation	Membership in guild and association	Employment in firm
Attention	Status in market	Status of interest group	Personal investment in group	Status in household	Relation to supernatural	Status in profession	Status in hierarchy
Strategy	Increase efficiency profit	Increase community good	Increase status and honour of members and practices	Increase family honour	Increase religious symbolism of natural events	Increase personal reputation	Increase size and diversification of firm
Informal control	Industry analyst	Backroom politics	Visibility of actions	Family politics	Worship of calling	Celebrity professionals	Organisational culture
Economic system	Market capitalism	Welfare capitalism	Cooperative capitalism	Family as capital	Occidental capitalism	Personal capitalism	Managerial capitalism
Root metaphor	Transaction	Redistribution mechanism	Common boundary	Family as firm	Temple as bank	Network of professionals	Corporation as hierarchy

TABLE 3: DEVELOPMENT IN INSTITUTIONAL LOGIC'S CATEGORIES FROM FRIEDLAND & ALFORD (1991) (LIGHT GREY FIELDS) TO THORNTON, OCASIO, & LOUNSBURY (2012) (WHITE FIELDS)

In Table 3 I have categorised and hybridised the institutional logics according to Friedland & Alford (1991) and Thornton and colleagues (1999, 2004, 2008, 2012) to show how they have developed and stand together.

From this departure, agency, interests, values, and assumptions became primary in cognitive, social psychological approaches in the institutional logics perspective as a reaction to the former very powerful institutional theory of institutional isomorphism (Powell & DiMaggio, 1983; Thornton & Ocasio, 2012, p. 6). However, the institutional logic's perspective does not neglect nor discounts macrostructures and institutional isomorphism because it want to show *"how action depends on how individuals and organisations are situated within and influenced by the spheres of different institutional orders"* (Thornton et al., 2012, p. 10).

This argument has become salient to my curiosity of the discourse of CSR in the water sector. The apparent anger against new Danish Water Sector Act and its strict regulation of prices and costs clearly formed the discourse of CSR. It was no surprise that the individuals and organisations were situated anew in an entirely different institutional order than when they were a part of the municipality office. Trying to explain complex institutional phenomena through one perspective often attracts criticism. Thornton et al. have tried to mitigate this through the adoption of multiple perspectives into one. As mentioned in Paper #8, Binder (2007) and Friedland (2013) provide a critique not so much upon the ambitiousness of Thornton et al.'s (2012) framework of the institutional logics' perspective, but more against the promises it makes but does not accomplish.

Friedland & Alford (1991) were initially interested in how power, divinity, and love were nested symbolically in other institutions and practices than that of religion. They saw religion as a cross-institutional virtue replicated in non-religious states, bureaucracies, market states etc. In other words; how the domain of religion had crept into the domain of nationalism and policy making in state bureaucracies, democracies, and markets (Friedland, 2013, p. 27) illuminated by a kind of (quasi-) religion. These other logics have their own 'gods', 'enlightenment', 'illuminations', 'enchantments' and 'values' that the subjects adhering to them 'love'.

The rationalities behind these other logics are worshipped (or celebrated) as inherent 'gods' behind these orders. The values such as salvation to religion, aestetics to arts, power to politics, property to capitalism, and knowledge to science is a logical, teleological consistency exercizing power over man. The cultural content is a *"substantive value with a 'determinant content' which derives its authority from the will of those who value it, known through the particular discourse and practices through which it and its constituting conflict with other values is effected"* (Friedland, 2013, p. 28).

What anchors these values into the institutional logic is in Friedland's conceptualization is not explained so much as 'gods' but as 'substances' (Friedland, 2013, p. 34). Substances cannot be reduced to arbitrary properties nor to materiality but is a kind of state to which one has instrumental or possessional relation towards. A property is not a thing according to Friedland: it is a state of relations, which means that the human can do something with objects and things through the state of ownership.

Thornton et al.'s (2012) perception that institutional logics posits *"different interpretations of how to use power"* (Friedland, 2013, p. 35) is in Friedland's mind wrong. He emphasises that power is relational, which is constituted in each institutional logic rather than a matter of behaviour or cognition. Thus, (see also Binder, 2007) institutional logics do not blindly steer human agency but they bind different values, material practices and observable objects through the substance inherited in it (Friedland, 2013, p. 36):

> *"I think of institutional substance as the ground of many of the dimensions that Thornton, Ocasio, and Lounsbury elaborate in their micro and organisational specification of institutional logics, as the X-axis of the ideal types in the inter-institutional system, certainly the source of legitimacy, but also the basis of strategy and source of identity."*

Substances are a kind of morality or ethics inherent in each social order enabling and forming agents. The agents can either voluntarily accept or reject them, in which sense substances' bridge voluntariness (agency) with that of contingent structure through the institutional logics (Friedland, 2013, p. 38). My reading of Friedland implicitly argues for not making institutional logics into a kind of model as if these logics works as institutions themselves in the old macroperspective sense of controlling human agency or dividing it into different institutional spheres. They function as value binding substances in which human agency voluntarily can jump back and forth as it suits it.

Seeing institutional logics as containing ethical substances that guides human behaviour in a voluntary way in which they form their material practices and create meaning out of them, the above Table 3 becomes an analytic tool that I can use to analyse material practices of CSR in water companies and their stakeholder engagement. The ideational content of the institutional logics is now clear. However, it still leaves an open question of how to link the material practices into the value binding substances. For that purpose Jones et al. (2013, p. 65) recommend

that scholars should not "*shy away from trying to specify how material underpin practices*". They should try to analyse how material practices instantiate the ideas or symbolic forms of the objects, how they change, and impact role relations and change of practices, and in that way how material may connect ideation and practices (Jones et al., p. 66). They suggest that scholars should look into the literature of cultural theory or science and technology studies in order to find bases from which material practices might be more elaborated.

I have followed that quest in Paper #8 for the specific aim of finding a theoretical basis for contributing to the literature of the institutional logics' perspective from a cultural perspective on the role of material practices. This paper frames an overall analysis of my empirical material from the 28 water companies studied in Denmark, the United Kingdom, the United States of America, and South Africa.

However, for material practices to be considered a part of a logic it is necessary that these patterns of material practices are dominant to a certain degree in the form of shared values and beliefs. These may be symbolised through the material practices and manifestations in order to make meaning out of everyday life. In this way the logics are collective and shared at least with someone else. They are not just going on inside these collective people's heads to be termed a logic: they also have to be enacted into cultural manifestations that carry a symbolic measure that these people understand and talk about.

For instance from the logic of CSR and the logic of NPM, which are central in Paper #8, we get the idea that stakeholders do not believe or trust that organisations really enact CSR or NPM until it is proven in symbolic or material form. This symbolic/material form can for instance be measurements in company reports accredited by independent third parties or visual and material practices concretised into physical objects that may impact stakeholders in either positive or negative ways. I have thus in this kappa claimed that such strong logics as respectively the logic of CSR and the logic of NPM respectively have characteristics of being colonising institutional logics, and before I elaborate further upon this point, I will define what I mean by it.

DEFINITION OF A 'COLONISING' LOGIC

When a certain logic of pervades an organisation or an institution but is not to be characterised as an institutional logic itself, although it bridges many existing institutional logics, I propose to call it a *colonising logic*. That a logic is colonising means: drawing on a Habermasian (1987) connotation of 'colonisation'; that it ressembles an external (institutional) pressure penetrating

into the genetic code of an entity (organisation) (Laughlin, 1991; Rothstein et al., 2006). That is, it is translated down and across the matrix of institutional logics and across individual, organisational, and societal instantiations (Clegg, 2011, p. 171) that is eventually enacted and objectivated into symbolic and physical manifestations (Habermas' (1987), see 'instrumental rationality') of ideational, physical and agentic value.

The colonisation metaphor is used because it indicates that such a logic is not native to (all) the institutional logics. For instance, Glynn & Raffaeli (2013, p. 177) suggest that a CSR logic may suit both the institutional logic of community and of the market (or capitalism). They found among Fortune 500 companies that these two institutional logics were typically separated in two different organisational divisions: the foundation versus the marketing departments. In the water companies this division is not apparent: instead the logic of CSR is located across the entire organisation crossing several institutional logics. In this way, the logic of CSR in the water companies becomes a *colonising logic* as shown in Paper #8, page 261.

The water companies provide a necessary, life supporting natural good such as delivering drinking water and purifying the wastewater again to a clean it for an acceptable quality to diffuse back into nature. In this way the material in terms of *water* is driving its material practices, which forms the basis of the colonising logic of CSR in the water companies.

In spite of material and sectorial benefits for adopting and enacting the colonising logic of CSR in the water sector, other research shows a similar potential for the logic of CSR bridging several logics in other sectors (e.g. Meyer & Höllerer, 2010; Höllerer et al., 2013). The strength of the logic of CSR compared to for instance the logic of economy is not that the logic of economy is not relevant as another kind of colonising logic: the logic of CSR[39] includes the logic of economy, whereas the logic of economy does not necessarily include the logic of CSR. Therefore, that the logic of CSR is a colonising logic does not mean that it is negative, which most adjectives of colonisation typically refer to (e.g. Habermas, 1987; Laughlin, 1991; Rothstein et al., 2006): it is in this connotation only aligned with the effect of the diffusion and powerfulness of the concept, whereas the ethical worth is disconnected from the term colonisation as such and is attached solely to the concept of CSR itself being seen as positive, societal-embracing business ethics.

---

[39] for instance expressed in my CSR model proposed inspired by Schwartz & Carroll's revised CSR model in Paper #5

A question arises as to what makes the difference between a colonising logic and for instance 'bricolage'? For instance, Christiansen & Lounsbury (2013) define 'bricolage' using Levi-Strauss' (1962/66) notion referring to a 'bricoleur'. A bricoleur *"constructs an artifact by using whatever is available, within a restrictd environment to get the job done"* (Christiansen and Lounsbury, 2013, p. 203). In institutional theory the notion of bricoleur has been used to describe the construction of organisations and organisational identities (Lounsbury & Glynn, 2001; Strandgaard Pedersen & Dobbin, 2006; Glynn, 2008) using bricks and bits from the past to form their identities and ideational values. It does not take into account how a permanent logic also depends upon physical materials and objects and their integration into daily practices.

In this kappa I focus upon the institutional logic's perspective as a framing theoretical perspective linking my papers together. I show with documentation from my empirical material in Paper #8 through my Proposition 1 and Proposition 2 how materials and material practices can provide the institutional logics' perspective with a deeper understanding of the role of materials and objects and material practices in living organisations (Binder, 2007). Through the framing of CSR as a colonising logic that bridges multiple institutional logics and showing how this logic is dependent upon symbolic and physical meanings of materials and objects enacted alive in water companies I suggest a model for colonising logics and how it brings new methods of observing materials and objects within the frame of institutional logics as in Figure 7:
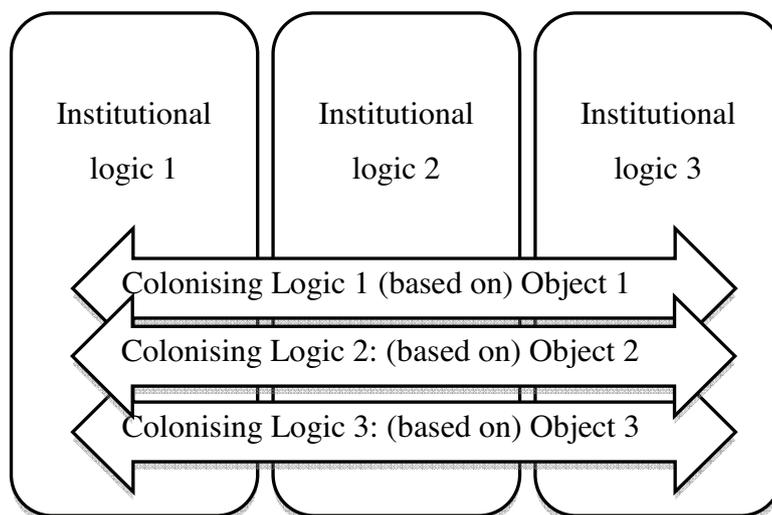
FIGURE 7: HOW COLONISING LOGICS TRAVERSE INSTITUTIONAL LOGICS

For instance, Colonising Logic 1 could be 'regulation' based on a traversing logic that *competition should guarantee that prices for consumers are as low as possible*, in which Object 1 could be *money* or *monetary allocation*. Colonising Logic 2 could be 'environment' based on the as-

sumption that *the environment is at risk and therefore agents must behave with minimum impact upon it*, of which Object 2 would be *Nature*. A third Colonising Logic 3 could be 'corporate social responsibility' based on the idea that *our company serves the public with fresh water and therefore we are a sustainable business in terms of taking the multiple concerns of all people and the planet, and running our business in an acceptable financial way*, of which Object 3 could be *clean water*.

This model sees individuals and collectives as agentic, creative sensemakers that *use* multiple institutional logics and combine them into an aggregate of their different vocabularies of motives, personal interests, local meaning formed by material practices for which they make decisions and engage in actions consequently that are consistent with the logic(s) they share (Fine, 1984; Fligstein, 1997; Hirsch & Lounsbury, 1997; Scully & Segal, 2002; Lounsbury et al., 2003; Hallett & Ventresca, 2006, p. 213; Binder, 2000, 2002, 2007, p. 547, 549, 551). The recognition that institutions are not steered by only one or two institutional logics, but multiple logics, in which some may be institutional and others colonising logics combined in unique ways for each institution in question, acts in accordance with Friedland's initial concept of institutional logics: that they are relational and available for use voluntarily by the inhabitants of institutions (Friedland, 2013, p. 38; Binder, 2007).

INSTITUTIONAL LOGICS UNDERLYING THE COLONISING LOGICS OF 'NEW PUBLIC MANAGEMENT' AND 'CORPORATE SOCIAL RESPONSIBILITY'

How can the institutional logics' perspective explain the apparently dichotomous relationship between the logics behind the New Public Management movement and the Corporate Social Responsibility concept in the water sector as mentioned in Paper #1 as the schism of CSR? The institutional logics' perspective offers in Thornton et al.'s (2012) and Friedland's (2013) theorizations a possibility to analyze and derive explanations of why certain other logics–for instance the logic of CSR and the logic of NPM–traverse across them (Clegg, 2011) either in competition, one dominating the other, or in quasi-harmonic coexistence. From the chapter "Contextual background", "New Public Management", page 8, and also elaborated further in Paper #4, page 167 we see that within the many theories underlying the concept of New Public Management (NPM) the logic of economy is prevalent over other logics. Whereas under the concept of Corporate Social Responsibility (CSR) the logic of environment supercedes other logics especially in the water sector.

The logic of economy in NPM includes the ideas that states, governments, and public administrations should follow the institutional logic of the capitalism/market and be more efficient and effective and save money while improving (or sustaining) the quality of the services it provides in 'doing more with less' (Osborne & Gaebler, 1992). Some of the suggested instruments to accomplish these ideas are taken directly from the private business sector following most of the categories within the institutional logic of capitalism/market. At the same time this logic of economy serves the purpose of the institutional logic of the state/bureaucracy trying to minimise this sector in general.

In the water sector the overlap between the logic of democracy/community and the logic of the state/bureaucracy has thus been split by the logic of capitalism/market in the creation of quasi-private organisations working in new hybrid formations guided by rational choice theories such as principal-agent theory, agency theory, and transaction economy theory (Williamson, 1973). Crudely said, through the idea of forming new privatised companies out of former public bureaucracies, the state could serve the purpose as a principal guided by the institutional logic of the state/bureaucracy, leave the institutional logic of democracy/community to elected politicians, and let the new company as agent largely follow the institutional logic of capitalism while being watched over by the other two served by the principals: respectively the state regulator and the politicians. Principal-agent relationships in NPM are suggested in Figure 8.
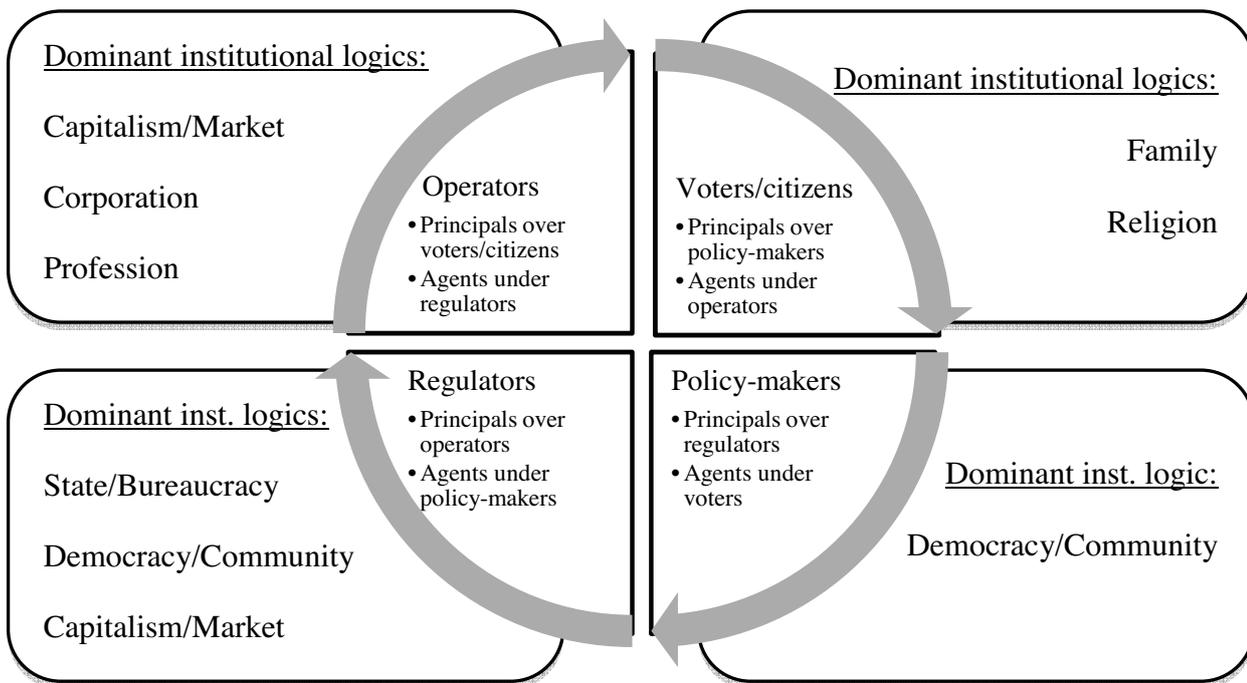
FIGURE 8: INSTITUTIONAL LOGICS INHERENT IN NEW PUBLIC MANAGEMENT

The above model in Figure 8 is a rough sketch of the logics within the logic of NPM and does not give the concept of NPM full credit. However, it shows how different institutional logics are allocated to different principals and agents and how these are comprised more or less in the total pillars of Thornton et al.'s institutional logics.

This is contrary to the logic of CSR, which combines and bridges several institutional logics including a logic of economy. According to the ideas within CSR, for instance as developed by Schwartz & Carroll (2003), we see how the ideal of the logic of CSR is in the core of the Venn diagram based on economic, legal and ethical issues, which can be found in all seven institutional logics in turn. Even though Schwartz & Carroll's idea of the economy could be allocated mainly in the institutional logic of capitalism/market, the idea of the legal in that of the state/bureaucracy, and the idea of the ethical in both the democracy/community and the religion, the core of the idea of CSR is not (any longer) stratified into pillars or layers in the logic of CSR: it is intertwined.

This thesis has set out to investigate the complexity of the logic of CSR in the water sector, and the result of this is to be found in the sections "Findings", page 68, and "Conclusion" page 80 respectively. This means that the explanation of the schism of CSR–in other words the competition and coexistence between the logic of environment and logic of economy found in Paper #4 and the logic of CSR and the logic of NPM found in Paper #8–are grounded in the institutional logics they traverse and the materials they work with in their material practices underlying these logics.

PHILOSOPHY OF SCIENCE

My writing of this PhD thesis is characterised by a journey from one paper to another, which is assembled as a whole. Through my three years of writing I have struggled with a clear position in regard to philosophy of science, which finally can be said to in overall terms to adhere mainly to critical realism. When reading my papers separately the reader may implicitly follow my journey as fluctuating between a positioning in social constructivism, critical theory, and lately to be more consistent with critical realism.

This journey can be explained through my frustration with the deontological stance of social constructivism, which I did not know how to handle in an overall philosophy of science until late in my process. I learned that critical realism might be the position I had actually taken due to my former educations in both the natural and the human sciences. I am in great debt to Professor Eva Boxenbaum from CBS, Department of Organisation, for enlightening me throught her interpretation of my papers and suggesting that this position might be where I was standing as a result of these struggles of mine. This was billiantly clarified for me through her reading of my Paper #4 and Paper #5.

Afterwards I read into the philosophy of science of critical realism, and I realised that if I had discovered this perspective earlier, I might have been able to address this more clearly in my papers. Nevertheless, I do not regret that in some of my papers I suggest that my position in these particular papers was that of social constructivism, since they were written from a humanistic perspective and did not contain reflections upon issues of natural science. In Paper #7, however, it is clear when speaking of engineering management I could not escape any longer the idea that my position had to reflect upon how to handle natural sciences. In this respect, Eva's enligthenment of what she read me to be tacitly thinking has been very helpful, since I could here address a way of dealing with a kind of realism that was critical and a kind of knowledge about reality that was still in accord with social constructivism. From here, I will shortly describe what is meant by critical realism and how I have used these thoughts in my overall kappa of my PhD thesis and in the papers as well.

Critical realism as overall perspective in my PhD

The philosophy of science of critical realism (not to be confused with Karl Popper's critical rationalism; Popper, 1959, 1996) is based on the ideas of Roy Bhaskar, and further developed by

Margaret Archer, Norman Fairclough, Andrew Sayer, Steve Fleetwood, Justin Cruickshanck, and other postmarxist writers.

Bhaskar's seminal writings, *A Realist Theory of Science* (1975) and *The Possibility of Naturalism* (1979) in particular, have initiated critical realism as a philosophy of science with an anti-positivistic approach. It developed in parallel with postmodernism and social constructivism and shares many similarities with these perspectives as well, though not altogether (Buch-Hansen & Nielsen, 2008).

Critical realism is based on a certain realist ontology, which unlike positivism is based on the belief that reality exists independently of human knowledge of it. In this sense critical realism is rooted in a Kantian philosophy–especially Kant's *Critique of Pure Reason* (1781), which rejects David Hume's empiricism (1739) or rationalism–which is later followed by Karl Popper in his critical rationalism (1959, 1996) based on a causality of "when event A happens, then event B follows" (Buch-Hansen & Nielsen, 2008). In other words, Bhaskar rejects that reality can be obtained by human senses when they happen as empirical regularities and thereby forms a scientific 'truth' of reality. On the other hand critical realists believe in *rational judgement*, which means that this kind of realism is not relativistic, but believes in an *intransitive* reality, upon which statements can be judged upon objectively (Buch-Hansen & Nielsen, 2008).

The ontology that critical realism defends is tiered into different levels, where human knowledge does not have access to all levels of the intransitive reality (see Buch-Hansen & Nielsen, 2008, p. 35):

- Besides facts and empirical observations of reality, a deeper level of reality is not understood by human knowledge (the Kantian heritage).
- Reality is tiered into lower (the physical nature) and higher (the social) levels, but cannot be reduced to these levels.
- Events are contingent upon multiple combinations of underlying structures and mechanisms, which does not necessarily appear as empirical regularities, which means that one cannot predict the future from these events; at best one can explain them to a certain degree.
- Reality consists of objects of multiple causal potentials and tendencies.

Bhaskar and critical realists therefore defend an epistemology comparative to that of postmodernism and social constructivism based upon the belief that knowledge about reality is socially constructed and thereby fallible and impermanent or transitive and coloured by non-neutral reflections made by human beings. Knowledge is contingent upon historical time and events (Bhaskar, 1975, 1989, 1997) and can never be objective and neutral since it is rooted in circumscribed and prior beliefs, which may be stated, rejected, and continuously refined. This stance, though, is slightly different from postmodern and social constructivistic stances, which take an even more relativist stance than that of critical realism.

Although social constructivists would agree upon the epistemological idea of transistivity, they are less absolute than critical realists (Collin, 2009; Buch-Hansen & Nielsen, 2008) even in matters of knowledge. Some social constructivists even claim ambiguity as their main standpoint–i.e. total individuality–as explained in Paper #6. However, this radical standpoint is not taken in this PhD. When I write in social constructivist terms, I rely on a very moderate version of it, which is more in line with the epistemology of critical realism.

Critical realism is in spite of its controversies with the deontological frame of social constructivism mainly critical of empiricism and especially positivism and its suggestions of a 'truth' and belief that every kind of science should be treated methodologically equally. Bhaskar rejects the idea that social science in every case can and should be treated the same as natural sciences (Bhaskar, 1979).

Social science contains several various objectives where some–e.g. relations–can be treated as durable and permanent such as in institutions of families, healthcare, education, bureaucracies etc. in what Bhaskar call positions. Individuals in these institutions may have different positions such as a father, a patient or a student, and in this instance this relation (or structure) can be treated with the same methodology as used in the natural sciences based on empirical regularities, for instance by using statistical methodologies as an explanandum.

On the other hand human agency cannot be said to adhere strictly to or be totally determined by the social structures or relations in which the human participates. This dialectical relationship between structure and agency is one of the main points in critical realism, which Margaret Archer (1995) has elaborated upon much more in her *Realist Social Theory–The Morphogentic Approach*. Human agency, social interaction, sensemaking, and meaningful interpretation of this is best described in qualitative and reflective methodologies, which cannot be reduced to em-

pirical regularities. Individual always operate and make sense of their world participating in multiple relations and institutions, which never solely determine the participants' actions. However, they make an objective influence upon them (Archer, 1995). The explanation is here sought through mapping out into various and sometime contradictory meanings of human sensemaking, agency, and interaction. In this way critical realists also recognise that although institutions provide a certain influence upon human agency, human agency also develops the structures and kinds of thought underlying the institutions over time. Bhaskar as well as other critical realists suggest that each science or field should be treated methodologically as best suitable, and especially in the social sciences, the qualitative methodologies are often preferred (Buch-Hansen & Nielsen, 2008).

In response to this duality between structure and agency I have chosen to focus on the latter and am more inspired by Margeret Archer and critical reflexivity than by structure. Although I in Paper #3, Paper #4, and Paper #6 as well as in the overall kappa I work with institutional logics, I do not adhere to the idea that these logics are determinant over human agency. Therefore I do not wish to prove such. Methodologically I use qualitative methods, which are inspired by cultural studies of human agency and position this in institutional theories that have defined certain institutional logics to see whether and how the observed human agency suits these institutional logics or not. I also arrive at a conclusion in the *kappa* that CSR in the water sector has a tendency towards making CSR a colonising logic of its own, crossing already defined institutional logics.

In all my papers except for Paper #2, which is a theory development in relation to stakeholder theory alone, I take a critical stance, which is especially significant in Paper #6, where I use critical theory and critical discourse analysis. This is typical for the social constructivist paradigm, but the paper has also been inspired by critical realists (e.g. Chouliaraki & Fairclough, 1999; Fairclough, 2001; Fairclough, 2005) as well as by critical reflexivity (Archer, 2007, 2010, 2012). I thus find the perspective of critical realism very suitable for an overarching position of philosophy of science in this project in spite of my lack of acknowledgement and realisation of this during my writing of most of the papers.

In the next section I will describe how I have used some ideas in line with critical realist approaches such as Margaret Archer's concept of reflexivity and compare it to the definition of the social constructivist Mats Alvesson's concept of the same.

Reflexivity, defined by Archer and Alvesson respectively

In *Reconceptualizing socialization as reflexive engagement* (Archer & Maccarini, 2013), critical realism and reflexivity is interconnected through Mead's ideas of the 'inner conversation'–how the individual and society is intertwined–in Archers reflexive imperative of social conditioning and relational realism and her theory of relational socialisation going on in a morphogenetic society (Archer, 2012). Archer's thesis is *"that the emergence of a new conjuncture between the cultural order (ideationally based) and the structural order (materially based) is shaping new situational contexts in which more and more social subjects find themselves and whose variety they have to confront–in a novel manner"*. This is the *"practical consequence and manifestation of nascent morphogenesis"* (Archer, 2012, p. 1).

All individuals have to draw on their socially contingent (morphostasis = reproduction of societal/institutional traditions/form) but personal power of reflexivity, because society is so rapidly changing now (morphogenesis = changing a system's given form) (Archer, 2012, p. 4). The prior slowness of institutional evolution has speeded up into shorter and shorter timespans, which Archer now calls the Morphogenetic Millennium (Archer, 2012). In this way Archer shows a way of continuity with Mead's interaction between the individual and the 'generalised other' through an 'inner conversation', which is phrased as mere reflexivity. Reflexivity is defined by Archer as *"the regular exercise of the mental ability, shared by all normal people, to consider themselves in relation to their (social) contexts and vice versa"* (Archer, 2003, 2007, and 2012, p. 1).

By recognising her indebtedness to the Chicago School of Pragmatism Archer argues that the early pragmatists did not consider the historical contingency but only inner dialogue as an ahistorical, mental activity. Archer corrects this in terms of acknowledging the cultural, historical and structural (societally determined) contribution to the term of reflexivity (Archer, 2012, p. 11+15): *"We all receive and use extenal information, we all engage in external as well as internal conversation and, above all, being human refers to a quintessentially relational being"* (Archer, 2012, p. 15).

Archer defines how today's multiple societal contexts *"give rise to distinctive situational logics of action for the realisation of subject's personal concerns"* (Archer, 2012, p. 18):

• *"At all times and in all places subjects acquire their personal identities through the constellation of concerns that they endorse"* (Archer, 2012, pp. 21-22)

- *"..by virtue of their concerns, they have required a vested interest in 'contextual continuity' itself"*, which gives them *"a generic interest in social reproduction"* (Archer, 2012, p. 22)

- *"Those, whose interests are vested in 'contextual continuity' must pursue a situational logic of 'correction' or 'protection' in order to defend (the conditions of) what they care most about"* (Ibid.).

This situational logic reveals how Archer is pursuing a relational realism in the 'if/then' statement linked to what might seem as an utilitarian notion of interests, which is neither positivistic nor neoclassical, but should merely be seen as motivational. That human interests are driven by motives is not new and it in Archer's vocabulary is not linked to a rational choice perspective, which she rejects severely (see Archer, 1995), it is more in line with C. Wright Mills' notion of vocabularies of motives inspired by Kenneth Burke, which is a theme I take up in my writing of Paper #4 Archer's argument is that structural and cultural conditions *"lie behind today's trend in reflexivity"* and stand in opposition to institutionalised individualism (Archer, 2012, p. 32), which she rejects[40]:

- The new Morphogenetic Millennium is a morphogenesis of the cultural and structural domains where varieties in agency stimulate even more varieties into more and more contextual discontinuity.
- Critical realism has to change the concept of structure from "relatively enduring" into shorter and shorter timespans, which means that reflexivity both on the individual and collective level becomes more and more crucial due to new forms of agency and contexts that change more rapidly than before.

This metareflexivity or communicative reflexivity that Archer defends in her argumentation that social engagement is not founded solely upon interactions but, as Bhaskar emphasised, upon social relations, is virtually very much in line with both Alvesson's (1999), Alvesson & Sköldberg's (2009) and Alvesson & Kärreman's (2011) social constructivist approach to a social theory of science and methodology. Alvesson proposed a reflexivity paradigm with regard to qualitative inquiry based on *"moving beyond neopositivism and in-between romantic* (social interactionism) *and hypersceptical* (postmodernism) *understanding of empirical value.."* (Alvesson, 1999, p. 3, my interpretation in brackets). Although Alvesson (and later with his col-

---

[40] (see http://www.youtube.com/watch?v=bMpJ5wnuB64)

leagues Kaj Sköldberg and Dan Kärreman) himself writes mainly in the discipline of qualitative methodology, he emphasises a great deal of theory of science in this discipline. With Sköldberg Alvesson defines reflexivity in relation to interpretation (Alvesson & Sköldberg, 2009, p. 269):

> "Reflection[41] means thinking about the conditions for what one is doing, investigating the way in which the theoretical, cultural and political context of individual and intellectual involvement affects interaction with whatever is being resarched, often in the ways that are difficult to become conscious of."

Used in research conditions, reflexivity means paying attention respectively to the constructed object, the constructing subject, and the social context that constructs the researcher without letting any of these dominate in order to avoid empiricism, narcissism, and social and linguistic reductionism (Ibid.). Although Alvesson & Sköldberg clearly adhere to the social constructivist paradigm here, they admit the pitfall of pushing social constructionism too far (oversocialisation, where everything is reduced to social constructions) and instead refer to the critical realist tradition (e.g. Danermark, 2002).

There seems to be no mutual exclusiveness between Alvesson & Sköldberg's and Archer's definitions of the term reflexivity. I read Archer's definition of reflexivity as a capacity inherited in all normal human beings and Alvesson and Sköldberg's definition as an instantiation of that capacity towards interpreting the researched field, its objects, subjects, and the researcher herself into that contextual constellation etc. Alvesson & Sköldberg (2009) suggest avoiding emphasising social constructivism so firmly that the researcher descends into so much selfreflection that too little energy is left for empirical studies:

> "The whole idea of reflexivity, as we see it, is the very ability to break away from a frame of reference and to look at what it is not capable of saying" (Alvesson & Sköldberg, 2009, p. 270).

In other words, to allow for alternative interpretations of what is directly seen, suggested, or taken as representations or given of the reality investigated. This advice is used in the next session regarding the methodology utilised in this thesis. The next chapter should be seen not in isolation from the papers but linked to the specific methodology chapters presented in each paper as well framing the overall perspective suggested in this thesis.

---

[41] 'reflection' is here used interchangeably with 'reflexivity'

METHODOLOGY

In this chapter I opt to frame a metadescription of how in general I have conducted my methodology and link this when approapriate to the ideas of critical realism and social constructivism respectively. I will go through how I came to decide upon the design of the project; the hurdles and bumps along the way; and how I came to realise my project eventually through the snowball effect (Bogdan & Biklen, 1982). I have travelled through my PhD 'journey' using a pathway from the contextual to the concrete–from macro to micro if you will–in order to frame my overall research question and collect empirical material for my overall contribution regarding answering this question.

In order to achieve a holistic understanding of how to answer my research question I have had in my mind the idea of framing CSR in an institutional perspective, which calls for a broad, but also deep investigation of multiple levels. This means–following the institutional logics' perspective–to be capable of both framing the macro-, meso-, and microlevel in spite of the institutional ambidexterity, complexity (Greenwood et al., 2011), or pluralism (Kraatz & Blocks, 2008) it encapsulates.

Some have argued that trying to frame what CSR means in an entire sector is too broad in scope. However, I wanted to be able to analytically generalise from an extensive study of one specific sector using qualitative methods mainly, and to do this I chose to go along the path of framing an ethnography of a community or an institutional field, which meant that I had to collect a rich description (Geertz, 1994) while having a limited amount of time (3 years). This has created the leitmotive of broadening the scope using various qualitative and mixed methods in order to complete something almost similar to a traditional, albeit a social constructivist/critical realist account of an ethnography (Van Maanen, 1988; Goodall, 2000; Spradley, 1979, 1980; Charmaz, 2006).

Design of the project

From the beginning my PhD project was to be designed as a twofold investigation; a contextual investigation of the water sector and how it interprets and works with corporate social responsibility and stakeholder engagement, and a concrete examination of projects performed by agents in the water sector to analyse the impact that these projects have upon society at large respectively.

Initially I thought that the contextual investigation should be made through a large quantitative survey of approximately 600 members of one of my host organisations, the Scandinavian Society of Trenchless Technology (SSTT). However, I soon found out from an initial very small test survey sent to a small group within this society that results from such an electronic survey were going neither to fulfil my purpose nor reveal enough responses to continue with a quantitative methodology. People are busy and overburdened with e-surveys and can hardly find the time or motivation to fill these in, and this was also the situation in this society. Another hindrance was the superficial depth of the survey and the long distance between respondents, which made it hard to raise additional travelling funding for doing qualitative research afterwards among these participants.

Thus, a qualitative pilot study among four Danish water companies was set up, which was in the range of my travelling budget and revealed deep insight in many details of how the companies works with corporate social responsibility in their everyday organisational life. These results made me decide to shift methodology from quantitative to qualitative methods and work more in depth with fewer organisations (seven Danish companies in total of which one company was the main host for observation and interviews studies) and instead use the annual meetings at SSTT for a large focus group (Demant, 2006) and in this way interact with a broader Scandinavian audience.

The concrete examination of pipeline projects from Scandinavia, however, was from the beginning planned to be executed as case studies of entire projects as much as possible. Although this idea suited both qualitative and quantitative (mixed) methods (see Paper #7) these projects took a very long time to establish. SSTT was very helpful in trying to establish contact with pipeline projects from various places in Scandinavia, and many members of this organisation were soon willing to make their projects available for a deeper investigation. As it turned out, this initial benevolence was to be filled with motivational, economic, and timing problems, which made many good intentions fade away really quickly.

My restricted travelling budget did not allow me to travel around and collect the data needed myself, which made this examination dependent upon the participants in the project to collect the data, which not many had time or money to do. Though some data from projects in Denmark, Norway and Sweden were already collected and generously sent to me to use in my work, I still needed additional projects that could fill in the gaps. At one point in time after approxi-

mately a year into my study, I still needed two to three more projects in order to be able to say something valid about how pipeline installation impacted society in various ways.

Here, SSTT showed their capacity once more. The board sent out a request for more projects, and three Danish projects nearby were established for me to follow more closely, which I was more than thankful for. These last three projects were driven by energetic project managers and supported by the top management of the organisations in question, which meant that I gathered rich data from these projects, which made the outcome of this part of the project possible as described in Paper #7.

In the next section, I will describe how the different stages in my PhD were carried out more specifically and refer to the literature of qualitative and quantitative methodology in order to explain the choices made throughout the PhD thesis.

INTERVIEWS

In my initial pilot study I conducted semi-structured, in-depth interviews with top managers and middle managers of four chosen water companies in Denmark; two medium size and two large size. I wanted to capture both similarities and differences in the ways these managers perceived corporate social responsibility and stakeholder engagement in differently sized organisations (Flyvbjerg, 2006). In these cases especially a double interview was conducted with two interviewees and me interviewing the top manager and a middle manager in order to study the limitation of the political 'correctness' of skilled directors speaking (Alvesson, 1999). I had the idea that choosing wisely whom to interview and creating a discussion among them might reveal more insight in interactions between managers, hierarchy among colleagues, debates or struggles for interpretation; something that I would not get if I interviewed them separately.

These interviews were initiated through an interview-guide with topics of relevance (Kvale, 2007) sent by email prior to our meeting for preparation of all in the situation. However, it turned out to be more like an open, less structured interview, which I had hoped for, so I could follow what my interviewees had in mind and still keep the topic in hand (Spradley, 1979). This strategy seemed to work well in three of the settings, but did not work in the fourth since no duellant was present to compete with the political speech of the top manager. In the first three interviews, which all lasted around one hour, the dialogue and discussions worked well, and the interviewees did not have problems taking part in the debate and questioning each others' viewpoints. The fourth interview had–as I expected–the character of a political correct speach of how

57

vigorous, exemplary, and visionary the organisation was in general, and how the top manager set the direction which all would follow. In spite of this difference in quality between the first three and the fourth interview, I had the luck that we had arranged another meeting with some middle managers right afterwards, who were very curious about what their superior had said in the interview. I had emphasised to the interviewees that anonymity was guaranteed for both respondents and company name in both interview and observation situations in order to secure honesty and to avoid pressures of producing politically correct explanations to the questions. I did not reveal much of what had been said except for than some of the ideas I knew were official in the organisation.

The response from the middle managers in the following meeting, however, was peculiar: they told me that the top manager used to keep his ideas to himself just until the launch of new company policies and action plans. Therefore, to my surprise, these middle managers knew nothing about how the director wanted them to get on with the visions and missions he had planned for in the company plan, which had just been released. Although I did not reveal what he had said specifically, it was interesting information that it was not coincidental that I could not get a double interview in this company: the top manager wanted to control his organisation by restricting others in the company from information until the board was sworn in. Thus he could thus not announce what he (and the board) had agreed for the organisation to do earlier.

After this experience of collecting rich information from the pilot study I decided to enlarge to range of case companies for the contextual part of my thesis into seven Danish water companies in total. From here I continued to interview middle managers and project managers and came back to some of the top managers later on for a continuation of our conversations. Again I invited the same persons for double interviews with regard to the top managers and a close middle manager, but after that single interviews with project managers, administrators, workers, suppliers, and citizens were made afterwards. All subordinates to the general management were chosen to be interviewed one by one since I feared that these kinds of employees would be frigthened to speak up in front of their superior. However, most interviewees expressed loyalty to their organisation and management, and some used the session to critique the management of their organisation or colleagues either inside or outside their own organisation.

In this respect, my interviews followed what Alvesson has expressed about qualitative[42] interviews: interviewees tend to focus on local accomplishments, establish and perpetuate a storyline, use the interview as a kind of personal identity work, and be guided by cultural standards for interview accounts (cultural scripts). They wanted to please the interviewer, to reveal a moral storytelling as a kind of impression management, talk in contexts of (personal or organisational) interest and power (the political speech), use language as construction work, and to play for the power of discourses (Alvesson, 1999, p. 20).

This does not mean that the interviews reveal no value, but the pitfalls of all kinds of interviews must be managed either interpretively afterwards or more directly at the scene of the interview by using more and different angles within the conversation between the interviewer and the interviewee(s). Awareness of the vocabularies of motives (Mills, 1940) was especially important to me when analysing the interviews afterwards (Alvesson, 1999, p. 22). These experiences of my interviews and their outcomes made me realise that interviews alone were not enough to capture the cultural diversity within the organisations in relation to corporate social responsibility and stakeholder engagement. I will take this lead up in the next section.

The interviews were all taped and transcribed afterwards. However, due to the constructedness of the interviews, their local situatedness, the inflictions of emotions and immediate impressions (Alvesson & Kärreman, 2011) I decided *not* to send the transscriptions back to the interviewees to correct them. Some, Alvesson (1999) as well as some of my colleague researchers, have experienced that interviewees take everything they have said back when seeing their statements on paper, fearing that their superiors or others might come to know what they have said. One of my respondents even told me that if I quoted anything from our conversation, the PR department of the organisation should be able to censor everything before publishing. Thus nothing is quoted from this particular person.

By reflecting carefully on what is being said and the many ways spoken language and motives can be interpreted, I have not been frightened to use interviews as a method of inquiry. However, I found it necessary to combine this method with other kinds of qualitative methods such as observation and document studies in order to capture the potential insights and ideas cultivated through a proper self-critique and reflexivity (Mills, 1959; Weick, 1989; Alvesson & Kärreman,

---

[42] as well as quantitative surveys or interviews for that matter

2011, p. 35). A full overview over the interviews and meetings conducted is displayed in Appendix 1: Table A, page 289.

OBSERVATION STUDIES

Very early in my study–and of course due to my former employer's interest in my work–I was granted full access to my host organisation. This open access was a wonderful opportunity to continue interacting with my (former) colleagues alongside my participant observation studies of what was going on for the next three years of study. In order not to embarrass my colleagues by observing them directly, which I guessed would have made them feel awkward, I chose to stay a few days a week in the open-plan office and have a few assignments of relevance to work with in order to interact as a normal working colleague. Soon, however, I had to limit my time in the organisation due to the amount of tasks at hand for my study. I was then desk-sitting and operating now two to four hours two days a week, which I felt was enough to continue following the everyday interactions and the more longitudinal development of the organisation.

Many ways of participant observation techniques have been proposed in the literature. However, I felt inclined to follow what John Van Maanen, Harold Lloyd Goodall, Jr. , and James P. Spradley did in their studies respectively of a police unit (Van Maanen, 1975), a touring rockband (Goodall, 2000) and a tramp society (Spradley, 1980), where the researchers interacted as participants in the situation at hand having a concrete role to fulfil while observing alongside. The pitfall of participating so closely as these researchers as well as I have done is to forget to observe or to become too close with the people that the researcher is interacting with (Van Maanen, 1988) so that one forgets to reflect about what is going on or comes to interfere with what is going on (Alvesson & Kärreman, 2011).

On the other hand by working so closely with one's observation field yield there are so many other benefits, and it opens many more doors that outsiders normally are prohibited from entering. This meant that I found the problems of going fully native (Silverman, 2001) was more minor than the benefits it revealed. How could I be anything but native after having worked more than twelve years in the sector and most years in such a company? I agree with many qualitative theorists that knowledge is co-constructed and produced in the direct interaction (Gubrium & Holstein, 2004), so why should I not participate in constructing the 'reality' as I had before? The other way round sounded really artificial to me, and perhaps it would have too for my colleagues.

Thus, it was a matter of finding a way of managing my observations and narrowing them down (Silverman, 2001) rather than trying not to get too involved. Therefore I found a way to make my work efficient without having to write everything down constantly making my colleagues feeling awkward by me notetaking[43] about their (and my) behaviour all the time: when I came home, I used my iPhone to record the impressions and important events that occurred to me during the day. Later I transcribed this e-diary and discovered that since a certain amount of time had passed from the taping to my transcribing, I saw the event more from an outside view, which was interesting although I could of course still recall all feelings. I also saved special emails in a box for future analysis. I asked politely if I could interview some of my colleagues now and then, which they found interesting for their own work as well as a kind of time for reflection with a colleague.

My task at hand when making observations in my host organisation was to carry out the annual CSR report of the organisation. This task was typically located with a preferred deadline at the end of April[44] alongside the Annual Report, which other colleagues would make. This time from New Year till the end of April was a busy period for the company, but also a very insightful period with a lot of talk, with different people knowing and having different data that told many organisational stories about performativity, problems, visions, and cross-departemental collaboration. In this period people that did not normally collaborate in daily operations came to work together in a CSR Task Force or in smaller subgroups appropriate for the situation. This gave me an opportunity to study how people in general were working together and how different subcultures evolved, clashed, or solved their problems by either innate or innovative ways of coping with or getting around them. I could not help feeling frustrated as I would had it been a normal situation when deadlines were upcoming and tasks not fulfilled. Therefore, my e-diary also served as a purpose of gathering my own feelings and emotions and seeing them from a macroperspective later on in my PhD process.

I had the opportunity to hang around (Goodall, 2000) in another water company as much as time allowed me to, and I used this opportunity now and then especially when something interesting for my study was coming up. This company was also a former workplace of mine where I had worked as a project manager, which meant that I still knew a lot of people and had their confi-

---

[43] I am also awful at taking notes – I get tired after 5 minutes of writing by hand, so a written diary was out of the question – I would never have finished it.
[44] although the first year was postponed as late as November due to a recent merger with another company and the second year was postponed till June due to my workload

dentiality from previously. This company also provided me with access to documents that I needed from my former projects, and it served as a great mirror for seeing both similarities and differences in my host organisation. A third water company was also very open and collaborative, but since this was placed farther away from me, I only visited it 1-2 times a year. The last four companies in my case studies were used mainly for interviews and not for observation studies as such. My time as participant-observer lasted effectively for two and a half year of my three-year study, while the last year observation time became more sparse due to my workload in order to complete my PhD thesis. The observation studies along with my interviews laid the empirical grounds for Paper #4 and Paper #6 and also served sporadically in Paper #2 and Paper #3. See Appendix 1: Table A, page 289.

DOCUMENT STUDIES

As mentioned above, my access to necessary documents was almost unlimited regarding my host organisation. The second water company was also very helpful in giving me access to documents I needed for my study. This intensive access combined with a large number of public documents from the water companies' branch organisation DANVA and the public authorities made a world of material open for investigation (especially for Paper #1). It was rather a matter of limiting the documents needed for my study than struggling for access.

Another benefit from document studies is that they often are based upon published material, which means that agents rarely can refuse ever having said so. The meaning, however, is quite another issue. Meaning can be interpreted in various ways and is not necessarily logically bounded to the language and vocabulary as such. Thus, it is not the document itself but the relevant institution's authorisation of the document, which is relevant and salient (Dahler-Larsen, 2005, p. 236). Document studies surmount one of the problems with interviews and interview statements since they eliminate the reactivity from the subjects, who typically react to being researched (Kvale, 2007).

Documents are also important in the sense of relation and intertextuality (Atkinson & Coffey, 2004), since most published documents are not stand alone documents, but themselves relate to other documents such as legal texts or communications such as hearing letters assembled in a larger document-network. Thus it is typically important to dissect more documents than the ones at hand in order to interpret meaning, especially when interested in discourse analysis (Justesen & Mik-Meyer, 2010).

Due to my insight into CSR reporting at my host organisation, I chose to study these types of documents from a discursive perspective, which allowed me to compare CSR reports from the Danish companies with that of other Scandinavian water companies as well as with water companies from the UK, the US and South Africa.

These nationalities' water companies and their CSR reports were carefully chosen for Paper #3 and Paper #6 for several reasons. From my interviews I learned that Danish water companies were very much inspired by the way UK companies worked and carried out their CSR reporting. This was also apparent for the idea behind the new (2007) Danish Water Sector Act, which according to the legislators had been inspired, but not all copied from the UK economic regulation model. Therefore, it seemed convenient to compare Danish water companies' CSR reporting style with that of the UK. From my intense reading of UK water companies CSR reports, I found that these had been influenced by the US model, which was my next choice of nations for water companies's CSR reports.

Moving from a country as small as Denmark to the UK and then towards the largest and for some the most Western country, the USA, I found it necessary to include a nation with another history and culture than the Western. I found interest in South Africa although it is too regarded as a Western country in many respects due to the dominant European influence from the colonisation/Apartheid regime (Ndebele, 1987). By limiting the scope of document collection for respectively Paper #3 and Paper #6 respectively to these nations I maintained a cross-geographical/cultural comparison of countries of maximum variety from small (Denmark) to large (USA) (Flyvbjerg, 2006) looking for institutional patterns of similarities and differences in ways of perceiving corporate social responsibility.

QUANTITATIVE DATA COLLECTION

Going in depth with the study of how water companies enact CSR in daily practice I studied cases from Scandinavian pipeline installation projects with member companies of SSTT in Paper #7. I collected quantitative data of different materials and energy consumption from these cases, and calculated these data into their emission impacts of various greenhouse gases into carbon dioxide equivalents[45] (CO_{2e}). I will here describe specifically the conditions of this data

---

[45] CO_{2e} means 'carbon dioxide equivalent' and frames more greenhouse gases. CO_{2e} is estimated from raw data into their CO_2 impact by various calculation factors provided by the Defra/DECC every year, which make these different gases comparable as regards climate impact. See
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69554/pb13773-ghg-conversion-factors-2012.pdf

collection and honestly declare where deficits and lack of knowledge about the co-construction of some of the data has become apparent and how this has been treated in this thesis.

As mentioned before, I did not have the capacity to collect these data myself and had to rely upon the honesty and rigorous performance of other persons directly related to the projects in question and their explanations of how they collected the data. This kind of data will still be considered primary data sampled directly from field projects. However, the methods used cannot be said to be totally consistent due to the differences in time these data were collected and the difference in the rigour with which the different collectors collected them.

In general I instructed the collectors that I wanted information of how much energy was used directly in the projects divided into certain subcategories made in each project due to the possibility of making a cross-comparison afterwards. These instructions were followed rigorously in all projects although in some of the projects few variables and in others many variables were counted either due to what was present or going on or due to what the capacity of data collection was in the different projects. I later calculated respectively estimated the CO_2 impact of all the data.

For instance, in two Norwegian projects, data of pipeline size, lenght, volume, installation method, fuel, water, and waste consumption were collected for pipeline installations made with trenchless technologies (hereafter named No Dig). Materials other than pipe-materials were not present. The data collectors had theoretically estimated the same projects as if it was done with traditional trenching methods (hereafter named excavation). However, these data were excluded from my data collection since they were unverified and could be interpreted as overly negative eventually.

In two Swedish projects the above data was collected in one No Dig project and another excavation project, and here the data collectors (entrepreneurs) added their own theoretical estimations of how much material was used based upon archival and experiential knowledge from their other excavation projects from earlier. Although the latter is conceived as secondary data, they were included in my project due to the trustworthiness of both the collectors' calculations and the archival findings and sources I researched myself.

In one Danish case I had the opportunity to receive secondary data from an entrepreneur, who had collected these data from their own organisation for an earlier master thesis calculating a Life Cyclus Analysis (LCA) at the Danish Technical University. These data are considered vali-

dated at this university and are used in a different way in this thesis since the scope differs very much. In my work I did not use or calculate a LCA, but needed raw data for estimation of CO_2 from the installation method and production of the pipeline. Therefore I have not referred to this specific master's thesis, because it presents data that is moulded for other purposes and does not display the raw data, which I afterwards received directly from the company, that had collected them initially. Due to the need for anynomity for this company I will refer to this company as "company J", see Appendix 1: Table A, page 289.

Data from pipe and hose factories were all classified, which meant that I have used theoretical data from European LCA testings of similar products as estimates for calculating the CO_2 emission from the production[46].

I was directly involved in the data collection design of the last three projects carried out in Denmark, where we produced data templates for various variables to collect. This meant that we were able to collect not only impacts upon society from energy, material, and waste consumption as firsthand data, but also had the opportunity to interview citizens living around the projects, which we have published in SSTT's magazine No Dig Info no. 3/2012[47]. In this as well as in the other projects I had to use theoretical factors for the emission calculations, but here we were fortunate to receive the direct, firsthand emission factor from a pipeline factory ("company N"), which willingly would share their knowledge with us under non-exposure of the factor due to the need to prevent other competitors from knowing this factor. Thus, in my presentation of data in Paper #7 these factors are hidden, but used in the calculations without possibility of recognition. The actual calculation factors used in this PhD thesis may be retrieved by permission from the author, which will only be to independent researchers under confidentiality due to the protection of the sources, who provided me the raw data.

All the above mentioned cases were selected due to the snowball method and range from different No Dig methods compared to excavation from different parts of Scandinavia, and are chosen to include a broad spectrum of exemplars among the typical types of pipeline installation methods used in this area. This choice has been made in order to have as many different pipe sizes, pipe materials, and pipe installation methods under each of the two categories (No Dig and excavation) as possible due to the limitations of the projects we had access to regarding data collection. This means, that the typical pipe materials used in water and sewers in Scandinavia,

---

[46] (see www.teppfa.com).

[47] (in Danish, see http://www.sstt.dk/da-dk/nodiginfo/nodigarkiv.aspx).

such as variants of polymer and concrete, are represented due to their typical pipe size in every-day projects.

We did not have the opportunity to include steel pipes since these were not at hand, but this type of pipe material is also more rarely found in Scandinanvian water/sewer projects according to oral explanations gathered from members of the SSTT. The range of pipe sizes typically used is from a nominal diameter[48] of 90 mm till 1,600 mm, which is covered in these selected cases as well. Pipe sizes above 1,600 mm will also be used occasionally in larger projects, and can be made for both No Dig and excavation methods, but these are found more rarely than the range chosen for everyday projects, and therefore excluded from our samples.

The cases are treated as physical experiments since in each case the developer and entrepreneur had volunteered in juxtaposing two different methods in the same neighbourhood or site, which is unusual, but practical for our direct comparison of the two methods. In our overall design we had agreed in SSTT that it was optimal to have both No Dig and excavation in the same geological/geographical area if possible since variables such as soil material, traffic, urban area versus rural area normally would determine which of the two types of methods would be preferred. For ease of comparison we tried to limit the physical variances in soil material, traffic situation, and urban/rural area as much possible. The projects are therefore chosen all to be installations in urban areas with middle level traffic and in soft soils (i.e. not rock material) such as clays, sand and mixtures hereof (moraines).

A bias such as if the causal explanation to the variation observed is explained by choice of pipe material are avoided owing to the following explanation: all projects are chosen in natural settings and from the typical range of traded pipe materials that a developer would have chosen in everyday situations on economical and technological grounds.

Due to the cases' physical, technical and economic causal characteristics I have used descriptive statistics since these types of cases are not expected to be a stocastic process; meaning that it is not arbitrary how they are performed: it is caused by optimisation of variables such as how many machines are needed to perform the task at hand and how much material is used, transported, and replaced due to geological, technical and physical demands, and what is the optimal (often lowest) economic cost involved in these choices. The cases are thus somewhat unique

---

[48] nominal diameter = name of traded good, which may differ according to whether it is expressed in terms of inner or outer diameter. Typically concrete pipes are named for their inner diameter and polymer pipes for their outer diameter.

from locality to locality, but are still comparable when limiting the uncertain variables that may severely effect the outcome of my calculation as mentioned above.

What we want to explain from our cases is not statistical variance between arbitrary samples, but variance between different samples grouped in a No Dig cluster and an excavation cluster. We want to explain if we can see a specific difference in CO_2 emission from trenched methods (excavation) compared to trenchless methods (No Dig) all else being equal. If we can see this tendency in these two groups consisting of these heterogenous samples, then we–based on these two causalities (trenching versus non-trenching)–will generalise analytically that there is a difference, and argue that if these cases were made in the exact same way under the exact same conditions in another country, the same results would be found.

Using Bent Flyvbjerg's theory described in his paper *Five Misunderstandings About Case Studies* (Flyvbjerg, 2006, p. 221) he argues that if cases are unique enough, covering (representing) the range of differences expected in the field (maximum variety), then we are able to generalise analytically upon whatever may be found. Maximum variation cases are especially useful *"to obtain information about the significance of various circumstances for case process and outcome (e.g., three to four cases that are very different on one dimension: size, form of organisation, location, budget)"* (Flyvbjerg, 2006, p. 203).

FINDINGS

Findings of the papers

PAPER #1: CSR IN DANISH WATER COMPANIES–OPPORTUNITIES AND BARRIERS

This paper is a study and analysis of CSR and the current legal regulatory framework of the Danish water companies. CSR in these hybrid organisations, which are privatised but politically driven, is found to face various challenges in getting to the same level as private organisations. This paper shows that there are opportunities and barriers in CSR in these types of companies that in spite of–or maybe because of–their structural hybridity from private to political organisations makes these companies attractive in the arena of CSR.

The opportunities for CSR in water companies seems more beneficial than for normal private businesses, since these organisations due to their structural hybridity are more closely connected to the decision makers of the local government and the city council where some of the local politicians sit on the board of the companies. The barriers to CSR are found in the legal regulatory framework that diminishes the action radius of CSR in terms of efficiencies, price and cost reductions, and tight rules on which kinds of investments the companies can legally make.

The argument in the paper is that the state and local government influence and the stakeholders derived from them both yield and limit the freedom of publicly owned enterprises to deal with CSR initiatives. This is also called a schism of CSR. The paper contributes to the CSR literature in its research into opportunities and barriers in CSR in hybrid organisations as a structural mix of private (business) and public administrations.

PAPER #2: STAKEHOLDER RISK MANAGEMENT IN ETHICAL DECISION MAKING–AN ORGANIC MODEL

This paper develops a dynamic stakeholder model that can explain the complexities of the interaction between a corporation and its stakeholders. The 'Organic Stakeholder Model' is based on decision-making theory, risk assessment and adaptation to a rapidly changing world combined with appropriate stakeholder theory for ethical purposes in decision-making processes in businesses.

This new concept is derived from observational studies of water companies from 2004 - 2011. The Model is based on case studies, but the limited scope of the length of the paper did not leave room to show the empirical evidence, but only the theoretical study. However, this is presented

in this thesis as an extension of the model, which offers a new way of combining risk management with ethical decision-making processes by the inclusion of multiple stakeholders.

The conceptualisation of the model enhances business ethics in decision making by managing and balancing stakeholder concerns with the same concerns as the traditional risk management models has for the sake of the wider social responsibilities of the businesses and its stakeholders. The argument is that decision making in organisations is tied to stakeholder relationships in the types of hybrid organisations found in Danish water companies, and the 'Organic Stakeholder Model' can and will be used in many kinds of organisations, purposefully or unconsciously.

PAPER #3: HOW WELL ARE WATER COMPANIES ENGAGED IN CSR? A CRITICAL CROSS-GEOGRAPHICAL DISCOURSE ANALYSIS.

The purpose of this paper is to investigate how well water companies in four different nationalities and political cultures are engaging with the CSR discourse. This question is relevant after more than 20 years of privatisation of the public administration's bureaucracy and its adoption of management styles, behaviours and thinking from the private business sphere. This paper critically examines how water companies take part in the CSR discourse, by which institutional mechanisms this managerial thinking in terms of institutional logics has come about, and which adopted meanings lie behind it.

The paper shows a qualitative investigation and discourse analysis of privatised water companies from four different political and market economy nations; small and medium sized water companies from the socialdemocratic state of Denmark; large companies from the conservative and liberal market economy of the UK; large and multinational companies from the US; and medium, large, and multinationals from South Africa. Seven companies are chosen in each country from the smallest to the largest in order to obtain maximum variety to derive analytical generalisations across nations and company sizes if possible.

The findings of the cross-geographical, political, and market-economical study of a maximum variety of companies shows how institutional logics are transferring from implicit CSR towards explicit CSR through coercive, normative and mimetic isomorphism. Companies that are only engaged in coercive isomorphic implicit CSR show a hesitant and resistant engagement, whereas companies engaging in normative and mimetic isomorphic explicit CSR translate their discourses in a more authentic way. However, the findings also question the credibility of this

authenticity when most CSR reports from the water companies are made without third-partyaccreditation, without performance indicators and only through narratives that are hard to scrutinise.

The research has limitations regarding the discourse analysis, which in Denmark was possible to conduct from both oral texts such as interviews, observation studies and document analysis. Whereas in the UK, US and South Africa the discourse analysis is based on written texts from documents, CSR reports, annual reports and written communications between regulators and companies to see if the study from Denmark can be replicated here as well. The research implications suggest a further replication of the findings from a more in-depth analysis of the institutional logics in such companies worldwide.

The practical implications of this study suggest a transformation of political instrumentation from rule setting to incentives making to make public water service companies even more engaged in explicit CSR in order to obtain more authenticity and a higher level of legitimacy in the field compared to the strong tradition of explicit CSR seen in the private business sphere.

The originality and value of this research is shown by the empirical findings of the theoretical suggestions by Matten & Moon (2008) as to how implicit CSR is transferred to explicit CSR in the privatisation of public service companies in the water sector across nations, cultures, political and market economical spheres. It shows through the discourse analysis of institutional logics how institutional isomorphism is prevalent in this sector and how New Public Management systems need to change from instrumental rule making to incentive making to make public services adopt CSR in a more authentic way.

The paper concludes that institutional logics are transferring implicit CSR towards explicit CSR through coercive, normative and mimetic isomorphism. Companies that are only engaged in coercive isomorphic implicit CSR show a hesitant and resistant discursive engagement. When social responsibilities are regulated in a formative way, the logic of CSR shows a relatively high compliance, the so-called coercive isomorphism, which the local (national), regional (union level such as the EU and the USA) and international (such as the OECD) levels promote.

However, regulation does not determine to which degree CSR issues should be met and how they are to be met. The regulation replicates a type such as for instance the OECD expectations of multinational enterprises, which means that what is regulated, is that the companies should make plans, follow them and be evaluated according to them by the regulators. Whereas, when

companies engage in normative and mimetic isomorphism, explicit CSR translates their legitimacy in a more authentic way when they use third-partyevaluated performance indicators. The normative isomorphism is then seen when a non-regulated part of CSR is diffused as an expectation from the regulation to the sector. In this way the normative isomorphism can be said to include implicit as well as explicit CSR.

PAPER #4: STAKEHOLDER DISSONANCE: CORPORATE SOCIAL RESPONSIBILITY VERSUS REGULATION. A STUDY OF A TRUST RECOVERY PROCESS.

This paper investigates the research question: *"How does the process of trust recovery play out for organisations, who experience a trust breakdown in the area of corporate social responsibility and which mechanisms are involved in the trust building processes?"*

After the recent financial crisis issues of trust breakdown in various business sectors and the public sector have occurred. The question of whether corporate social responsibility can be used as a link of trust between business and society is the issue that this paper wants to explore. This paper investigates how trust in businesses and institutions can be recovered and which role if any corporate social responsibility plays in this. A study of a process from trust breakdown to trust recovery in the Danish water sector from 2003 till 2013 is revealed, which can be used to inform other kinds of trust recovery processes in the aftermath of the financial crisis.

From this study trust recovery is found to depend on stakeholders' mutual engagement with each other and their willingness to share knowledge and learn from each other's professional and institutional cultures and languages. An alignment of vocabularies of motives between regulation and voluntary corporate social responsibility is found to be useful for building trust between the conflicting parties. The findings have implications greater than its local context and can be used in processing trust recovery in other sectors that suffer from severe trust breakdowns in the aftermath of the global economic crisis, such as governance systems in both the public and private sectors.

In conclusion I suggest a theoretical extension of Bogenschneider & Corbett's (2010) Community Dissonance Theory to embrace multiple stakeholders each having their own complex and unique culture and communication modus based on their institutional, professional or individual comprehensive language universes. This includes the knowledge sharing and educative diffusion each language universe's vocabulary holds including its important nouns, verbs, terminologies, semantics, taxonomies, and axioms. I also suggest incorporating the vocabularies of motives and

71

logics, which I have shown, are closely linked to the language universes and cultures of the different professional and institutional communities. The more these languages, motives and logics can coexist, the more trust can be recovered as seen in the relationship between the water companies and the local authorities.

PAPER #5: CSR IN THE AFTERMATH OF THE FINANCIAL CRISIS

The purpose of the paper is to examine the literature of CSR before and in the aftermath of the financial crisis in 2008. The aim of the research question is to map out the consequences upon CSR derived from the crisis and to derive new principles of future CSR models to be consistent with the consequences of the financial crisis, and to suggest new research as well as policy making possibilities to highlight the importance and necessary survival of CSR as an instrument for sustainable and financial progress.

The paper uses a literature review of CSR prior to and after the financial crisis 2008 with an emphasis on academic papers published in peer-reviewed journals. The findings of the paper reveal that post-crisis CSR models do not articulate anything that has not been mentioned before; however they do strengthen former values of CSR, but still lack an overall formula of how the financial sector can adopt CSR in the core of their businesses, transparently display their products and risks adhering to them.

The paper proposes a new Four 'E' Principle that may guide new CSR models to accomplish this deficit and guide the development of new CSR models based upon the core of Schwartz & Carroll's Three-domain CSR model, which the Principle extends and revises to: Economy, L/Egal, Environment, and Ethics. This Principle disentangles the dialectic relationship between economic and social responsibility; takes financial products into consideration; refines the definitions of good stakeholder engagement without the illusions of corporate 'Potemkinity'[49]; and considers the benefit of replacing the semiotic meaning of the 'C' in CSR from 'corporate' to 'capitalism's' social responsibility in order to extend the concept to a broader range of market agents.

The paper calls for a discussion on ways in which governments and businesses can enhance social responsibility through balancing the requirements for more engagement from businesses as well as public sector companies regarding CSR. The paper suggests some instrumental mecha-

---

[49] 'Potemkinity' is defined in the paper based on the myth of 'Potemkin Villages' and used to criticize corporate social performance and the lack of transparency in corporate reporting displaying corporate illusions.

nisms of how governments can engage not only multinational companies but also smaller companies and other kinds of organisations acting in the market to make them engage more in CSR.

The paper concludes that the comparison of the literature and CSR models before and after the financial crisis shows that the answer to the research question is not that CSR has changed: it is that CSR has been strengthened, but not really different. D'Anselmi's introduction of the concern for the 'unknown stakeholder' is only a clearer articulation of what former CSR models already had emphasised (e.g. Carroll, 1991; Wood & Jones, 1995; McWilliams & Siegel, 2001; Garriga & Melé, 2004; Freeman & Velamuri, 2008). The de-emphasis of philanthropy happened already before the crisis.

This, however, has not prevented businesses from continuing to juxtapose philanthropic sponsoring with CSR. The sustainability turn was also prominent before the crisis (Lovelock, 1979; United Nations, 1989) and had included not only environmental concerns but also financial concerns (Aras & Crowther, 2008, 2009, 2010). The surviving attributes of various CSR concepts and ideas are therefore assembled in the proposed Four 'E' model, which includes the financial sector's products as well.

PAPER #6: THE CULTURE OF CSR REPORTING: HOW ORGANISATIONAL TEXTS CHANGE AN ORGANISATION

The purpose of this paper is to investigate what CSR reporting does to an organisation in terms of how such texts create micro changes in the everyday life of the organisation regarding its responsibilities towards society.

The methodology consisting of multiple discursive methods is used for analysing the organisational behaviour and micro changes in a Danish water company and used for analysing the meaning that can be derived from corporate social responsibility (CSR) reports of 28 water companies from Denmark, the UK, the US, and South Africa respectively. A maximum of variety is sought across companies and nations in terms of sizes and market-economic settings (Flyvbjerg, 2006), whereas the institutional setting of water companies is sought to be similar. The organisational culture is perceived as being hybridised of multiple cultures that coexist or are blended (Gertsen, Søderberg and Zølner, 2012). Critical discourse analysis consisting of vocabularies of motives within texts (Mills, 1940; Spradley, 1979, 1980), critical visual analysis of images (Kress and Van Leeuwen, 2006; Kress, 2010), and reflexive, contrasting analysis

(Alvesson and Sköldberg, 2009) from a close observation study and interviews within a water company in Spring 2013, is carried out.

The findings show that critics may be right in their claim that (some) corporations exploit their corporate texts and inherent authorship in voicing a political manifesto of corporate branding as 'window-dressing' and 'greenwashing'. However, these texts impact the text-producing organisation itself through the cultural meaning that it communicates. Thus these texts and their creation become important both for the organisation and its inhabitants in terms of their understanding of (their) organisational culture, how it changes, which political messages and meanings it carries, how the motives and intentions frame and impact the multiplicity of culture(s) within the organisation, and how this framing can be culturally productive or counter-productive.

The research is conducted through an ethnographic in-depth method limited to 28 cross-geographical/national CSR reports chosen from different sized nations in terms of population, different market-economic settings, but similar institutional settings of managing water companies. This means that the research shows analytically, but non-statistically, generalisability due to the maximum variety of companies, which make similarities and differences between companies salient, which can be tested statistically in future research.

The paper includes practical implications for practitioners in their reporting of corporate social responsibility in enhancing their reflexive understanding the agency inherent problems underlying the production of corporate texts and their publication and exposure to critique. The paper also includes analytical implications for ethnographic researchers in the presentation of a multi-method practice providing analytical generalisability without adopting a positivistic, scientific, quantitative method but rather a qualitative field of inquiry.

The originality and value of the paper is that it offers a unique way of strengthening the triangulation between an ethnographic close observation and interview study in one organisation with a document study of similar organisations' corporate social responsibility reports across geography, nationality, and cultural boundaries. In this way the research is both an in-depth study and a study of breadth.

The paper concludes that the comparison of texts and visual images of CSR reports with observed organisational everyday life in water companies expresses several ambiguities based on the incommensurability especially between the integration perspective within the reports' texts and the multiplicity of organisational cultures, which have to be negotiated to fit the format of

these texts. The CSR reports are written as if there exists an archetypal culture within the organisation, and this message is expected to 'do' something to the organisation or be unnoticed.

The observation study revealed what these types of corporate reports 'do' to the inhabitants of the organisation; it framed in terms of how they are supposed to work, which values they are to value, and what purposes they are to follow in the future, which is clearly described in the CSR report. Thus the integration perspective of the CSR reports is partly decoupled from the multiplicity of cultures practicing in organisations. This study proposes that the CSR reports persist as institutionally representation of 'a' typified reporting culture, which is accepted by sectorial peers, governmental regulators, intergovernmental bodies and organisational fields in general (Berger & Luckman, 1967).

The meanings that the CSR reporting culture have created for the everyday life of organisations can be interpreted as constructed on behalf of elitist members of an organisational community celebrating the dominant view of their culture (Deetz, 1992). This view offers identity and legitimacy for the members of the dominant, enhancing, and partly orthogonal subcultures of the organisational community (Martin & Siehl, 1990). For counter cultures and critical stakeholders it may serve as a means too: by taking the text literally seriously, these stakeholders can–if they possess enough power–either hold the organisation responsible for the text and the inherent promises it offers or use the text as a springboard for further negotiation suiting their own purposes.

In other words, multiple cultural meanings, motives, and expectations may be enacted in the organisation transmitted through the corporate texts and the stakeholders' diverse reactions towards it. In this way the meaning of corporate reports for organisational everyday life may not necessarily be negative for subcultures that do not agree with the style of the reports, the immediate stories within it, and the consequences or lack of them. Elaborated from Mill's terminology (1940) I suggest that this could be called the 'enactment of motives' behind the reports. The enactment of motives is what these corporate texts 'do' to the organisation; how they come to implicate the enactment of organisational everyday life. This makes CSR reports bridge the multiple cultures in organisations by its enactment of motives; both the motives of the management, but also the multiple motives of diverse stakeholders reacting to them.

PAPER #7: MITIGATING THE CLIMATE CHANGE IN EXERCISING SUSTAINABLE PROJECT MANAGEMENT IN ENGINEERING: CASE STUDIES FROM SCANDINAVIA.

This paper shows a practical outcome of the PhD project, where case studies of pipe rehabilitation were established in Scandinavia in search for sustainability and corporate social responsibility (CSR) practices in project management. The case studies all compared traditional trenching with trenchless technologies in water and wastewater pipe installations in different cities and geographical and geological contexts. The outcome of this comparative study revealed that to exercise corporate social responsibility in these engineering and construction practices needed a great deal of leadership at all levels from top management to self-management in order to succeed. This have lead to a proposal of a CSR model for engineering practices containing faith, bravery, love and leadership as a pathway to enact sustainability in project management. The research question is: *"What is the difference in climate impact (CO_2) between installing pipe line systems with excavation versus trenchless (No Dig) technologies?"*

The paper concludes with my suggestion of a rule of thumb for managerial decision making concerning which technology to choose considering the climate impact that the difference between using No Dig and excavation in terms of CO_2 emission in kg CO_2 per m^3 inner pipe volume would make. I suggest that excavation provides a median emission that is twice as high as No Dig ranging from the largest difference of factor 4.71 in comparing pure excavation with pure No Dig (CIPP) to 0.30 in mixed No Dig-excavation methods. The largest emissions were seen in the small dimensions, where No Dig (HDD) in ø90/110 mm (Fig. 3, no. 1) showed 5,950 kg CO_2/m^3 versus excavation of ø90 mm (Fig. 3, no. 3) 18,933 kg CO_2/m^3 with a difference of factor 3.18.

Other important findings during the case studies were that the examined cases only succeeded due to the faith, bravery, care and leadership managed in an inside-out manner by the organisations, which had these ideas anchored from the top management to the workers on the "shopfloor". From these findings a CSR model for managing sustainable project management was developed based on these concepts. The paper does not claim that the cases managed to enact a fully sustainable project that was fully socially responsible in every instance: it only suggests a way to proceed with such an idea and some tools usable for sustainable project management.

Paper #8: The Role of Materials and Material Practices in Institutional Logics

This paper is a result of a three-year study of institutional logics in the water sector and it's grounding in material practices. It is based upon a cross-geographical case study of 28 water companies from Denmark, the United Kingdom, the United States, and South Africa from 2011 - 2013. It contains a reference to a qualitative analysis of 50 interviews and meetings with managers and regulators of Danish water companies and an archival study from 2000 - 2013 of water companies from the above nations.

The paper identifies how a logic based on corporate social responsibility in the water companies both competes and coexists with a logic based on new public management ideas from their regulators, and how the institutional logics inherent in these logics are grounded in the materials and material practices of these companies and regulators. Materials are found to be symbolic carriers of ideas and physical manifestations of value in institutional logics, and material practices within institutional logics are found to be the creation and/or manifestation of ideas and values into materials and objects and the reciprocal exchange or symbolic exhibition of them in social interaction.

The paper concludes that the juxtaposition of the institutional logics of respectively the water companies' logic of CSR and their regulator's logic of NPM[50] shows how these ideas and their inherent competition and coexistence is grounded in materials and material practices and the consequences these practices have upon society. It shows how materials and objects can carry symbols of ideas and in themselves are physical manifestations of values intrinsic in different institutional logics and how material practices consist of the creation and/or manifestation of ideas and values into materials and objects. It also shows their reciprocal exchange or symbolic exhibition in social interaction grounded in different institutional logics whether they compete or coexist with other stakeholders' logics.

The study of the role of materials and material practices within institutional logics, however, needs much more in-depth studies from different institutions to evaluate the validity of Proposition 1 and Proposition 2. The paper recommends future research in historical and longitudinal studies to test these propositions in other sectors to see if generalisation of these propositions is possible.

---

[50] derived from New Public Management literature (e.g. Christensen & Lægreid, 2011)

Findings of the overall thesis

The overall research question of this PhD thesis was: *How is corporate social responsibility interpreted and enacted in the water sector?*

The answer to this question is that in the water sector CSR has a role as a colonising logic that bridges several underlying institutional logics such as that of capitalism (market logic), the state (bureaucracy logic), democracy (community logic), the family (nuclear), religion (Christian), the profession*,* and the corporation (Friedland & Alford, 1991; Thornton et al., 2012). The CSR logic is derived and articulated as an ideational relegitimisation of water companies as trustworthy public service providers from their past as an integrated part of the municipal public service. This logic is enacted in the organisations with multiple cultures, multiple interdependent stakeholder relationships, and in a highly regulated institutional framework, in which certain parts of CSR are more difficult to enact than others, for instance philanthropy. However, since contemporary CSR models de-emphasise philanthropy and emphasise stakeholder engagement and companies enhancing the better livelyhood of stakeholders by the very way that the companies operate, the CSR logic has a fertile ground in the water sector, working alongside their economic objectives of being efficient and effective.

CSR and stakeholder engagement in complex organisations such as water companies seems to have a future possibility of becoming role models and ambassadors of CSR as an inspiration for other business sectors, since they have shown that in spite of economic constraints and struggles with permissions and allowances due to dichotomous regulation, it is not impossible to be socially responsible while optimising one's economic potential. Even though the interview statement: *"We are CSR!"* (Interview B, March 2011) may sound foolish and hollow in other business sectors, this PhD thesis has shown that if water companies truly believe in the logic of CSR and accordingly act socially responsibly seen from the standpoint of their multiple stakeholders, they really *are* 'CSR'.

The findings also reveal an instantiation of the material practices of institutional logics exemplified througout the analysis of the *colonising* CSR logic. From Paper #8, my Proposition 1:*"Materials and objects are symbolic carriers of ideas and physical manifestations of value in institutional logics";* and Proposition 2:*"Material practices in institutional logics consist of the creation and/or manifestation of ideas and values into materials and objects and the reciprocal exchange or symbolic exhibition of them in social interaction";* have both been shown to be

78

viable for Danish water companies but are also likely to be viable in other countries under other cultural constituencies due to the global diffusion of New Public Management and privatisation strategies.

In water companies the object of water and the materiality of this and objects according to which water has to be distributed to the end consumers has been shown to be deeply embedded in the CSR logic as both symbolic carriers of ideas and physical manifestations (the 'proofs') of values. Water is in Paper #6 symbolised in CSR reports as carriers of meaning such as 'life', 'health', the soundness of 'nature', and the necessity for future generations symbolised by 'children drinking water' to survive on our planet. The physical manifestation of delivering clean water is enacted, objectified, and manifested as material practices in the water companies' daily work as a basis premise of their livelihood.

The material practices of creating or manifesting ideas and values into the material of water (e.g. cleaning it before diffusing it back to nature) and the objects of the pipeline for transportation of water to the consumers have been shown to be in touch with the CSR logic and concrete enactment of sustainable engineering working methods. These material practices work in both symbolic as well as in physical manifestations since water is the basic material for exchange to consumers and through this exchange the symbol of a means for extending life. This is taken for granted especially in the Western world but is more visible in parts of the world, where people do not have adequate amounts of clean water, which means early death and environmental degradation. This is physically present in these parts while not in others such as in Denmark, the UK, the US, and the richer parts of South Africa.

This claim–that the material produced induces physical and symbolically meaning for the stance or logic of CSR in different industrial sectors–is not only linked to producers of water for consumption; it is also viable in other industries such as the oil industry, where the CSR logic may seem different due to the material and symbolic practices of oil extraction (see Misutka et al., 2013). Oil is an object of energy, which is a condition of life similar to water. However, oil spills may produce severe environmental disasters, which symbolically and physically may trigger another way of dealing with CSR. Water too may be contaminated, but water itself usually does not contaminate other environments. However, water in extremes may too be dangerous. This is considered in water companies' striving for mitigating and solving the problems occurring from the climate change in the form of flooding. Thus, Proposition 1 and Proposition 2 in Paper #8 it is suggested may be common to other industries as well.

CONCLUSION

Corporate social responsibility in the water sector has been found to be a colonising logic derived and articulated as an ideational relegitimisation of water companies as trustworthy public service providers. It is enacted through their policies and guiding texts and dispersed throughout these organisations into material practices of stakeholder engagement. Hybrid organisations such as these water companies seems to have a future possibility to become role models and ambassadors of CSR and stakeholder engagement (see also Haigh et al., 2012) as an inspiration for other business sectors. They have shown that in spite of economic constraints and struggles with permissions and allowances due to dichotomous regulation, it is not impossible to be socially responsible while optimising one's economic potential.

The interview statement: *"We are CSR!"* (Interview B, March 2011) needs to be anchored in material practices if stakeholders are to have faith in such claims and trust the water companies, which is easier said in texts than done in practice. Instantiations of the material practices of institutional logics exemplified througout the analysis of the colonising CSR logic has both been shown to be viable for Danish water companies but also as likely to be viable for other organisations in other countries under other cultural constituencies due to the global diffusion of New Public Management and the privatisation strategies of the public sector. In water companies the object of water and the materiality of this and objects through which water has to be distributed to the end consumers has been shown to be deeply embedded in the CSR logic as both symbolic carriers of ideas and physical manifestations (the proofs) of values. Material practices thus induce physical and symbolical meaning for the logic of CSR.

These conclusions suggests the following implications for academia and practitioners.

Implications for academia

This PhD thesis shows that research in corporate social responsibility should not be limited to private sector corporations, but invites a broader research spectrum of organisations in to inform CSR, models and empirical studies. This thesis has shown how former municipality offices quasi-privatised into water companies can contribute to the knowledge of CSR and suggest new ways of implementing CSR in practice, that might inform other sectors than the one studied. The field of public service and CSR has until now been very little researched (Paper #1 p. 83), but the results of this thesis show that there is much research to do in CSR in the public sector; especially after (quasi) privatisation of most parts of it (Christensen & Lægreid, 2010). Traditional

public administrations do not fall outside this recommendation. Since many Danish municipalities and state offices and ministries are deeply engaged in CSR issues, as mentioned in this thesis through examples of municipalities and their climate policies to mitigate climate change among many other issues, this thesis suggests that CSR is no longer a relevant concept only for corporations, but for–as recommended in Paper #5 CSR in the aftermath of the financial crisis–for *"all kinds of organisations acting on the capitalist market ... both in industries, the financial, governmental, non-governmental and the public sector."* (see page 217).

This thesis has also revealed other gaps in knowledge and in the theoretical framing of CSR in for instance the banking sector (Paper #5, p. 193), for which research has exploded after the 2007/2008 financial crisis. This sector needs new CSR models that are actually capable of framing such financial products, in which the material practice of money transfer happens through other technologies and trust relationships that are hard to instantiate.

Besides, this thesis has contributed to several new principles and models in the field of CSR and stakeholder engagement such as the Organic Stakeholder Model, Paper #2, p. 111), the The new Four 'E' Principle: Economy, L/Egal, Environment, and Ethics to guide new developments of CSR models (Paper #5, p. 193), and a CSR model for project management in engineering and construction practices based upon the type of leadership that includes faith, bravery, care, and leadership as a pathway to enact sustainable project management (Paper #7, p. 245).

Finally, this thesis has addressed a research gap concerning materials and material practices in the theory of institutional logics (Paper #8, p. 261). Through the study of CSR in the water sector it has found that materials, objects, and material practices are important carriers of both physical and ideational values which institutional logics are based upon. Creation and manifestation of ideas and values into materials and objects and the exchange of them or enactment of material practices is suggested to form the basis premise of the logic of CSR as well as it might be forming the basis in other kinds of logics eventually.

Implications for practitioners

What I hope practitioners reading this thesis will obtain is that corporate social responsibility has a vital function in companies working for or under the public sector. Although newly privatised public service companies such as water companies in Denmark, Scandinavia, and elsewhere are beginning to adopt practices in line with the theoretical concepts of CSR and sustainability, this does not mean that they were not doing these practices before they began to name it CSR or

sustainability. It is rather a matter of these companies beginning to interpret that their everyday work, which they have practiced in some instance for centuries[51], can be perceived as CSR and sustainability practices. The news for these companies through the findings of this thesis is, that this sector is somehow a novice in communicating its material practices of CSR and sustainability to a wider stakeholder audience than those they are immediately surrounded by (see Paper #2), since only around 10 percent do so in countries like Denmark, the UK, the US and South Africa according to Paper #3 and Paper #6. It may strengthen the water companies' stakeholder engagement if they enhance their communication with these wider stakeholder audiences about which 'CSR' and 'sustainability' (material) practices they actually work with and urge to engage in enhanced knowledge sharing with those groups of professionals they are not used to share a common vocabulary with, such as economists, jurists, and lawmakers as shown in Paper #4.

This thesis also shows that it is sustainable for water companies to continue improving their investments in sustainable practices, CSR, and leadership. Sustainability is ensuring one's organisation acts on both a short-term and a long-term basis (Aras & Crowther, 2007, 2008, 2009). Making sustainable investments may be costly on a short-term basis, but will gain long-term benefits not only in terms of CSR but also in terms of sustainable financial returns.

The financial crisis 2007/2008 is almost tangible evidence of the short-term market focus of business and individual agents' personal, financial enrichment. Adopting CSR and sustainability in business policies and practice does not come easily. It is a long and meticulous journey since it takes the implementation of a total sustainable leadership from the top management to the bottom self-governance of workers at the bottom. However, as Paper #7 shows, going towards this path should reveal not only benefits for society but also for the companies enacting it and the consumers buying their products.

---

[51] e.g. many Danish water companies have a history dating more than 100 years back of serving society with fresh water and sanitation. See for instance http://www.vcsdenmark.com/about%20us/facts%20and%20figures, retrieved 18 September 2013.

PAPER #1

CSR in Danish Water Companies–Opportunities and Barriers

L I N N E   M A R I E   L A U E S E N ,   2 0 1 1

ABSTRACT

This paper is a study and analysis of CSR and the current legal regulatory framework of Danish water companies. CSR in these hybrid organisations, which are privatised but politically driven, has been found to face various challenges in reaching the same level as private organisations. This paper shows that there are opportunities and barriers for CSR in these types of companies that in spite of–or maybe because of–their structural hybridity between managing a private as well as a political organisation makes these companies attractive in the arena of CSR.

The opportunities for CSR in water companies seems more beneficial than for normal private businesses, since these organisations due to their structural hybridity are more closely connected to the decision makers of local government and the city council where some of the local politicians sit on the board of these companies. The barriers to CSR, found in the legal regulatory framework, diminishes the action radius of CSR in the light of efficiencies, price and cost reductions, and tight rules on which kinds of investments the companies can make.

The argument in the paper is that the state and local government influence and the stakeholders both yield and limit the freedom of water companies to deal with CSR initiatives. This is also called a *schism of CSR*. The paper contributes to the CSR literature in its research in opportunities and barriers for CSR in hybrid organisations as a structural mix of private (business) and public administrations.

Keywords: Corporate social responsibility, governmental influence, hybrid organisations, role of politicians, water industry,

---

[52] see Emerald's definition at http://www.emeraldinsight.com/authors/writing/author_rights.htm

INTRODUCTION

This paper highlights the Corporate Social Responsibility (CSR) in Danish water companies, which, since 2007[53], are organised as hybrid organisations of mixed structures from the public and private sector. The CSR literature has for many years mainly been focusing on multinational companies. In later years research in CSR in SMEs has been done, but still there is little literature about hybrid organisations such as water companies. This research contributes to the CSR literature by addressing CSR in a niche of growing businesses as the privatisation of the state and local government functions occur as a part of in through New Public Management ideas (Hood, 1991; Pollitt & Bouckaert, 2000; Greve, 2002, 2009).

The paper focuses on the schism in the water companies' organisational role because they are hybrids of a private and a political organisation. The schism of CSR in these companies arises from the fact that the Danish water companies are driven as hybrids between two known but very different institutions: a private company and a politically driven public administration of the municipality. This affects the CSR work of the organisation in many ways. This, and the governmental and political stakeholders' influence on the corporate accountability, is the essence of the paper.

THE NEW PUBLIC MANAGEMENT TRAJECTORY

Many countries in the EU have been inspired by the governmental New Public Management (NPM) trends initiated in the UK and the USA under Margaret Thatcher and Ronald Reagan (Deakin & Walsh, 1996; Peters, 1996; Hall, 1998 (a)+(b); Rhodes, 1997, 2007; Lobina & Hall, 1999, 2000; Pollitt & Bouchaert, 2004; Bakker, 2005). Since the 1990s, the Danish government as have many other states adopted NPM as means of a general reformation of the public sector. They wanted to gain benefits of efficiency and high quality of public services without raising taxes and prices (Pedersen, 2010; Greve, 2009, Politt & Bouckaert, 2004) as observed and described in the early NPM models of f.x. Hood (1991), Osborne & Gaebler (1992), Rhodes (1994, 1996), Barzelay (2001), Kettl (2002), and Pollitt & Bouchaert (2004).

The incentives of the reformation of the public sector in all its different forms including NPM models were to aim for *savings while improving performance*: a mix of paradoxes of demands or a "*utopian quality*" as noticed by Pollitt & Bouckaert (2004, p. 104) (Pedersen, 2010; Pollitt & Bouckaert, 2004). These incentives already showed some severe contradictions in the 1990s,

---

[53] some even before

especially in the UK and South Africa (Hall, 1998 (a)+(b); Rhodes, 1997, 2007; Lobina & Hall, 1999, 2000). Still the objectives have not changed in the reformation processes all over the world (Pollitt & Bouckaert, 2004). The incentives for implementing New Public Management as an instrumental tool in the Danish public service of water and sewer management is indeed to save money while improving quality, performance, and deliverances. This was stated in the Water Management Report from 2003 from the Danish Ministry of Economy and Business Affairs prior to the implementation of the Structural Reform in 2007, which created the new water companies as publicly owned enterprises (The Danish Competition Authority, 2003).

The potential of savings of 207 million US \$[54] was the reason for the transformation of water utilities organised as a public service within the municipality into a hybrid organisation driven by market forces, competition, and managerial techniques from the private business sector. However, this sector was now to be controlled by the Competition Authority as a state regulator. Performance auditing (as for instance 'benchmarking') as evaluation of the 'Three Es'– *economy, efficiency and effectiveness*–is the key to control seen more or less in many countries as a means to cost savings as the foremost objective (Christensen & Lægreid, 2011; Pedersen, 2010; Greve, 2009; Pollitt & Bouckaert, 2004).

The results from the New Public Management during the last two decades have been mixed. Some results are good for particular groups and individuals (fx. politicians, public service managers or customers (Pollitt & Bouckaert, 2004, p. 166)), and some does not show higher quality or lower prices depending on where you look (Christensen & Lægreid, 2011; Pedersen, 2010; Greve, 2009; Pollitt & Bouckaert, 2004).

One of the subtle working tools within New Public Management to prevent bad positioning in benchmarking is the involvement of innovation in the public service. An analysis made by Pedersen (2010) of the degree of involvement of innovation in the former public administration in Denmark shows that there has been no significant higher level of innovation during the last two decades of New Public Management and other reformation strategies of the public service than before. Formalising innovation as an output measurement, which is benchmarked among public service bodies of similar status (Pedersen, 2010) has not yet been shown to improve. Pedersen's analysis shows that in the former Danish public Budget-Monopoly-Bureaucracy

---

[54] converted from 1.3 billion DKK, 26th May 2003 currency, see http://www.kfst.dk/Indhold-KFST/Publikationer/Dansk/2003/~/media/KFST/Publikationer/Dansk/2003/20030526%20konkurrenceredegoerelse%202003.pdf, page 101, retrieved 20th September 2013.

model innovation did take place although the impression among politicians was that innovation was one of the answers to gain more services of higher quality for less money.

Still the belief of the political performance imperative to accomplish different incentives and to secure reelection stands (Pedersen, 2010; Greve, 2009). One of the ongoing political incentives in Denmark established by the then liberal-conservative government is the so-called 'tax freeze' started in 2002[55]. However, New Public Management was introduced in other public service sectors (Postal Service, Airports, Telecommunication, and cultural institutions) a long time before under the socialdemocratic government from 1993-2002 (Ejersbo & Greve, 2008). The inspiration came from Thatcher and Reagan during the 1980s, when the conservatives were in the Danish government.

However, no shift in NPM trends has appeared in spite of successive governments. More and more reforms have been introduced to make the public service cost effective. At the moment the Danish population's highest birth rate (the year 1946) have reached the pension age (65 years in Denmark) and are retiring[56] while the death rate is decreasing[57]. Fewer and fewer people in the workforce earn money to support the elder and younger generation through their tax payments. Since Denmark still has the highest tax rate in the world, incentives for reducing public expenditure are naturally increasingly popular. Citizens do not want their tax level to rise, nor do they want a lower quality of public service (Pedersen, 2010). It is called 'value for money' (Pedersen, 2010), or to 'do more with less' (Osborne, 1983).

Will New Public Management as part of the Danish public reformation strategy among other instruments provide value for money? This is still a good question. This paper does not intend to contradict these wishes and the methodologies within New Public Management: it will confront the possibilities and outcome opportunities of the instruments within the New Public Management as means of overcoming the bias of doing more with less and creating value for money. The critical perspective of this paper is to question these biases and their instruments to solve the aims of the New Public Management.

---

[55] See the Danish Financial Ministry report from 3rd April 2002:
http://www.skm.dk/skatteomraadet/publikationer/publikationer/notater/592.html, re-retrieved and checked 20th September 2013.
[56] http://www.information.dk/227758, re-retrieved and checked 20th September 2013.
[57] http://www.tekno.dk/subpage.php3?article=879andpagetype=teknodebat, re-retrieved and checked 20th September 2013.

The consequences of the request for value for money are seen in the opportunities of public service to take other demands into consideration: especially the issues of corporate social responsibility (CSR). Although CSR is addressing the interests of the society (Garriga & Melé, 2004; van Marrewijk, 2003; Carroll, 1991) and thereby the citizens in order to overcome problems of climate change, environmental and other social issues, the political imperatives of New Public Management impedes the social incentives of corporate social responsibility through the demands of doing more with less and the creation of value for money by demanding savings in economy through more efficiency and effectiveness.

The transformation of the political administration from bureaucracy to private business such as into state private partnerships and state and publicly owned enterprises[58] (Moon, 2001; Lobina & Hall, 2000, 1999; Moon & Vogel, 2008) has changed the responsibilities of these new privatised companies. Following from that CSR at the same time has consolidated as a "European" trend in Europe divergent from the US trend in which CSR was initiated (Van Luijk, 1990; Vogel, 1992, 1998; Matten & Moon, 2004, 2008; Crane & Matten, 2004, 2007) and has impacted these new companies as well. Thus, the growth of CSR in Europe must also be understood in relation to the New Public Management movement and the aftermath of this context (Greve, 2009). The Danish Structural Reform in 2007[59] is an example of a late adoption of these NPM trends (Greve, 2009) and it is in this light the new Danish water companies must be understood.

In Denmark the municipalities were aggregated into fewer but larger municipalities by the Local Government Reform[60] effectuated the 1st of January 2007 by the Structural Reform[61]. A new Water Sector Act (WSA) instructed municipalities to separate operation from authority in their utilities by establishing new municipality owned companies as limited liabilities or privately limited companies[62]. The initiative for the WSA came from the Danish Competition Authority, which stated that "*[a] 2003 study shows that there is potential for efficiency improvements of roughly 1 billion DKK*" (DANVA, 2009, p. 8; Competition Report, 2003, ch. 4: The Water Market).

---

[58] Notice on the use of public-private partnership (PPP), partnering and information similar to ratios, Act on state construction expenses etc., LOV nr. 228 af 19/05/1971, Act on the water sector's organisation and economic conditions (hereafter called "The Water Sector Act") (in Danish "Lov om vandsektorens organisering og økonomiske forhold"), LOV no. 469 of 12/06/2009.

[59] See The Structural Reform and The Structural Agreement in the references.

[60] Law amending the Local Government Act, Act on Regions and on the imposition of counties, the Greater Copenhagen and the Copenhagen Hospital Corporation and the Law on chartered and registered auditors, LOV nr. 510 af 06/06/2007, (The Structural Reform).

[61] See The Structural Reform and The Structural Agreement in the references.

[62] The Water Sector Act, §2 and §15.

WATER COMPANIES IN DENMARK

With the Structural Reform in 2007 the new WSA stated that all Danish municipalities should create water companies as limited liabilities or other similar company structures. These companies should follow the Budget and Accounting Act as any other private company in Denmark[63]. The new water companies were created as service companies, which typically are owned by the municipalities[64] in which they are located (Lobina & Hall, 2000, 1999; Hall, 1998(b)). The municipalities had now become shareholders. The Danish water companies are organised and driven as a non-profit companies according to the Danish Companies Act[65], which is made for private companies, and economically subjected to the Annual Accounts Act[66].

The WSA was very different from the way the old municipalities under the Weberian Budget-Monopoly-Bureaucracy era (Pedersen, 2010) had ever managed their income from taxes and other user payments. Since the municipality no longer had the public water service as part of their internal governance, the Competition Authority had to control the water companies in matters of economy. This state authority has to control the marketisation process and secure the cheapest and best water service delivery on the market (The Danish Competition Authority, 2003).

A new Price Cap Notice[67] was created and a national benchmarking among all Danish water companies was established. Not only should all assets and liabilities of each company be reported: annual budgets and accountings were also to be reported to the new regulator. From all these reports a final price cap was set for each of the companies: a level for the highest price that water consumption could cost as a result of the national benchmarking. Were the price to be set above this price cap, penalties would be given to the company in order to follow the regulators' order (The Danish Competition Authority, 2003).

The board of the water companies typically consists of local politicians from the city council[68] of the municipality in question. The municipality develops guidelines for the company in terms of water and wastewater plans, municipal plans and regional plans, with which the company must

---

[63] See Act on municipal disposal of water supplies and sewage supplies, LBK nr 634 af 07/06/2010, and the Water Sector Act.
[64] The Water Sector Act §15.
[65] The Water Sector Act §15.
[66] The Water Sector Act §20.
[67] See The Price Cap Notice (in Danish "Bekendtgørelse om prisloftregulering m.v. af vandsektoren"), BEK nr 143 af 09/02/2010
[68] The Water Sector Act, LOV nr. 469 af 12/06/2009.

comply[69] according to the decisions made in the City Council. The principle of the company is to deliver drinking water and treat wastewater before returning the water to nature[70] based on the cost-recovery principle[71]. The water companies are still acting in a market characterised as a natural monopoly unlike the sectors of for instance electricity, postal service, and telecommunication, which in Denmark have been privatised with a profit orientation.

The Danish water company as a municipality owned non-profit company has unique stakeholder relationships that differ from traditional private businesses. The board of the water company is typically composed of politically elected council members together with employee representatives, and the director represents the company's governance. This gives a direct connection to local government (Crane & Matten, 2004, 2007; Matten & Moon, 2004, 2008). Thus the decision makers of the water companies have power to change and affect the companies in matters of CSR (Moon, 2001). This gives some advantages but also some disadvantages.

The main topics that managers of the Danish water companies reacted very badly to in the first place were the clear economic division between investments and operations. By and large, investments would make the price cap increase, and operation costs would make it decrease on the short-term. The idea was to force the water companies to become more and more efficient and effective by lowering the operation costs and securing the savings of the promised billion (DKK) per year for the public good for the long tern. To capture the Three E's–economy, efficiency and effectiveness–has been the Danish national mantra in nearly all public service since the 1990s (Pedersen, 2010; Greve, 2009), and the new regulation of the water sector as an institutional bureaucratic task drove managers of the water companies to claim that:

> *"This constrains the environmental and sustainability purposes of our duties: for us to manage and secure a fresh and healthy water resource for future generations!" (Interview B, March 2011, my translation).*

---

[69] The Danish Municipality Government (in Danish "Bekendtgørelse af lov om kommunernes styrelse") LBK nr 696 af 27/06/2008, and the Decree: Act on planning (in Danish "Bekendtgørelse af lov om planlægning") LBK nr. 937 af 24/09/2009.

[70] The Water Sector Act § 1.

[71] Law on Water Supply (in Danish "Bekendtgørelse af lov om vandforsyning m.v.") LBK nr. 935 af 24/09/2009, and the Law on Payment Rules for Sewage Plants (in Danish "Bekendtgørelse af lov om betalingsregler for spildevandsanlæg m.v.") LBK nr. 281 af 22/03/2007, and Law amending the Law on Environmental Protection, Law on Water, Law on the payment rules for sewage plants, etc. and various other laws (in Danish "Lov om ændring af lov om miljøbeskyttelse, lov om vandforsyning, lov om betalingsregler for spildevandsanlæg m.v. og forskellige andre love) LOV nr. 460 af 12/06/2009.

The above manager expresses that these values are inherent in the way the water resources are managed and kept sound and sustainable, and that many of these costs cannot be treated as economic investments according to a price cap. It will be measured as operations in spite of the high investments the water companies have to accomplish, because it does not fit into this new legislative body of the budget and accounting model (Ejersbo & Greve, 2008; OECD, 2002).

ARGUMENT

The argument of this paper is that the state and local governmental influence and the stakeholders both yield and limit the freedom of the water companies to deal with CSR initiatives. As stakeholders of this organisation, the state and local governmental influences (Crane & Matten, 2004, 2007; Matten & Moon, 2004, 2008) on the company accountability are paramount and untraditional compared to normal private businesses. Not only are the state and local governments dominant key stakeholders: the local government has also many stakeholder roles, which at first glance might seem controversial compared to normal business stakeholders. As we will see, CSR in water companies is characterised by the somewhat ambiguous and untraditional stakeholder roles a single stakeholder possesses, namely the city council politician and board member of the water company. This specific setup is crucial from the point of view of CSR in both beneficial and restrictive ways.

METHODOLOGY

To reach an understanding and frame CSR in the Danish water companies as hybrid organisations the analysis is initiated by an empirical examination of the descriptive and normative CSR that the new WSA lays out for them. A newly formed institution and the premises behind this is written in this act, which is a combination of Matten & Moon's (2004, 2008) concept 'Implicit/ Explicit' CSR. Thus this CSR concept is used to analyse the case of CSR in the water companies facing the legal, judicial, and managerial descriptive starting point of the WSA. It will be combined with the stakeholder concept of Wartick & Wood's (1998) to understand CSR from an outside/inside view. The implicit/explicit approach to CSR explains the external (outside) view, and Wartick & Wood's stakeholder approach to CSR explains the internal (inside) view.

The analysis will face the legal and juridical status of the water companies. This will bring us to a discussion of the results and address the schism of CSR in the Danish water companies derived from it. In this discussion the many roles of the politician as a key stakeholder is stressed

along with the tight regime of governmental regulation, that forms part of the schism of CSR in these companies.

THEORETICAL APPROACH

Dirk Matten and Jeremy Moon coined the term 'Implicit' and 'Explicit' CSR as a normative, conceptual framework for understanding CSR in Europe and USA (Matten & Moon, 2004, 2008). It has been quoted, compared, criticised, and used by many scholars and has therefore been seen as very relevant to the discussion of CSR especially in Europe (Boesby, Roepstorff, & Granerud, 2008; Amaeshi, 2008; Battaglia et al., 2008; Donaldson, 2008; Weberg, 2009; Kinderman, 2006, 2008; Broomhill, 2007; Williams & Aguilera, 2008; Masaka, 2008; Aytac, 2009; Benjnouh, 2009; Lockett, Moon, & Visser, 2006; Crane & Matten, 2004; Matten & Moon, 2004a; Moon & Grafski, 2004; Louche & Lydenberg, 2006).

> *"By explicit CSR we refer to corporate policies to assume responsibility for the interests of the society. Explicit CSR would normally consist of voluntary, selfinterest driven policies, programs and strategies by corporations addressing issues perceived as being part of their social responsibility by the company and/or its stakeholders.*
>
> *...*
>
> *By implicit CSR we understand the entirety of a country's formal and informal institutions assigning corporations an agreed share of responsibility for society's interests and concerns. Implicit CSR normally consists of values, norms and rules which result in (mostly mandatory but also customary) requirements for corporations to address issues stakeholders consider a proper obligation upon corporate actors." (Matten & Moon, 2008, p. 409).*

The 'Implicit/Explicit' clearly forms the external factors of CSR as a total framework in which the business and organisation is placed. To understand the internal factors of CSR the stakeholder theory is a widely used approach. Stakeholder theory is an established field in strategic management as well as a well-known approach to CSR. It is continuing to produce tremendous debates, new theoretical approaches, and scholarly articles, and this paper cannot possibly address all the relevant literature in this field. Most readers of CSR literature are familiar with the most important stakeholder theories and theorists like Freeman, Donaldson & Preston, Caroll &

Buchholz, Dunfee, Aguilera et al., Jensen, Mitchell et al., Wartick & Wood, Mahoney, and Rowley just to name a few.

In this case Wartick & Wood's (1998) stakeholder approach makes a very interesting point in stressing the term 'power' having a direct linkage to CSR. Wartick & Wood (1998) and before them also Mitchell et al. (1997) argue that there are three key attributes that defines the perceived importance or salience of those stakeholders: power, legitimacy, and urgency. Those stakeholders that possess all three attributes will by most managers be perceived as the most important stakeholders and can be termed 'definitive' stakeholders (Mitchell et al., 1997; Wartick & Wood, 1998). According to Wartick & Wood (1998) stakeholders hold three types of power: formal (shareholders, directors), economic (employees, customers, suppliers, creditors), and political power (pressure groups, activists, governments and the community) (King, 2000; Wartick & Wood, 1998).

> *"Traditional stakeholders (shareholders, directors, executive managers) hold formal power within the corporation and can influence decisions via their voting rights. Stakeholders such as customers, suppliers, creditors and employees have economic power inasmuch as they are able to influence the cost and revenue structure of a corporation; while pressure groups, activists, governments and the community hold political power by influencing the social and political conditions under which a corporation operates." (Quoted from Wartick & Wood 1998, p. 100; in King, 2000, pp. 6-7)*

Wartick & Wood recognise that some stakeholders have multiple power bases (King, 2000). This is what we will next see in the analysis in the case of some of the key stakeholders in Danish water companies.

ANALYSIS

Seen through the 'Implicit/Explicit' lens, CSR in hybrid organisations such as the Danish water companies is mostly embedded in the community (Donaldson, 2008; Moon & Vogel, 2008; Crane & Matten, 2007; Morsing, in Habisch et al., 2005; Welford, 2004). CSR is taken care of through the national legislation (implicit CSR), negotiations with trade unions (e.g. statements on normal working hours, maximum overtime, fair wage structures (Welford, 2004)), industry associations and through other institutional agreements. This is also the case for almost all other businesses in the country (Matten & Moon, 2004, 2008; Crane & Matten, 2004, 2007; Morsing,

in Habisch et al., 2005; Welford, 2004). CSR lies partly in specific business policies and in the business strategies and initiatives (Matten & Moon, 2008). Where these parts of CSR are beyond legislation, it is to be called explicit CSR.

Explicit CSR is typically seen in business paid training of staff[72] (Boesby, Roepstorff, & Granerud, 2008; Matten & Moon, 2008), supplementing health insurances for staff members[73], and investments in art acquisitions or donations to cultural institutions[74]. The state of Denmark encourages these investments with concessional deductions in corporate taxation[75] (Morsing, in Habisch et al., 2005). This tendency, which is seen in many European countries, has been tremendously criticised: the latest being in the BBC production of Ben Lewis, *The Great Art Bubble* (Lewis, 2009)[76].

The environmental and climatic issues of CSR, according to the EU legislation and derived national laws[77], are centrally administered and regulated (Vallentin & Murillo, 2009; Morsing, in Habisch et al., 2005) as implicit CSR. In this field business branding has an important stake in companies' voluntary (explicit) disclosure of green accounting[78], CSR reports, and ISO 14001 and EMAS (Environmental Management and Auditing Scheme) certifications etc. (Moon & Matten, 2008; Moon, in Habisch et al., 2005; Crane & Matten, 2004; Matten, 2002; Moon, 2001). This is also evolving in small and medium sized enterprises in Denmark (Boesby, Roep-

---

[72] Law on vocational training and higher education (further education for adults), see LBK nr. 1051 af 29 August 2007. See also the Danish Statistics Newsletter: "Nyt fra Danmarks Statistik No. 1, 5th January 2010.

[73] See the South Denmark Regions Welfare Paper on Health Promotion in the references (only in Danish).

[74] Announcement of the Law on the allocation of income tax to the state (Assessment Act), LBK nr. 176 af 11/03/2009

[75] LBK nr. 176 af 11/03/2009

[76] Art critic and filmmaker Ben Lewis spent two years following the contemporary art market, from its heady peak in May 2008 until the crash and burn in October. Now, in a new and updated version of the film first broadcast in May 2009, he returns one year later, in October 2009, to discover a very different market. The last five years had witnessed an unprecedented craze for contemporary art, in which works of art by Andy Warhol, Francis Bacon, and Mark Rothko sold for record-breaking prices of 30 million pounds upwards. It all climaxed in September 2008, when Damien Hirst sold 111 million pounds' worth of his art at an unprecedented auction at Sotheby's - the very day Lehman Brothers collapsed bringing down the financial markets of the western world. The bubble did not burst the night of the Hirst sale - but it proved to be a last hurrah. The auctions in October and November 2008 were a disaster, and Ben was there too, filming the art world in shock. By early 2009, the contemporary art auction market was down 75 per cent, auction houses had recorded record losses and were rapidly downsizing. In October 2009, Ben returns to find out what has been happening. In this insider eye-witness journey into the art world, Ben visits auction houses, art fairs, galleries and the homes of billionaires across the world, searching for the reasons behind the greatest rise in financial value of art in history. He interviews leading dealers, art collectors and art market analysts and discovers an extraordinary world of unusual market practices, speculation, secrecy and a passionate enthusiasm for art. (Documentary Review from BBC Four).

[77] E.g. implementation of the EU-directives

[78] LOV nr. 1403 af 27d December 2008 and Ordinance on Some Tier Firms Required to Prepare Green Accounts, BEK nr. 210 af 03/03/2010, LBK nr. 1757 af 22/12/2006 Announcement of Law on Environmental Protection (Environmental Protection Act).

storff, & Granerud, 2008) and now also amongst some water companies in Denmark (DANVA, 2009).

In Denmark multinational companies are forced by law (implicitly) to carry out green accounting. Although it is mandatory but is framed as if it were voluntary, CSR reports are more 'talk' than 'walking the talk'. The lack of numbers, which appear in those reports, show the necessity of standardising and streamlining of the reporting structure into measurable and comparable entities (Vogel, 2005, p. 68).

Examples of explicit CSR in environmental initiatives of these businesses are seen in green purchasing policies (Pedersen 2009, 2008) and in voluntary reductions of energy consumption and greenhouse emissions. Whether the explicit CSR is about caring, reputation, branding, or spinning to earn more money depends on different company agendas (Vallentin and Murillo, 2009; Vogel, 2005), which sometimes can be hard to spot (Dunfee, 2008; Aguilera et al., 2007; Moon, 2004; King, 2000).

In many concrete cases the problem with implicit CSR in the EU is that it is often formulated as public policies formed through rules and laws and thereby not recognised as 'real' CSR. It is perceived as a 'social contract' between the company and society (Matten & Moon, 2008; Donaldson, 2008; Moon, 2001; Donaldson & Dunfee, 1999; Husted, 1999; Dunfee, 1998; Donaldson & Dunfee, 1994). This is in comparisons with e.g. USA, where much more CSR is explicit and welfare is chosen and paid for by businesses for their staff, whereas welfare in the EU is paid by the EU states through taxes etc. (Matten & Moon, 2008; Crane & Matten, 2004). In conventional definitions CSR is regarded as incompatible with governmental regulation, which the term 'implicit' CSR reverses:

> *"In Europe explicit CSR is a key issue for regulators. The general approach seems to facilitate a new trend in business and encourage companies to assume more responsibilities as most welfare states in Europe are increasingly facing limits to their capacities of tackling social issues in the way they traditionally did. This political activity can be observed on all levels: There are significant efforts by the European Commission, both in terms of funded projects as well as Green papers and other publications with the intent of defining and shaping CSR in a European context." (Matten & Moon, 2004, p. 24).*

This is seen in Denmark (Moon & Vogel, 2008; Morsing, in Habisch et al., 2005) in several governmental initiatives starting from the 1990s. In these years record levels of unemployment in the country prompted the Social Democratic Minister for Social Affairs to encourage various forms of CSR (Vallentin & Murillo, 2009; Rosdahl, 2001; Jespersen, 2003). It was framed in terms of the Danish CSR Law for Multi National Companies[79] as well as other initiatives, for instance initiatives originating from the The EU Green Papers (Vallentin & Murillo, 2009). The governmental promotion of CSR by exhortation, facilitation, and partnering (Vallentin & Murillo, 2009; Morsing, in Habisch et al., 2005; Fox et al., 2002; Fox, 2004) followed examples from the UK (Moon & Vogel, 2008).

THE STAKEHOLDER APPROACH TO CSR

The multiple stakeholders[80] of the Danish water companies can explain the internal factors affecting CSR, which is typical for any organisation in the EU (Pedersen, 2009; Crane & Matten, 2004, 2007; King, 2000; Vogel, 1992, 1998; Van Luijk, 1990). The three types of power: formal, economic and political (King, 2000; Wartick & Wood, 1998), include the following in the Danish water companies:

1) The shareholder[81] and owner (the municipality) is represented on the company's board

2) The employees of the company

3) The customers of the company (the citizens of the municipality) underlying the monopoly of the institution

4) The local and governmental authorities that represent the legal frames for the organisation[82].

Beyond these primary stakeholders more periphery stakeholders (Wartick & Wood, 1998[83]) are present, such as suppliers, cooperating partners, neighbours, and NGOs etc. In the context of 'natural monopoly' competitors do not formally[84] exist (Buch-Hansen, 2008; Crane & Matten, 2007; Friedman, 2002; Moon, 2001; Lobina & Hall, 2000, 1999). However, to some extent, in

---

[79] LOV nr. 1403 of 27th December 2008 and Ordinance on Some Tier Firms Required to Prepare Green Accounts, BEK nr. 210 af 03/03/2010, LBK nr. 1757 af 22/12/2006 Announcement of Law on Environmental Protection (Environmental Protection Act).

[80] Including shareholders (Crane and Matten, 2007)

[81] seen in conjunction with the company management (directors and managers)

[82] The Danish Municipality Government Law

[83] about 'primary' and 'secondary' stakeholder influences

[84] Arguments about the consequences of the Water Sector Law could counteract this perspective, since the Price Cap Notice aims to create an 'artificial' competition or market among the water- and sewer utilities.

smaller water companies the threat of being superseded by large water companies does exist[85], and in this way it makes sense to talk about 'competitors' eventually.

Compared to 'normal' businesses there is a clear dependency among the key stakeholders in the hybrid organisations of Danish water companies. In 'normal' private organisations there is a natural gap of interests in e.g. being a shareholder and an employee, or being a customer and being the authority, and vice versa (Crane et al., 2008; Crane & Matten, 2007). In the Danish water companies the key stakeholders are mixed up in dependencies, which we shall see later in the water companies governs both the opportunities and the barriers for CSR.

A natural 'logic' of dependencies among the key stakeholders is that the shareholder and sole owner of the typical water company is the municipality, which is represented on the board by politicians from the city council[86]. The citizens of the municipality elect the politicians every fourth year[87] to the city council, and therefore the politicians also represent the citizens of the municipality on the board of the water company. The citizens of the municipality are the con-sumers of water and sewer supplies and therefore also the customers of the water company. Represented by the politicians on the board the customers are somehow implicitly the 'owners' of the company. Finally, the local authorities of the municipality represent the governmental legislation, and since the municipality owns the water company, the water company must be a role model, since eventual critique rebounds on the municipality. The dependency among the key stakeholders can affect the CSR of the water company both positively and negatively. This could be among the following explicit CSR features as shown in Figure 1:

---

[85] LOV nr. 460 af 12/06/2009 § 2 stk. 3, 4 and 5, § 3 stk. 24

[86] The Water Sector Act § 15 and Act on limited companies (Companies Act), LOV nr. 470 af 12/06/2009, §36, The Danish Municipality Government, LBK nr. 696 af 27th June 2008, Decree Law on planning, LBK nr. 937 af 24/09/2009.

[87] Law on municipal and regional elections, see LOV nr. 585 af 23 June 2008 with the changes imposed by § 3 of LOV nr. 1347 af 19 December 2008. The published texts apply only fully from 1st April 2009. See § 4 of LOV nr. 1347 af 19 December 2008.
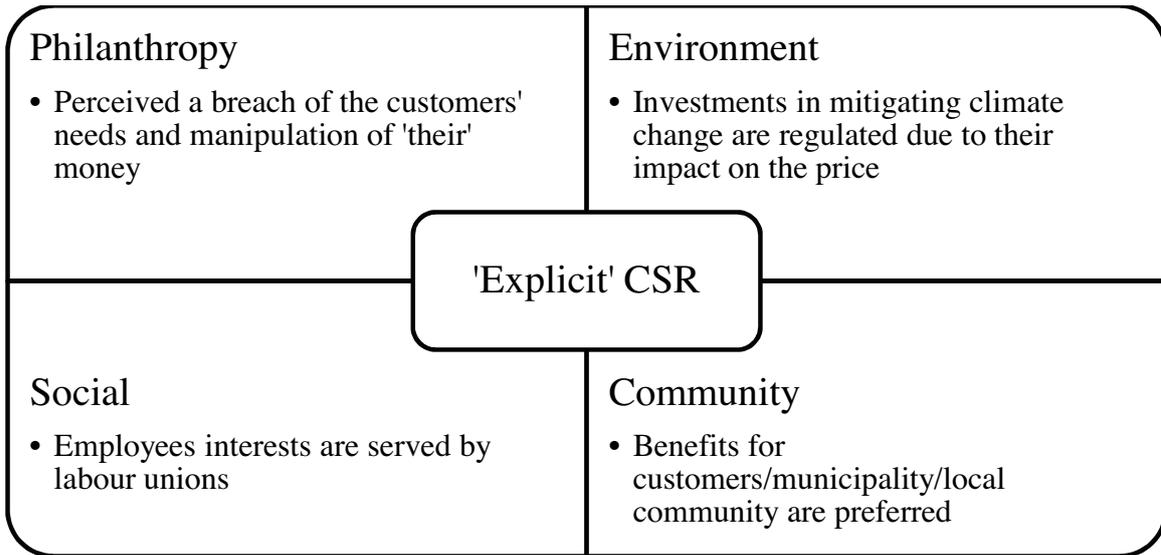
FIGURE 1: 'EXPLICIT' CSR IN THE DANISH WATER COMPANIES

It is necessary to recognise that centrally governed implicit CSR in the Danish water sector is surrounded by rules, legislation, union negotiations etc. (Morsing, in Habisch et al., 2005; Crane & Matten, 2004). Therefore, the above 'explicit' CSR means 'beyond the implicit CSR' (Moon & Matten, 2008).

That Danish water companies are 'natural monopolies' (Friedman, 2002; Crane & Matten, 2007; Buch-Hansen, 2008; Lobina & Hall, 2000, 1999) that sell water under beneficial conditions means that they are typically regulated more toughly than 'normal' private companies due to the absense of 'real' competition (Morsing, in Habisch et al., 2005; Crane & Matten, 2007). The effects of this is that they are thus limited in some aspects of CSR.

The basic role of the Danish water companies is to serve the community in the best and cheapest way possible[88]. Basically business ethics in Danish companies follow the European/ Scandinavian model of value orientation (Crane & Matten, 2004, 2007). However, to navigate on a basis of 'natural monopoly' gives the opportunities for serving the customers while not risking going bankrupt. However, it comes alongside huge (social) responsibilities (Lobina & Hall, 2000, 1999), which the municipal ownerships will and must secure[89]. National legislation regulates and controls the utilities[90] even more than before because of the aim of keeping pricing down and efficiency and quality up[91] (Crane & Matten, 2007).

---

[88] The Water Sector Act §1
[89] The Municipality Government Law, The Water Sector Act
[90] The Water Sector Act §9
[91] The Water Sector Act §4 and §6

Wartick & Wood (1998) and Mitchel et al. (1997) find it relevant to distinguish between key[92] stakeholders, which, in the case of the Danish water companies, would be prioritised:

1.   National government ('definitive' qua law and legislation, state authorities)

2.   Local government ('definitive' qua municipal strategies/policies, local authorities)

3.   Customers ('expectant' qua service level, quality and pricing)

4.   Employees ('expectant' qua work environment, salaries and working welfare)

5.   Suppliers[93] ('latent' qua necessity for construction work and goods supply)

The decision makers of the Structural Reform, i.e. the national government, and the state authorities as key shareholders play the most important role possessing both power, legitimacy, and urgency. As regulator, the national government shapes the existing conditions for the Danish water companies in the derived legislation of the Structural Reform: the Water Sector Act.

The official rationale announced politically by the government is the expectation of great operational advantages as mentioned in the introduction. It is said, that there are huge possibilities for efficiencies on the local government scale and, derived from this, savings in the public administration by aggregation into larger municipalities from 271 to 98[94]   (Nannestad, 2007; The Structural Commission Report, 2004; The Structural Reform Agreement, 2004).

This event or transformation is politically very relevant to our understanding of CSR in the Danish water companies and especially the resulting schism, since the next key stakeholder, the local government as the shareholder represented by the city council politicians, is squeezed from four sides. The city council politicians represent:

---

[92] I do not regard others influenced by the company as more or less 'definitive', 'expectant' or 'latent' stakeholders as 'key stakeholders', since they are characterized as stakeholders having different claims at different times, e.g. trade unions in matters of employee relationships, NGOs in matters of branch politics (e.g. DANVA) or neighbours in matters of construction works, expropriation etc. That does in my prioritizing not mean, that they are less relevant than the key stakeholders, but that their *stake* is characterized by *case* and *ad hoc* relevance and is not present all the time. In the case of political matters for the branch, the political negotiations of the content of the Water Sector Act, the NGO DANVA had top priority as stakeholder for all water company members since the political agreements between the government and the water companies were negotiated through DANVA (see hearing responses to the Water Sector Act and derived decrees (in Danish) at http://www.danva.dk/da-DK/Medlemmer/Holdning/H%C3%B8ringssvar.aspx, re-retrieved 20th September 2013).

[93] We do not in this paper address the 'supplier' (Crane and Matten, 2007) further than acknowledge them as key stakeholders in the business of Danish water companies. The 'supplier' is relevant (and maybe regarded) as a key stakeholder – in terms of contractors, goods suppliers etc. – and they will be mentioned in the "Perspectives" since these stakeholders are part of a forthcoming study.

[94] Law on regions and on the imposition of counties, The Capital Development Commision and Copenhagen Hospital Corporation, LOV nr. 537 af 24/06/2005.

- The municipality as owners and sole shareholders of the company

- The authorities and the national government through the national legislation

- The company management

- The customers who, in the end, have elected the politicians to the city council

In all questions regarding CSR the politician must ask himself: Does this CSR initiative comply with all my representations or stakes for which I am responsible? (March & Olsen, 1989).

Customers (consumers) are regarded as very important in the water companies[95] (Greve 2009) as they are in most businesses (Pedersen, 2009, 2008; Smith, 2008; Vogel, 2005). Typical customer-related CSR is met in the 'code of ethics' in the Strategy Plan of the company (Crane & Matten, 2007).

However, when a politician sees the customers of the company, he also sees the future electors of himself as a politician (Andersen, 2001, 1994). Whose view should he take? He wants to satisfy his employer, the municipality; the company; and the customers/voters for his own political sake (Greve, 2009; Andersen, 2001, 1994) and for the company that he represents. The integrity and trustworthiness of the politician as a person and his role in society follow him everywhere in his political life (Greve, 2009; Lund & Esbensen, 2009; Jakobsen, 2006; March & Olsen, 1989). Any CSR consideration that can benefit the customer, the citizen, the neighbour, and the elector in one and the same person will promote the politician and the company.

The employees of the water company are especially valued at a time of low unemployment when competition among qualified staff is tough (Crane & Matten, 2007). This indeed was the situation in Denmark before the financial crisis (Danish Statistic News, 2009). Lack of qualified employees and existing qualified employees fleeing to other companies with better CSR/employee relationships was a huge problem. The Europeanisation of labour and the changing position of Europe are visible (Pedersen, 2009, 2008; Aagaard, Eriksson, & Westergaard-Nielsen, 2004; Williams, Baláz, & Wallace, 2004). Typically employee related CSR is also met in the 'code of ethics' (Crane & Matten, 2007) of the company.

As other modern European companies the water companies practice their daily corporate governance with employee influences in the form of:

- Employee participation on the board

---

[95] in spite of the benefits that monopoly gives so that the consumers cannot change supplier

99

- Employee participation on the main committee and other committees
- Election to the board
- Election to the committees

For all the above purposes the politician will represent the company management, and according to this view the company development towards attractive employee related CSR is important (Pedersen, 2009, 2008; Vogel, 2005). In this regard we speak of explicit CSR beyond what is stated by the Danish legislation and negotiations with trade unions (Crane & Matten, 2004). The politician recognises that qualified and engaged staff in the company will help him navigate through multiple stakeholder interests as well as general management (Greve, 2009; Buchholz, Brown, & Shabana, 2008; Barnard & Deakin, 2002).

This setup makes the Danish water companies very closely linked to the possessors of the political power in the local government qua the city council politicians on the board. This gives some benefits indirectly to the corporation in the local society and makes the water company a 'political actor' in the community for better or for worse[96].

THE LEGAL AND JURIDICAL STATUS OF DANISH WATER COMPANIES

The WSA, which also relates to other legislation, sets the upper framework for the legal and juridical status of the Danish water companies. This is why this law must be seen as a backdrop for to understand the premises of CSR. The environmental objectives are for example nationally stated according to the Law on Environmental Objectives derived from the EU Water Frame Directives. The local government then states the service level in The Municipal Plans, The Water Plans and The Waste Water Plans. This is thus implemented in the Water Sector Law as a kind of implicit CSR issue that all water companies must obey.

On the other hand the European Commission enforces the trend of 'ecological sustainability' thinking in terms of multiple stakeholder participation in corporate governance (Winsor, 2008). This is present in both voluntary forums[97] (explicit) and in The EU Directives (implicit) (Matten, 2002). National legislation in Denmark, as well as stakeholder relationship with NGOs, strengthens these implicit forces of putting the environment and the climate change on the CSR agenda (Morsing, in Habisch et al., 2005; Matten, 2002) in the water companies.

---

[96] (see also 'power' in Danish planning described by Flyvbjerg (1998, 2000, 2001, 2002, 2007)).
[97] i.e. the European Alliance for Corporate Social Responsibility.

CSR in terms of service and environmental objectives, whatever means and ends are used, the EU, the national government (Morsing, in Habisch et al., 2005; Crane & Matten, 2004; Matten, 2002), and the local government regulate it implicitly. The explicit CSR is exemplified in the company-driven green, sustainable, and climate friendly procurement as ethical examples of company behaviour (Pedersen, 2009, 2008). Danish water companies have CSR incorporated in their climate policies and/or sustainability strategies. This area is not as restricted[98] and regulatory as e.g. water plans, which are very precise in means and ends, and do not leave much room for explicit CSR[99]. Green and climate friendly procurement is widely addressed in policy issues, like buying FSC certified wood, non-GMOs or visionary statements like 'becoming CO_2 neutral in 2014' (e.g. VCS Denmark, the municipalities of Aarhus[100], Frederiksberg and Hillerød, The Partnership of the Public Green Procurement[101]).

VOLUNTARY CORPORATE SOCIAL RESPONSIBILITIES IN DANISH WATER COMPANIES

The Danish Water and Waste Water Association (DANVA) organises members from 139 Danish water and sewer utilities and represents 90 percent of the Danish population of water consumers (DANVA, 2009). Encouraged to show transparent efficiency in the water sector, DANVA has collected data in benchmarking from their members since 1999 (DANVA, 2007)[102].

Examples from benchmarking in 2007 (and 2009[103]) include 78 (75) suppliers, which means that approximately 45 percent of the Danish consumers are represented in this survey. It covers 44 percent of drinking water and 48 (50) percent of wastewater (DANVA, 2007, (2009)). The reports from 2007 and 2009 also show a range of key figures from years before the systemic benchmarking began.

One key figure from 1997-2006 shows that water consumption has fallen 18.5 % during those ten years (DANVA, 2007, p. 4) and increasing a little two years after (DANVA, 2009). Other

---

[98] i.e regulations for CO_2 emissions according to Law on CO_2 quotas, LBK nr. 348 af 09/05/2008.

[99] See the Announcement of the Law on environmental expenses etc. of water bodies and international nature protection areas (Environmental Law), LBK nr. 1028 af 20 October 2008

[100] see http://www.co2030.dk/da/CO2030-in-english.aspx, retrieved 20th September 2013.

[101] Including municipalities of Copenhagen, Aarhus, Odense, Herning, Egedal, Sønderborg and VCS Denmark, www.mst.dk.

[102] All this environmental data can be found on the public (Danish) website http://bessy.danva.dk/Production/Home/Index?ReturnUrl=%2fproduction, which is DANVA's survey and reporting system for benchmarking.

[103] The 2009 benchmarking report is only in Danish. The 2007 is in English at: http://www.danva.dk/Files/Filer/Udgivelser/Benchmarking/POP_UK_Benchmarking_2007.pdf re-retrieved 20th September 2013.

key figures show interesting variations of maintenance costs, electricity consumption per cubic meter water produced, and general quality conditions of the infrastructure of the utilities[104] (DANVA, 2007 (2009)). These figures made DANVA implement a campaign in 2008:

> *"The water sector must do its bit for the environment and to ensure lower CO_2 emissions. At the moment, the sector's electricity consumption corresponds to 2.4 % of total electricity consumption in Denmark. The water sector uses approx. 800 GWh each year. In our view, the potential exists for a 20 - 25 % reduction, says Carl-Emil Larsen, Managing Director of DANVA." (DANVA, 2007, p. 20, my translation).*

The potential for increased energy efficiencies adds up to 200 Giga Watt hours (GWh) a year, which corresponds to 25 % of the total annual consumption of the water sector. Which in turn corresponds to 100,000 tonnes of CO_2, DANVA claims. The means to reach the ends, DANVA suggests (DANVA, 2007, p. 21):

Drinking water supply

25 - 30 GWh: Pumps account for a large part of electricity consumption. A new generation of pumps are developed every five to ten years, which are 10 % more energy effective than the previous generation. The average age of the pumps in the water sector is 10 – 20 years.

Approx. 10 GWh: New drilling technology, adapting pump sizes, speed regulation of pumps and rinsing pipes.

Drinking water supply total saving potential: 35 - 40 GWh.

Sewerage

Approx. 30 GWh: New technology in the form of e.g. frequency controlled pumps for transporting wastewater to the treatment plants.

Approx. 8 GWh: New technology for transporting wastewater internally at the water treatment plants.

30 - 75 GWh: New technology for stirring and aerating wastewater at the water treatment plants.

15 - 40 GWh: Improved control of stirring in the process tanks.

Sewerage supply total saving potential: 83 - 153 GWh.

---

[104] like pipelines, waterworks, wastewater treatment plants and other assets.

The voluntary aim of this explicit environmental CSR is to encourage members to implement the best working procedures and methods in one's own unit by comparing the key figures. Every year the benchmarking process begins afresh (DANVA, 2007).

THE SCHISM OF CSR: MOVING BACKWARDS FROM 'EXPLICIT' TO 'IMPLICIT' CSR

From 2010 most of this explicit CSR has turned into implicit CSR, controlled by the Danish Competition Authority, The Supply Secretariat, according to the national benchmarking legislated by the Water Sector Law. This part of New Public Management, as this model represents (Greve, 2009), is seen in many other places such as New Zealand, UK, Germany, and the Netherlands etc. (Hood, 1991; Pollitt & Bouckaert, 2000; Greve, 2002, 2009). While criticism of the New Public Management era in the 1990s and its aftermath has been raised in Denmark (Greve, 2009), the fact is that the models created in this NPM era are there to stay.

Many bemoan the return of the bureaucracy within this regulatory regime (Klausen & Ståhlberg 1998; Greve 2002, 2009) while others–especially in the UK, France, and South Africa (Shaoul, 1997; Bakker, 2005; Prasad, 2006; Hall, 2001; Hall et al., 2004, 2009, 2010) that have tried the full effect of profit maximising privatisation of the water sector– welcome the model (Bakker, 2005).

Former experiences from the UK regarding fully privatised and London stock exchange listed water sectors since 1989 and during the 1990s show some aspects of transformation to market conditions (neoliberalisation). Profit making in this kind of privatised water sector has had severe backlashes (Shaoul, 1997; Bakker, 2005; Prasad, 2006; Hall, 2001; Hall et al., 2004, 2009, 2010), which are now rectified (Crane & Moon, 2007).

DISCUSSION

DOES THE 'IMPLICIT'/'EXPLICIT' CSR CONCEPT WORK?

One of the notable critiques[105] of the Matten & Moon (2004, 2008) definitions of 'implicit' and 'explicit' CSR is the unification of notions. No model or concept will fit any situation totally (Moon & Matten, 2008). However, the notions of 'implicit' and 'explicit' are still valuable as external frameworks for the description of CSR in Danish water companies. It is especially descriptive when a situation turns from explicit to implicit as in the example above.

---

[105] delivered by themselves

However, as this paper shows, the concept is best for describing external factors affecting CSR, which I mean is general to any organisation in Denmark. We need other models to describe the internal factors affecting CSR, which is well demonstrated by stakeholder theory.

In this case the stakeholder model is supposed to suit an organisation that is both politically and professionally driven. Therefore a model of a traditional business organisation without the political aspect would not suit the Danish water company as a hybrid organisation. The Wartick & Wood (1998)/Mitchel et al. (1997) model focusing on different levels of power–formal, economic, and political–does fit this hybrid organisation more than other models. This is explained below.

MULTIPLE STAKEHOLDER ROLES

One of the challenges in CSR in Danish water companies is that the politician possesses four or more different roles. Will he be able to distinguish them? Probably he will in most cases. We also saw earlier that compared to 'normal' businesses there is a clear dependency among the key stakeholders in the hybrid organisation of the Danish water companies, which is unlike 'normal' private organisations that have a natural difference of interests among stakeholders (Crane et al., 2008; Crane & Matten, 2007). In the Danish water companies the key stakeholders are mixed up in dependencies and especially the politician with multiple roles could meet issues where he is disqualified to make decisions.

The citizens and implicitly the customers of the water company are also the future electors of the politicians (Andersen, 1994, 2001). The employees are the productivity of the company. The municipality is one of the company's authorities. Whose view shall the politician take, it has been asked. He cannot suit the municipality, the company, the customers/voters and employees equally well in every instance. Compromises must be made. Perhaps this is what he is good at as a politician!

GOVERNMENTAL INFLUENCE IN CSR

As shown in the examples earlier, the typical dominant stake(holder) in European CSR is the presence of governmental influence in CSR (Vallentin & Murillo, 2009; Matten & Moon, 2004, 2008; Crane & Matten, 2004; Donaldson, 2008; Vogel, 1992, 1998; Van Luijk, 1990). This is one aspect of the total picture of CSR in the Danish water companies. The other aspect is the 'normal' CSR in private organisations in Denmark, and this is the CSR we see a huge amount of literary descriptions about, from both US and European models (Matten & Moon, 2004, 2008; Crane & Matten, 2004; Donaldson, 2008; Vogel ,1992, 1998; Van Luijk, 1990). The benefits of

the Danish water companies being a part of a strong governmental and political system, though being juridically separated from the municipality and the authorities, is best shown by the reverse situation.

Privatisation of the utilities in the water sector into Public Private Partnerships (PPP) has created the 1990s failures in efficiency, profit making and savings for the customers, and has sent the utilities back to the municipal ownership organised in non-profit companies all over the world (Hall, Lobina, & Corral, 2010; Hall & Lubina, 2009; Hall et al., 2009; Lobina & Hall, 2000, 1999; Hall, 1998 (a)+(b)). The criticism of Veolia and Suez and other multinational water companies as privatised operators in several countries, including the developing countries, has shown the failure of fully privatisation of the water sector and profit maximisation. The result in terms of the return of the operating companies to the former municipal and transfer back to non-profit organisations has shown a clear picture.

The official rationale of Structural Reform in Denmark and the WSA changes nothing of the above. The governmental and political rationale is still efficiency-making and savings for the customers through non-profit making by the Danish water companies[106]. We also saw earlier that these companies are 'natural monopolies' and thus centrally governed by legislation and regulated more toughly than 'normal' private companies (Morsing, in Habisch et al., 2005; Crane & Matten, 2007) and thereby limited to some aspects of CSR.

Other utilities sectors have been privatised with various degrees of success. A recent study of the privatisation of the electricity sector in Denmark shows that prices have not declined as expected[107]. The only non-profit infrastructural sectors still on monopoly in Denmark[108] are the water, sewer, and waste sectors, and they have not yet reached the privatisation with a profit-making agenda like others in the energy sector[109].

What relevance has efficiency, savings for the customers etc. to do with CSR? If the 'project' of efficiency of the water sector succeeds and the quality increases when prices decrease, the economical winners are likely to be the customers and society. The interesting part of the notion is the 'quality'. What is meant by 'quality' and who/what benefits from it? We don't know yet.

---

[106] §1, §6 and §14 in The Price Cap Notice

[107] (see link to the article (in Danish) in the newspaper Information 15th Februar 2010: http://www.information.dk/224633, re-retrieved 20th September 2013)

[108] The Danish Competition Authority, Ministry of Financials, "Competition Report 2003. Chapter 4: Water Market", p. 22

[109] The Danish Competition Authority, Ministry of Businesses, "Competition in the Energy Sector", 1998.

The term of 'service and environmental objectives' is not stated in the legislation yet: we know only that it will be stated by the minister in the future.

However, as long as the legislation is fulfilled, explicit CSR exemplified in green, sustainable and climate friendly procurement and company policy-making could be possible as long as the company does not spend more money on this, which could raise the prices of water. Showing good ethical examples in its overall behaviour towards stakeholders and the environment (Pedersen, 2009, 2008) is what we are looking for.

CONCLUSION

IT IS ALL ABOUT ACCOUNTABILITY

Accountability towards multiple stakeholders of all kinds shapes a company's reputation. The company is what it accomplishes more than what it says it will accomplish. As Clive Crook points out in his 'Special Report on CSR' in the Economist (2005):

> *"The proper guardians of the public interests are governments, which are accountable for all citizens. It is the job of the elected politicians to set goals for regulators, to deal with externalities, to mediate among different interests, to attend to the demands of social justice, to provide the public goods (…) and to organize resources accordingly" (Crook, 2005; quoted in Crane & Matten, 2007).*

The schism of CSR in the Danish water companies compared to other businesses lies in the role of the hybrid organisation being placed between a private company and a municipal administration. We must not be blind to the pros and cons these close political bonds and relationships in the political arena that the Danish water companies are entitled to qua the municipal ownership. To an important extent this represents the schism of CSR in this sector.

'With power comes responsibility' (and 'with great power comes great responsibilities)' are popular quotes from the cartoon of Spiderman (Stan Lee, 1961) also used in CSR as well as in sustainability matters (e.g. ECCJ, 2008; Nolan, 2005). In regard to the Danish water companies it is not the point that the company possesses great power, but that with the power or indirect power it actually possesses, comes responsibility and that this responsibility ought to be greater than that of other businesses without the same political power. This means that the Danish water companies have an obligation to be role models from CSR perspectives, as do other public busi-

106

nesses. Several difficulties are met in the fulfilment of this aim, and the governmental regulation of the water sector is one.

The objective of this paper was to show the schism of CSR in Danish water companies. Hopefully, the above statement is not far from the existing conditions for CSR in hybrid privately/politically governed organisations of water companies in Denmark. The schism of CSR is not to forget to cope with the barriers when opportunities appear right ahead.

As Vogel (2005) states:

> *"Some managers sincerely want their companies to promote civic purposes as well [as financial]. Their ability to achieve nonfinancial objectives can be constrained by competitive pressure, but this does not make their personal commitments unimportant or inconsequential: they can and do matter." (Vogel, 2005, p. 13).*

In this case the competitive pressure and inherent constraints in opportunities for CSR are dictated from the governmental legislation within the Water Sector Act and its Price Cap Notice. On the other hand the government encourages businesses to voluntarily adopt CSR free of governmental regulation[110] (Vallentin & Murillo, 2009). The dependencies of the municipality and the political movements in the local society are shown to be both beneficial (Vogel 2005) and inappropriate or restrictive in the name of CSR. This, along with the other examples, represents the schism of CSR in the Danish water companies.

In a highly implicit CSR nation, it is easy to on the one hand to lean back and comply only with what legislation demands and let others (i.e. the government) do all the good thinking. On the other hand the overall purpose of the Danish governmental CSR policy is confusing. Is it to be voluntary or to be regulated or both? Streams go both ways, but to go beyond the legal (Vogel, 2005) (as explicit CSR) and make a difference in the Danish water sector is a big CSR challenge because of the strong governmental regulation. In the next years, the interesting question, when all legislation is implemented, will be the success of the implementation: did it work at all and if it did, how well?

The apparent necessity in the public regulation of the Danish water companies (Vallentin & Murillo, 2009; Morsing, in Habisch et al., 2005; Crane & Matten, 2004, 2007) affects the freedom to choose among CSR possibilities as a consequence of government interference. 'Normal'

---

[110] CSR law.

private companies are free to choose among explicit CSR elements as philanthropy, environmental and climatic issues, benefits for customers, employees and local society (Matten & Moon, 2008; Crane et al., 2008; Carroll, 2008). To what extent this will be worsen or improve for Danish water companies, time will show.

According to Crane & Matten (2007) the effect of the British privatisation of the water industry has now reached its goals after governmental and legal adjustments and a tight regulatory regime. This means that privatisation after being taken over by the public sector generally has been a success in the UK in improving, enhancing efficiency and keeping pricing down (Crane and Matten, 2007, p. 76). What we will see during the next years is the actual 'effect' of the Danish publicly owned privatisation of the water and sewer utilities both economically, but, in our interest certainly, in CSR.

PERSPECTIVES

The next years' CSR work for Danish water companies is both wide open and uncertain depending on the developments in the national legislation. Further research should focus on the possibilities of incorporating and positively affecting CSR in Danish water companies and other such hybrid organisations in general all over the world. These are service agents of the society and they have a great opportunity to put CSR standards on the agenda and bringing other SMEs to the table because of the public value they provide and the publicity they get.

Shifting focus from internal CSR to external CSR where public service is a value in society is also a topic of interest. The role of a public builder and public purchaser does make a major contribution to society and especially to the behaviour of good business ethics in the bigger perspective: road building, public housing, new hospitals, schools, nursing homes etc.

ACKNOWLEDGEMENTS

PAPER #2

Stakeholder Risk Management in Ethical Decision Making–an Organic Model

LINNE MARIE LAUESEN, 2012

ABSTRACT

Stakeholder management has for the last three decades been concerned either with strategic business management or with business ethics, values, and quality. Many models have been developed, but recently the literature demands more dynamic models instead of the staticism that characterises some models. This paper offers an 'Organic Stakeholder Model' based on decision-making theory, risk assessment, and adaption to a rapidly changing world combined with an appropriate stakeholder theory for ethical purposes in decision-making processes in businesses.

The 'Organic Stakeholder Model' is grounded in empirical evidence from hybrid organisations such as Danish water companies, which are mixes of private corporations and political administrations. The model offers a new way of combining risk management with ethical decision-making processes by the inclusion of multiple stakeholders. Not only does the model apply to these kinds of hybrid organisations, but it is easily adopted and tested for other private business models too.

The findings and the conceptualisation of the model enhances business ethics in decision making by managing and balancing stakeholder concerns with the same concerns as the traditional risk management models do for the sake of the wider social responsibilities of businesses for their stakeholders.

Keywords: Stakeholder Management, Organic Systems, Business Ethics, Decision Making and 'Time'/'Cost' variables.

INTRODUCTION

Stakeholder theory has been canvassing for the betterment of the world and the applicability of business ethics, moral values, and qualities for more than three decades since the term was coined by R. Edward Freeman (1984) in his *Strategic Management: A Stakeholder Approach* (Freeman, 1984). A vast literature of theoretical and empirical analyses has been written. Conceptualising theories that support Freeman's theory has been written for scholars and managers in all kinds of businesses and administrations of organisations in general. This paper is designed to contribute to this literature in designing a model meeting the needs of stakeholder management theories in adapting a more organic view of stakeholder management and overcoming the staticity of stakeholder models (Fassin, 2010). This way stakeholder theory can better meet the complexities and irrationalities of the world and business arenas we meet in organisations when dealing with multiple stakeholders.

First, the paper reviews very succinctly the most relevant stakeholder theory and models supporting the proposed model. Thereafter, it presents ideas from the literature of organic versus mechanistic structures in organisation (Burns & Stalker, 1961) as well as ideas of risk management and decision making in complex organisations with multiple actors and stakeholders (March, 1994): more precisely the 'Garbage Can' model of decision making (Cohen, March, & Olsen, 1972). From these theoretical insights from Burns & Stalker's (1961) 'organic' structures combined with Cohen et al.'s (1972) Garbage Can model of decision making and March's (1994) ideas of organisational theory and risk management I derive my Organic Stakeholder Model seen from the stakeholder perspective.

The model initially reverses the objectives for stakeholder management in the traditional way, and instead takes Mead's view of 'the other' (Cook, 1993) and tries to view risk management from the viewpoint of the stakeholders in order to accomplish decision making that reduces risks for stakeholders and eventually for the business itself. Rational decision makers sometimes see risks as something that we should 'do away' with (March, 1994) which sometimes is impossible. Then, when reversing the viewpoint of for whom and for what businesses are operating, by seeing risk management for stakeholders and implicitly for us all, the management of risks reveals more knowledge about uncertainties just by stretching the network of knowers to include stakeholders in the process of decision making.

As March points out: it is impossible to know everything relevant prior to decision making, and irrationalities are certain kinds of unmanageable entities as well as knowledge consumption that

is cognitively limited by the participants in the known setting. So when we try to reduce the risks that we know either from our own experiences or through others', we still have a range of unknowable risks, that we experience only from the outcomes of decision making retrospectively (March, 1994; Weick 1995). So what do managers do? They enhance knowledgeability, they bring in more and more knowledge in order to 'rationally' reduce risks and uncertainties till the point where cognitive limits of information capabilities reach a point where known knowledge is no longer used, experiences are forgotten, and rational choices can become irrational in the sensemaking of the outcome of the decision making (March 1994). We only know if we have made a good decision after we have implemented it. As Weick says: *"How do I know what I think till I see what I say?"* (Weick, 1979). No risk model has yet proven to be safe enough. We can only learn and learn from others in order to be able by our limited rationality to estimate rational choices without lulling ourselves into the idea of risk avoidance and risk elimination, March points out (March, 1994). This involves risk taking.

Choosing this view of the stakeholder involves the environment or society in risk management of business decision making. I will show through empirical examples that this 'ethical turn' can create a business case with mutual benefits that promote and assist the decision maker even more than classical risk management seen from a self-fulfilment perspective ultimately. It cannot eliminate risks and it cannot 'do away' with uncertainties. It will build a consensus of prioritising risks from a broader view and eventually reduce the risk taking of both businesses and stakeholders.

From here I draw analytically conceptual points to build the Organic Stakeholder Model and show how stakeholder risk management for ethical decision making can deliver a business case out of business ethics and corporate social responsibility. These consist of certain amounts of philanthropy and altruism combined with mutual benefits for both the environment and businesses: a so-called durable model (Aras & Crowther, 2009). The methodology of the research and the development of the model are described in the next.

METHODOLOGY

The Organic Stakeholder Model has been created through by participant-observations done in Danish water companies from 2004 – 2011. I was working first as a practitioner from 2004 - 2010 and afterwards as an ongoing and retrospective researcher. I used my prior projects and ongoing case studies and was a participant-observer in a large and medium sized water company

respectively. The projects, in which stakeholder involvement was intense and multiple, contained the following construction projects described in Table 1:

Project name and locality	Project description	Project type
1) Stormwater pipe basin in Odense Habour	3 km pipeline basin of 11,000 m3 water installed under a protected and 300 years old cultural heritage forest to reduce contaminations through discharges to scarce water bodies	Mega project with multiple stakeholders
2) Stormwater pipe basin in Dalum/Odense	1.5 km pipeline basin of 4,000 m3 water installed under a protected forest to reduce contaminations through discharges to a protected river	Mega project with multiple stakeholders
3) Stormwater basin in Sanderum/Odense	A natural stormwater basin installed in an urban area where repeatedly overflow of stormwater destroyed 9 houses under extreme rain events. 7 out of 9 houses were bought and removed for the optimal replacement of the stormwater basin	Controversial project. Happy ending of a seemingly unsolvable problem by untraditional but legal methods
4) Energy/additives reduction in WWTPs in Svendborg	Implementation of a new IT system of online measuring in 3 wastewater treatment plants (WWTP) for energy and additive reduction and total rearrangements of control systems to operate the WWTPs	Change project. The adaption of a new operation style.
5) Energy reduction of distribution of freshwater in Svendborg	Experimental project of reducing pressures in freshwater pipelines and pumping stations for better and more consistent water delivery and energy efficient outcome	Experimental project with a surprising outcome.
6) Construction of a new 500 m² building in Svendborg	A traditional construction of a building but inclusion of a total substitution of fossil energy for 'green' energy. The project had strong intentions of being sustainable, however the traditional building failures resulted in a stakeholder riot before the problems were solved.	Controversial project. A success with many failures and stakeholder riots during the process.

TABLE 1: PROJECTS FROM THE DANISH WATER SECTOR INVOLVING MULTIPLE STAKEHOLDER ENGAGEMENTS.

The above projects in Table 1 are described in detail in the chapter on empirical evidence. So are the concepts and categories for the projects (megaprojects, controversial, experimental and change projects). The research methodology used in the above case studies was qualitative participant-observations, interviews, and document studies during and *ex post* the realisation of the projects. My role as participant-observer was in all cases except in case 5) to be one out of sev-

eral decision makers. This gave me the opportunity to observe while negotiating with other managers such as top managers, project managers, employees, and various external stakeholders such as regulators, authorities, neighbours, unions, property owners, land owners, NGOs, shopkeepers, advocates, schools, road users, workers, citizens, and many more.

The cases number 1) to 2) had multiple (more than 100) stakeholders while stakeholders in case 3), 4) and 5) had a limited of stakeholders, but they were very intense. In case 6) I had the experience of being a project manager among several (more than 50) close stakeholders of the water company, who ordered a new office building. I was sitting in the same office with those stakeholders, since they were my colleagues and chiefs executives. This project was the first project, I had as project manager, where the majority of stakeholders constantly (every day) claimed legitimacy for their demands during the whole construction period. In the other projects the stakeholders were more absent and only present from time to time in times of relevance. Case 5) had some of the same features since all stakeholders were the employees and the operation manager–all my colleagues–although they were physically present in another building than the one I was working in. Here, my role was substituted by the operation manager, who during the project of installation of a new IT system had to rearrange all operations at three wastewater treatment plants while he was surrounded by a majority of close stakeholders: his employees.

The observations and documentation of all projects contains a vast amount of documents consisting of written emails, reports, minutes, press material, books and videos, and written notes, in some of the cases thousands of pages. Interviews have been few and limited to only case 4) and 5), where I made in-depth interviews with the operation manager and project managers in charge of these projects. On the basis of these cases the 'Organic Stakeholder Model' will be proposed.

My qualitative work takes its departure from a constructivist paradigm stemming from symbolic interactionism. The viewpoint here is that individuals make sense of decision making and understands its meaning of it retrospectively (Weick, 1995). This perspective is elaborated more in the section on theory and is combined with the chosen perspectives of 'organic structures' (Burns & Stalker, 1961), the theory of 'limited rationality', the 'garbage can' model of decision making (Cohen et al., 1972), and risk management (March, 1994) respectively.

Before continuing to the theoretical review and the conceptualisation, I will dedicate a small amount of the story to the contextual setting of the hybrid organisations of Danish water companies.

ORGANISATIONAL SETTING

The organisational setting of the hybrid organisations of Danish water companies is a mix of private sector companies and public administrations. The term 'hybrid' should be understood in the organisational structure, which is explained next. The structure of the hybrid organisations has deep connections to the privatisation of public service administration that has taken place more or less worldwide. In this respect, the structure of hybrid organisations of Danish water companies looks much like state owned enterprises (Lauesen, 2011).

The Danish water companies are constructed as private limited liabilities and the municipality typically holds all shares in these specific cases. Some state owned enterprises have been privatised fully and have been listed on the stock exchanges, and the shares that the state owns vary from company to company. This is not the case with the water companies in Denmark. The company shares are not listed but formally owned by the municipality. In many companies the board members and the Chairman are typically held by local politicians appointed by the City Council (Lauesen, 2011).

Since the companies' core activities have not been changed, and the fact that the municipality is ultimately responsible for the delivery of water and wastewater services, the hybrid of former public administration influencing the companies activities at the same time as the managerial 'freedom to act' have changed decision-making paths. Decisions have been translated into the New Public Management system of limited freedom surrounded by a vast amount of new legislation and a new regime of regulation according to the Water Sector Act.

However, within the law and regulation, which yields both juridical and economic limitations, the managerial freedom to act is present, and from here the structure is very similar to that in the private sector. We will from the chosen cases see examples of how this hybrid structure of Danish water companies forms a new kind of ethical decision making model mainly from the way that these organisations are constructed. The limitations of their freedom to act from within this 'blackbox' (Latour & Woolgar, 1986) we will see how social, environmental, and ethical concerns formally and informally thrive.

LITERATURE REVIEW OF STAKEHOLDER THEORY

Stakeholder theory was originally developed in connection with strategic management. However, it has increasingly become a matter of how to implement business ethics in actions regarding social matters. The "father" of stakeholder theory, R. E. Freeman (1984) (Crane & Matten, 2007), has made modern management emphasise the importance of investing in the relationships with those who have a stake in the firm. Ever since, he has inspired stakeholder theorists to supplement his model (e.g. Donaldson & Preston, 1995), develop it (Mitchell et al., 1997; Wartick & Wood, 1998; Wood et al., 2008; Fassin, 2009), or make new stakeholder concepts and perspectives of it (Rowley, 1997; Jensen, 2002).

Mitchell et al. (1997) as well as Wartick & Wood (1998) bring the importance of power into the relation with stakeholders and evaluate how much stakeholders matter to managers. They suggest that the importance of the stakeholders depends on: power, legitimacy, and urgency. Stakeholders hold three types of power (Wartick & Wood, 1998): formal (shareholders, directors), economic (employees, customers, suppliers, creditors), and political power (pressure groups, activists, governments and the community) (cited in King, 2000). Wartick & Wood recognise that some stakeholders have multiple power bases (King, 2000), which is also seen in the cases of Danish water companies (Lauesen, 2011).

Fassin (2009) modifies the Freemanian stakeholder model (Freeman, 1984; Mitchell et al., 1997; Wartick & Wood, 1998).
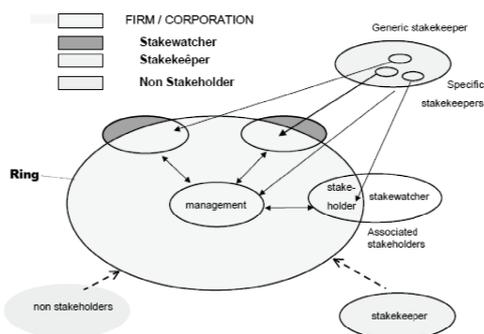
FIGURE 1: TRIANGULAR RELATION "SOLAR SYSTEM" (FASSIN 2009)
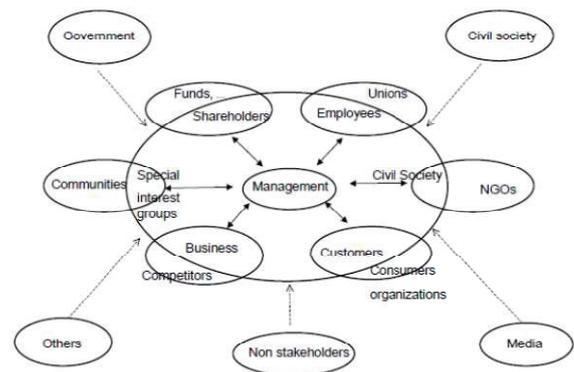
FIGURE 2: THE STAKE MODEL OF FASSIN (2009)

He calls his innovative model a 'Stake Model' and defines three types of stakes: the stakeholder, who holds a stake (i.e. stockholder, owner), the stakewatcher, who watches the stake (i.e. pres-

sure groups), and the stakekeeper (i.e. regulators), who keeps the stake (Fassin, 2009). This stakeholder approach has some special benefits compared to the traditional stakeholder models: 1) it (still) contains the typology of Mitchell et al.'s (1997) definition of the stakeholder (power, legitimacy, and urgency) but in a new mix that accepts stakeholders having different roles and not always real stakes, i.e. regulatory control (Fassin, 2009), and 2) it acknowledges the Freemanian cognitive power between stakeholders that binds them together (Fassin, 2009).

Fassin sketches his model, which is (like Rowley's (1997)) inspired by social network analysis (SNA), but–unlike Rowley–illustrated not only by ties (relationships) and knots (actors) (Freeman, 2006), but also by circles interacting with each other (Fassin, 2009). The left side is Fassin's stakeholder relation as a 3D chart (Figure 1), and the right side is the Stake Model of the firm seen in a 2D version (Figure 2).

This model is illustrated visually with traditional SNA parameters shown directly (actors, ties, connections, closeness, bridges, centrality etc.) and carefully adapts these parameters into a diagram. In this way it does not depend only upon a traditional SNA linguistic frame, which needs a discursive interpretation. The interpretation lies implicitly in the visuality of the model (Fassin, 2009). Lately Fassin has commented on his own model and asked for the necessity of the inclusion of a more dynamic view of stakeholder relationships:

> "[The] stakeholder literature has acknowledged the need to complement the extant theory on stakeholder management by more dynamic perspectives" (Fassin, 2010, p. 39).

Fassin addresses this task by including another category borrowed from Holzer (2008): the stakeseekers, who are characterised "*by (*the*) role of ... various forms of activism, from shareholders, NGOs and government, in the stakeholder mobilisation process (*and*)... how stakewatchers and stakeseekers can profoundly affect stakeholder salience, especially in crises.*" (Holzer, 2008, p. 52). Fassins concludes that the "*activist salience increases in crises, when management's decisions do not sufficiently take into consideration stakeholders interests*" (Fassin, 2010, p. 48) and that this dynamism is clear when using graphical means to analyse stakeholder influence or salience. The problem with static models is that they contradict their own intentions, which Fassin shows through his various cases. A single model cannot predict dynamism in real life by using a static visual model anyway. The dynamism, that Fassin wants to show, is how the model 'moves' and what is meant by this movement.

Similarly, Freeman (2010) has departed from the visualisation of stakeholder relationships in his new version of his 1984 book, *Strategic Management: A Stakeholder Approach*. Freeman wants to show in pure wording *"who and what really counts"* (Freeman, 1984, 2010). To understand that complex matters, such as the examples by Fassin (2010) as well as Freeman's (2010) work generally, this paper acknowledges the various concepts addressed in this literature review. However, it tries to show from another angle how dynamism might be captured in an 'organic' way, that has the same limitations as Fassins (2010) model when illustrating a static text. Like other theorists, it tries to compensate by claiming that the model offers no static illustrative model that can encompass all or even similar cases. It offers a framing of the concept of ethics addressed by Freeman (2010), but attaches it to two dependent variables, that determine the outcome of the ethics in decision making through the involvement of various stakeholders, of which some are determinant stakeholders and others are less determinant stakeholders.

THEORY OF 'ORGANIC STRUCTURES' AND 'GARBAGE CAN' PROCESSES.

This theory-building for the Organic Stakeholder Model involves ideas from Burns & Stalker's (1961) definitions of 'organic structures' in organisations. This is a structure that I will argue is based upon empirical evidence, which is present when dealing with multiple stakeholders. I will argue, that decision making in organisations is tied to stakeholder relationships in these types of hybrid organisations, and that these ideas can and will be used in many kinds of organisations, purposefully or unconsciously.

In this respect I draw my ideas from Cohen, March, & Olsen's (1972) Garbage Can Model and adapt it to decision making and combine it with March's ideas expressed in his book, *A Primer on Decision Making* (March, 1994). In this book March elaborates these ideas to organisational management in general. The basis of combining these ideas is not foreign for either of these theorists, since the glue of their observations is based on the way that Weick later described 'sensemaking' (Weick, 1995). March refers to this concept and Burns & Stalker (1961) use it unconsciously in their observations and interviews with actors of companies. I will shortly review the main features of the three theories before describing the Organic Stakeholder Model, which is substantiated by these theoretical ideas.

Organic structures (Burns & Stalker, 1961)

Tom Burns and G. M. Stalker (1961) conducted a study of 20 different industrial organisations finding themselves in an environment of continual change in both market situation and technical information. These companies all struggled with tasks that constantly were new and unfamiliar, and Burns & Stalker observed how these organisations tried to stabilise this ambiguity into operational and practicable conditions (p. vii). They categorised and compared managerial systems as either 'mechanistic' or 'organic'. With 'management' they understood *"directing, coordinating and controlling the operations of a working community"* (p. 13). 'Mechanistic' systems were found in traditional bureaucracies defined by the functions, methods, responsibilities, and power in a highly structured organisation with clear boundaries such as vertical hierarchies, clear duties and procedures to execute the necessary task (Ibid.). 'Organic' systems were found in organisations and defined by interactions in both lateral and vertical levels in the organisational structure rather than vertical command systems as in a traditional bureaucracy (Burns & Stalker 1961, p. 5). Organic systems were as were bureaucracies also stratified, but not hierarchical in the same way (p. 122).

Their conclusions were, that 'organic' systems adapt better to unstable conditions (p. 11) because *"problems and requirements for action arise which cannot be broken down and distributed among specialist roles within a clearly defined hierarchy"* (p. 8). *"The individuals have to perform their special tasks in the light of their knowledge of the tasks of the firm as a whole"* (Ibid.). Knowledge to adapt to the changing conditions was to be sought and negotiated at all levels of the company in order for the company to survive in a competitive and rapidly changing environment (p. 11).

'Change' was according to Burns & Stalker both related to the use of technology, performance, and interaction among the individuals in the organisations. In order to make changes both in choices of the most adaptive and efficient technology for the tasks as well as changes in human interactions and in the technology, the amount of knowledge and how this was found, decided, applied, implemented, and stored as memory in these organisations, was no longer hierarchically determined, but multi-layered inside and outside the organisations, they found. Burns & Stalker found that no single set of principles could be said to be applicable to good organising or to an ideal type of management system or administrative practice generally. However, mechanistic systems were better adapted under stable conditions, whereas organic systems were best suited for the adaptation to a rapidly changing environment (p. viii + 11).

The question is, what is meant by 'unstable conditions' or 'rapid environmental changes'? Here, Burns & Stalker explains that the concept of 'novelty' is related to 'risk taking' in order to reduce harm when *"an enormous numbers of random possibilities are eliminated by rational choice (which means that) the chances of harm rather than good resulting are reduced, not eliminated"* (p. 21). Similarly they find, that when environments or conditions are rapidly changing *"the person or the organisation is itself changing, so that even to maintain the same degree of fitness for survival, people and institutions may have to change their ways (so the) risks attendant upon change may have to be weighted against other risks arising from maintaining the same state of affairs"* (p. 21). This indicates, that the operation of an organic system of management is dependent on effective communication (p. 252) across departments, individuals, workers, consumers, i.e. stakeholders in general and finally linked to the decisions made for these necessary changes to be made.

Garbage Can Model (Cohen, March & Olsen, 1972)

The organic management system, as Burns & Stalker (1961) described it, is the most adaptive management system for changing environments. This leads me to examine how decisions are made under conditions that continually are changing in everyday business practice. For this purpose the Garbage Can Model explained by Michael D. Cohen, James G. March, and Johan P. Olsen (1972) is appropriate.

Cohen et al. described organisations characterised by problematic preferences, unclear technology, and fluid participation as 'organised anarchies' and found by computer simulations of 324 examples of how decisions were made in this flux of uncertainties and described it with the metaphor of the 'garbage can'. These definitions will be presented in the next section in order to understand exactly what is meant by the categories and the model and how these ideas can be linked to the organic system of management explained earlier. 'Organised anarchy' is not a definition by which Cohen et al. characterise a whole institution or organisation: any organisation can be characterised as such *"in part or part of the time"* (p. 1). The process occurs precisely when the preconditions of more normal rational models are not met (p. 16).

Cohen et al. define the first premise, 'problematic preferences', as general for the anarchistic organisation operating in changing environments, because no preferences are stable enough at any time-span from decision making to implementation or action upon the preferences. They argue that *"(t)he organisation operates on the basis of a variety of inconsistent and ill-defined preferences. It can be described better as a loose collection of ideas than as a coherent struc-*

ture; it discovers preferences through action more than it acts on the basis of preferences" (p. 1).

Their second premise, 'unclear technology', is to be understood when members of the organisation are exposed to changes, they do not fully understand the (new) technology they use, and therefore the organisation operates *"on simple trial-and-error procedures, the residue of learning from past experience, and pragmatic inventions of necessity"* (Ibid.). Because how should individuals be able to consume the rapid changes of environment and technology when time is a limitation to knowledge and experience gathering? If we acknowledge that knowledge building takes time, and that technology maybe changes more rapidly than the consumption of knowledge about it–which we know from some IT systems, where we did not get to use it very well before the system was changed to another novel system–the trial-and-error is rapid enough to make us understand what we are to do about it if the risk of new changes are present. The third premise, 'fluid participation', which Cohen et al. define as participants and their involvements and efforts varying over time, makes the boundaries of the organisation uncertain and changing. This also means, that decision makers and audiences may change as rapidly as everybody and everything else (p. 1).

Two premises, that also characterise the 'anarchistic organisation', are 'goal ambiguity', meaning *"the manner in which organisations make choices without consistent, shared goals",* and 'actor attention', meaning *" how occasional members become active and how attention is directed toward, or away from, a decision"*. Cohen et al. find these premises in every complex organisation (p. 1-2). The classical citation of the results of the decision-making process in organisational anarchies speaks for itself, and this quote is one of the most used in decision-making theory ever since its presentation:

> *"From this point of view, an organisation is a collection of choices looking for problems, issues and feelings looking for decision situations in which they might be aired, solutions looking for issues to which they might be the answer, and decision makers looking for work." (Cohen et al., 1972, p. 2)*

The above changes the focus of meaning of choices and how this changes over time (p. 2). The emphasis on timing and time pattern linked with 'energy', which I understand to be quality and value for whom and for what, will become crucial in decision making (Ibid.). The definition of the 'garbage can' is a metaphor for and linked to the opportunities of choices. In these different

problems and solutions are mixed and unstructured, and found relevant or not relevant in the timing of their appearance in the setting of time during the decision-making process.

It is also loosely coupled with the attention of participants acting fluidly and non-coherently during the whole process of decision making (Ibid.). This makes organisational decision making dependent on a *"relatively complicated interplay among the generation of problems in an organisation, the deployment of personnel, the production of solutions, and the opportunities for choice."* (p. 2). Cohen et al. define the way decision making is done under these premises in four streams: a stream of 1) choices, 2) problems, 3) solutions, and 4) energy allocated. All streams depend more or less on their entry time (calendar time), decisional structure (who is allocate to make decisions), energy requirement (how difficult is it, how many resources must we activate, what implications or harm is there), and access structure (a list of choices to which the problem can be assessed). These streams are tested in the computer simulation of the 324 examples, which leads Cohen et al. to the following findings of decision-making processes in organised anarchies:

1) Resolution: Some choices solve some problems after an amount of time of working with them.

2) Oversight: If new choices become available for problems, that may be connected to other choices, and because this new choice limits the time and energy to solve the problem, it is chosen.

3) Flight: A more attractive choice comes along after some time working with the problem and with other choices, then the problem is removed from these other choices and is attached to the new one because of the apparent attractiveness of outcome.

Cohen et al. find an interesting connection from their simulations: 'resolution' is not the most common decision-making style, although many problems are sought to be solved in this manner from the beginning. 'Oversight' and 'flight' are more common in the process in general (p. 9). The process is also found to be very sensitive to variations in energy load. If the energy load is heavy, then problem activity and decision-making activity are increased, and the decision making gets more difficult. This leads to the choice characterised from oversight and flight, and much time is spent with problems not being solved thoroughly or eliminated entirely (Ibid.).

Decision makers and problems tend to track each other with different choices that do not eliminate the problem or ultimately solve it. Attention is paid to the importance of problems and the

timing of their entrance so that early problems are resolved more likely than late problems. The prioritisation of problems is typically made on the basis of importance. However, in this respect, the importance of choices does not follow the same feature:

> *"Important choices are less likely to resolve problems than unimportant choices. Important choices are made by oversight and flight. Unimportant choices are made by resolution. These differences are observed under both of the choice entry sequences but are sharpest where important choices enter relatively early." (Cohen et al., 1972, p. 11).*

The findings of Cohen et al. show that problems are not typically resolved by a resolution, which could solve the problem and neutralise it. In organised anarchies they found much more evidence for choices made by oversight and flight, which were more important than the choices of resolution. These characteristics of organised anarchies opposed to more rational choices and linked to resolutionary choices seem to support Burns & Stalker's ideas of better adaptability of organic management systems to changes in all levels of and for all issues found in modern, complex organisations with multiple stakeholder relationships and facing multiple demands and claims. To solve problems in organisational structures, that on the one hand may be both hierarchical and open, decision makers may be stratified across all levels in the hierarchy.

Burns & Stalker investigated industries and Cohen et al. investigated universities and public, political administrations primarily. This combination of Burns & Stalker's organic system of management as a symbol of rational choices with the Garbage Can Model as a symbol of anarchistic choices suits the hybrid organisations of Danish water companies, which are structurally and organisationally mixed in the same way that both industrial and public administration is. This makes the Organic Stakeholder Model combine decision making from both spheres rational (organically adaptive to changes) as well as anarchistic.

THE ORGANIC STAKEHOLDER MODEL (OSM)

As we saw from the literature review of stakeholder theory, many models are limited in at static way defining what R. Edward Freeman asked in the very first place: *"Who and what really counts?"* (Freeman, 1984, 2010). While stakeholder theory in Freemans version has a built-in ethical turn to face values and qualities as an outcome for the stakeholder relationship, I have investigated how ethics are considered in face-to-face meetings among decision makers and their stakeholders and how decisions are made primarily on ethical considerations combined

with the intended rationality of 'who and what really counts'. The staticness of stakeholder models, whether they are visually made in diagrams or orally explained textually, is in the first place linked to what we understand by a model.

My understanding of a 'model' is that this term encapsulates a certain view of a complex phenomenon knowing that this is not the full explanation to everything contained in that complexity. We have seen how Mitchell et al. (1997) and Wartick & Wood (1998) offer a model of consistency in the academic literature saying that stakeholders can be characterised by their relevance in terms of power, legitimacy and urgency. This model has been referred to frequently, but it has the same possibilities and limitations as other models or views regarding the same phenomena. A model has a tendency to leave everything else out of the picture. The model I present does this too, but in relation to the power, legitimacy and urgency-model it does not act as a restriction on that specific model nor on any other stakeholder models. It presents a view that can be combined with the other models presented in the literature review, because it poses questions relating to other matters of the same phenomena. The Organic Stakeholder Model wants to view the microprocesses of decision making, and how this creates a pattern similar to organic systems of management while dealing also with rationality and irrationality as anarchistic desion-making processes.

The model is purposefully kept very simple. This idea may conflict with the complexities, but it actually offers a viewpoint too. However, to embrace complexity in organisations, in projects or issues, and in decision making knowing that decision makers have cognitive limitations of comprehending large amounts of information, very few indicators are necessary to explain how this limited rationality (March, 1994) operates in practice. Therefore my model shows how ethical decision making is possible when linked to stakeholder theory by two dependent variables:

- Time

- Costs

'Time' is in the model understood in two ways:

- Chronological time (calendar time)

- Relational time (past, present and future)

'Costs' are in this model also understood twofold:

- Economic costs (in terms of finance)

- Relational costs (in terms of social and environmental consequences of the changes made by decisions)

Now, one may think that these two categories assume rational choice where both phenomena have to be as minimum as possible. *Au contraire,* the model shows how time and costs are neatly connected to the values and qualities of ethics as well as incorporating the features of power, legitimacy, and urgency as well as many other features in the multi-complexities of human interaction. In this respect time and costs can be both limited and expanded in the mixture of garbage-can processes and organic systems for adaptation to environmental change and fluidity. The rational ideal of every complex issue was–for the decision maker–that time and cost limitations should be eroded as dependent variables so that problems had all the time and unlimited economy to be solved within.

This is the contradictory obligation in most situations in life. In organisations–any kind of assemblage of humans in a structured or loose coupled group with defined or loose coupled tasks and merits–almost every issue, problem, or project has a limited time and costs allocated for the task in hand. The decisions to be made inside these boundaries are often to be made on unclear preferences, fluid participation (Cohen et al., 1972), changing environments (Burns & Stalker 1961), limited or irrational use of knowledge (March, 1994), limited allocated resources, and rational thinking. Decision makers as humans are most likely to perceive themselves and the ideal decisions they want to make in irrational circumstances characterised by different layers of power (and legitimacies) influencing the choices. Next the definitions contained in the Organic Stakeholder Model are shown with special emphasis on how time and costs as dependent variables express ethics in decision-making processes.

Stakeholders have in this model an overall perpetuating role as *the problem or risk holder and the decision influencers* (Freeman, 1984, 2010). For this role I do not distinguish between primary or secondary stakeholders, nor do I distinguish between their levels of influence by categorising them into schemata of power, legitimacy, and urgency. By 'problem' or 'risk holder' I see stakeholders as the *various individuals that are affected by a problem or bear a risk connected to the organisation, which has an 'energy' to them that has exceeded the equilibrium of concern*

126

such that attention is now paid to these problems or risks in order to make certain actors act and change the situation, so that the problem can be solved and equilibrium retained.

By 'decision influencers' I see stakeholders not as egalitarian actors having similar influence, but as *influencers, that manage to impact decisions in the process of decision making with more or less weight according to the problem and risks they hold.*

Problems are in this model defined as *uncertainties, issues or impacts, that have reached an amount of energy attached to them that cannot be ignored at the time because of the threat against survival ultimately.* If an organisation reaches a point where production costs exceed the revenue of the sale, the organisation has to make changes to adapt to the market situation in order ultimately to survive or close down, as in Burns & Stalker's (1961) investigation. If an organisation does not change its actions in a specific way, penalties will arise. Eventually the organisation will not survive after a certain amount of time.

Some problems are not as essential for the survival or death of the organisation: most problems are small problems that take place as a normal issue in the organisation, and which could take place at any time. However, if we assume that no problems were solved at all in an organisation, a point of no return would be reached eventually, and the question of survival or death would be present. Problems are normally solved according to their importance whether the actions taken are part of an anarchistic model such as the Garbage Can Model or any other kinds of models. This is according to Cohen et al.'s and March's specifications (Cohen et al., 1972; March, 1994) due to the 'energy' it takes to solve problems. Some problems have little energy attached to them and are easy and quick to solve, while others have a heavy load of energy attached to them and take more time, resources and costs to be solved. Problems do not arise for no reason, by no-one or for nothing.

The rational reason may not be present at the moment the problem appears, and that is why knowledge is important for actors in order to understand the problem and to solve it. Irrational problems can also arise as well as irrational choices, where the knowledge and rationality is very limited. However, in the case where means and ends are related to power, irrational choices by one decision maker can be a rational choice for another, for instance a superior. In this model problems are always attached to a receiver or a sender. Here I attach them to the stakeholders. Problems are sent from somewhere and someone, who either has a problem or will receive another problem if the specific problem is not solved. The stakeholders, who are interested in deci-

sion making, have a stake in the problem in one way or another (Freeman 1984, 2010). Either they are employees working for the company to earn money for a living, or they have other reasons to have a stake in the actual problem or issue. If a potential stakeholder does not have a stake in the problem, he or she will not use their energy in either for decision making or claims, demands, or even for attention to the problem.

A problem or an issue can also be attached to the stakeholders that do not have a voice themselves. For instance the natural environment, the climate, the animals, the poor, the disabled etc. There are many problems and issues that do not have a voice or are not heard by the voice they have. Therefore these stakeholders normally have a spokesperson or spokes-organisations to represent them. Some stakeholder models regard the environment or the climate etc. as stakeholders themselves despite their lack of direct voice (Woodward, 2002). However, the evidence of 'undesired changes' having a 'voice' are in this model assumed to have a spokesperson in the shape of a human being or an organisation to represent it. Other models regard the environment and the climate as issues in themselves (Freeman, 2010), but this model does in this instance distinguish between the entity itself represented by a spokesperson and the problems (the issues) attached to it.

Risks are defined in the model as *the amount of uncertainties and unknown impacts one is willing to accept when taking a decision and making a choice.* This amount can be divided into types with interconnections:

1) Known or imagined risks

2) Residual risk (intersection of 1) and 3))

3) Unknown risks
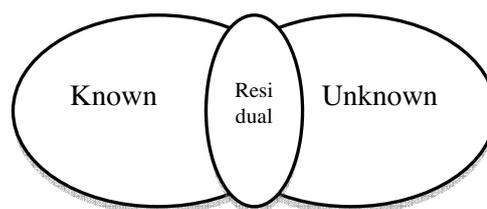
FIGURE 3: RISK-TYPES

The first type can be rationally estimated using calculations or measures of consequences of harm and probabilities. Still it does not 'do away' with all kinds of risks (March, 1994). The rational way of dealing with risks is mapping all possible knowledge from all possible and imagined sources and interactions into a schemata and estimating the level of the known risks and

actions that can reduce these risks. There is still an amount of unknowable risk also when actors rationally make choices in order to reduce these risks.

These residual risks traverse the known and the unknown risks. The unknown risks are not able to be counted nor cognitively possible to estimate. Everything we know or can imagine is put in the first and manageable category. The unknown is cognitively unattainable, but these are still risks that we are aware can happen, but we do not know them before we experience them for the first time. In this part of the risk model together with the residual risks–the risk that we could not eliminate after estimating the known risks and taking actions to reduce its probability–we can also call 'risk taking' (March, 1994). Whenever a decision is made and implemented and put into action, the residual risks and the unknown risks can occur as a consequence of the decisions we have made. Only after seeing the consequences of our decisions and actions allocated to these, can we experience and make sense out of what has happened (Weick, 1995).

Ethics is in this model is attached to the consequences of the outcome of the decisions made. It is also in this model attached to the unspecified and individual understanding of terms such as 'behaviour', 'quality' and 'value'. Ethics in this sense is not defined *a priori* to the outcome, since the notions of ethics as well as behaviour, quality and value are all attached to the impacts of the outcome. When making ethical decisions different norms, values, and moral considerations come into play. These definitions are not possible to make exhaustively *a priori*. Some ethical implications are stated regulatively in the legislation, others are connected to customs, perceived or written norms, religious or cultural behavioural moral considerations etc. It would take an entire thesis to explain what 'ethics' means in specific contextual frameworks. Therefore, the notion 'ethics' in this model stays open to the specific contextual, cultural, and religious norms, values and morals present at a specific time and setting.

Is ethics a rational thing? As long as ethics is part of an agreement stated as a written text, for instance that of legislation, religious books, normative scripts approved by an authority of any kind etc., I will consider it to be rational because enough people have voluntarily agreed that this is worth considering. This said, there are many discussions among scholars, professionals, and practitioners about what is the right ethical stance to adopt. Some behavioural norms are considered ethical in some parts of the world and considered unethical in other parts of the world, for instance in ethical matters in religion. This paper does not take any stance in these discourses, but regards ethics as a notion connected to an agreed rightful behaviour, qualities, and values solely understood in the present context of matter situated in a specific time and place.

Decisions are in this model defined as *choices that are made to stabilise a certain amounts of uncertainty, and that is difficult or takes a certain amount of energy to reverse or is irreversable eventually*. A decision can made to buy a new set of trains for the nation, following decisions on producing them, and the outcome of the actual product cannot be reversed, only destroyed, reused etc. The outcome of the materiality cannot enter the same conditions as if it were prior to the production of the new set of trains. If the nation refuses to receive the ordered trainsets because of an unsatisfactory outcome, the trains cannot disappear or be transformed back to steelbars, organic oil products, etc. It will always be something else. Resold, destroyed, reused, recycled, etc.

Some decisions can be reversed if no outcome or impact has been executed at the time of the changed decision. These reversals can be made according to the energy necessary to reverse the decision. Sometimes it takes little energy such as different parties meeting at a specific place agreeing to reverse the decisions made with a small amount of energy attached to these decisions. At other times the reversability takes more energy to "undo" the decision, or the outcome may also be changed but in a way that the impact has no relevance or has an indifferent effect on the already made outcome.

Outcome is defined by the *impact of the change that the decision and actions attached have created*. An outcome is always attached to a change which is attached to actions made for instituting the change based on a decision made by someone. Only after the outcome has become a reality, can people understand what change has happened based on the actions linked to the decisions made and see what the impact is. As Weick has put it: *"How can I know what I think until I see what I say?"* (Weick, 1979). We can only understand the consequences of our actions based on our deliberate decisions or our unconsciousness, which leads me to the last step in the model: sensemaking.

Sensemaking is in this model derived directly from Karl E. Weick's work (1995). In this respect it is the last definition in the model leading to the ongoing organic cycle of the stakeholder model. Actions and outcomes (consequences) are interpreted by the stakeholders and decision makers leading to new decisions, and maybe new problems as seen in the Garbage Can Model. Solutions, that have various characteristics, can either turn our attention to new problems to solve or continue the process in the same direction as the one we were in before. Weick (1995) says that sensemaking can only be retrospective and here he means–as Søren Kirkegaard articulated in

130

1843–that life can only be interpreted retrospectively, but must be lived forwardly (Thielst, 1994). We interpret the actions we (or others) have made in the past; not while we live them out.

This leads me to the expression of the model and to discuss the correlation between the entities explained above and the correlation with the 'ethics' and the dependent variables, time and costs. The Organic Stakeholder Model comprises the above terms: *stakeholders, problems, risks, decisions, outcomes* and *sensemaking*. The shared link between them is *ethics* consisting of the dependent variables *time* and *costs*. The latter finally express how 'ethics' is connected to decision making when involving stakeholders in it. Throughout the definitions of the seven categories within the model, we see how the dependent variables are explained by extracts from the definitions:
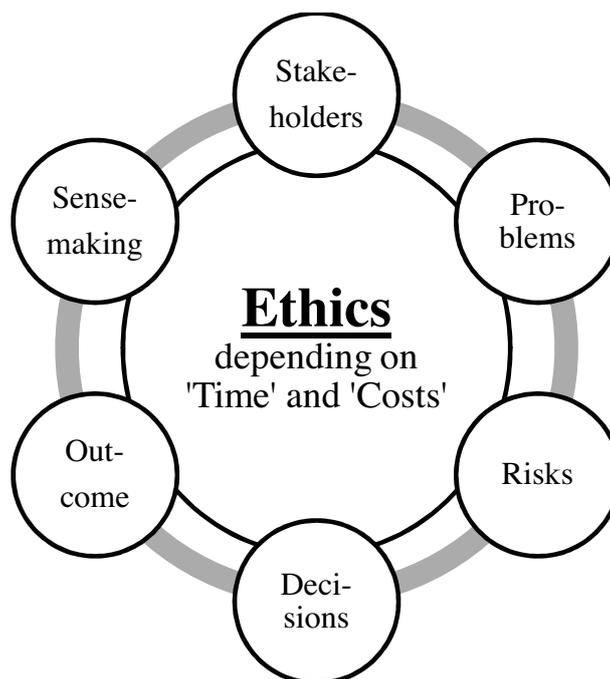
FIGURE 4: THE ORGANIC STAKEHOLDER MODEL

ETHICS DEPENDING ON 'TIME'

The dependent variable 'time' in the central notion of ethics is apparent in the way that problems enter the decision-making process by stakeholders either inside or outside the organisation at a specific time. The sender or the receiver of the problem or derived problems of decision making are characterised by stakeholders. From the definition of a problem attached to a stakeholder we saw how time was linked to energy load. We also saw that problems arise when the energy load has reached a point and time, where something has to be done in order to avoid ethical issues such as harm, survival, the avoidance of death, or the collapse of the organisations or

the lives of the stakeholders. The problems may enter the decision makers table long before a disaster is present, even so early that no sign of a potential problem is visible.

However, if risks from the problem are perceived to be real, problems may be attempted to be solved long before they even manifest as real problems. In this we see time as relational. Either to prevent a disasterous future from being realised or to avoid consequences that might happen. In relational time people use their knowledge from their prior experiences either their own or through their awareness of other similar situations experienced and described by others. So in order to prevent certain problems from being realised in the future, the knowledge and experiences from their past are used deliberately to solve problems imagined or calculated (estimated) before evidence for them appears.

Time has two kinds of features in this model: chronological and relational. Chronological time is used for instance when a timetable is made for a specific problem to be solved and decisions and products have to be created in order to solve the problem. Relational time is, when decisions are made from our experiences or knowledge in order to prevent problems occurring, for instance when doing a risk calculation or estimation. Then, we imagine risks that might occur when evaluating different paths on which to go. We use sensemaking to interpret our experienced actions and their consequences, and we value them in terms of ethical qualities such as being good, balanced, harmful, etc. Risk management is mainly perceived as evaluating risks taken if certain decisions are made prior to decision making. We want to estimate to what degree harm to others and to ourselves is probable and what courses we have to take to avoid this harm.

We could imagine businesses doing these risk calculations in order to enhance utilitarian goals, but most of the time managers consider risks both outside and inside their organisations because they are aware of risks that affect stakeholders and that would probably harm the organisation as well. For example, harming customers that buy a specific good will lead to certain penalties to the organisation sooner or later. Of course some utilitarians or speculative managers can inflict harm upon others, but these kinds of motives are not considered in this model. The model assumes that managers care about their stakeholders and have ethical aims in their decision making. This model wants to show how this is dependent on time and costs both situational (chronological time and financial costs) and relational (past, present, and future time and social or environmental consequences).

Time or timing has a special value or quality related to ethical decision making and stakeholder relationships. A sound and ethically good relationship with stakeholders calls for a specific need for managers taking the right decisions according to problems and resolutions at specific points in time. If decisions are made too late after the specific consequences of a problem or decision, the results are that the energy attached to the specific problem does not end with the elimination of the problem. It is not neutralised, which means that new and additional energy will be attached to the problem. The necessary energy to solve the problem *ex post* is then much higher or has a more heavy load than problems solved in time.

For example, when France resisted stopping nuclear testing in 1995, a worldwide boycott of French products resulted in devastating counter-pressures to this decision and the trade of French goods in general. Afterwards, it took a long time before demands for French goods were near the same level as before. Some claim that it has never been the same after this political mistake, especially not in Denmark (Bentzen & Smith, 2001). In this specific case we see a clash of realtime political decisions with worldwide consequences, where global stakeholders relate to the past through their memory of the devastating pictures of the victims of the atomic bombing in Japan in 1945. They react based on their own decision making grounded in the judgement that the nation of France did this out of self-interest forgetting to imagine the consequences of a worldwide consumer and political boycott of French goods. Stakeholders make sense retrospectively of actions made in the past, and they react to actions in the present through the meaning they attach to these actions while deciding in the present and for the future the expected consequences of their present actions (Weick, 1995).

ETHICS DEPENDING ON 'COSTS'

This example leads us to describe the dependent variable of 'costs' within ethics. Costs are to be perceived twofold as financial and relational (social and environmental consequences) respectively. As we saw in the former variable time, the two different notions of costs are often interlinked the same way. Financial costs ordered to solve a given problem may also have consequences of relational costs. Problems are solved ideally in order to 'do away' with them or neutralise them, but some problems cannot be solved without financial costs attached to them, while others can be solved by offering an apology or explaining ones behaviour to the one that has been harmed by a certain action (March, 1994).

The problems regarded in the Organic Stakeholder Model are the ones that have attached both financial costs as well as relational costs to them. When a problem is posed in an organisation

and has to be solved as a kind of project, it often has a certain amount of energy attached to it, which means that in order to solve or neutralise the problem and minimise the relational costs, it often needs a financial cost budget to do the proper decision making.

The examples investigated in this paper all have these preferences attached to them, but they are solved very differently: from pure rational or resolveable behaviours to oversight and flight actions such as seen in the Garbage Can Model (Cohen et al., 1972). Typically for these kinds of problems, multiple stakeholders have an interest in the decision-making process and the consequences of the actions posed *ex post* decision making. The ethical decision making involves inclusion of various stakeholders or debates around what it takes to neutralise the problem in order to satisfy a certain number of stakeholders ultimately.

The problem is not a standalone problem in these kinds of projects. Many juxtaposed problems arise when making decisions, and all problems have to be dealt with either directly or indirectly according to the risks they contain. Often a certain amount of financial cost has been agreed to be allocated to solve the problem as well as a certain amount of time available to solve the problem. However, as we will see from the examples, these boundaries might be fixed, but may during the decision-making process be negotiated with multiple stakeholders. Sometimes the stakeholders have what Mitchel et al. (1997), Wartick & Wood (1998), and Fassin (2009, 2010) address as certain and crucial amounts of power, legitimacy, and urgency to stretch the boundaries of time and costs. Sometimes determinant stakeholders such as the authorities, regulators, and politicians pose demands that affect the problem either needing more finance and/or time in order to solve it satisfactorily for these stakeholders.

At other times stakeholders have to obey these determinant stakeholders and live with decisions that create certain relational and perhaps financial costs regarding their interests. For example, when a new road is decided in the city council, it affects land and property owners, who are forced to move out of their houses. Often they receive financial compensation from the society in return for this harm done to them, if their properties lie in the geophysical area decided for a new road. The power of these political, legislative, or regulative stakeholders is stated by law. Whether property owners like the decisions or not, they have to obey these decisions, which they are then economically compensated for. In these cases the implicated stakeholders often argue about the balance between the relational costs and the received financial costs, because the values and qualities they have lost might represent an unbalance in the view of the victims of this specific political decision.

In other cases decisions are more flexible regarding various stakeholder demands of the various energies (power, legitimacies, and urgencies) and solutions are sought to balance these energies to satisfy as many stakeholder demands as possible. In the latter situation ethics may be more fluid and at the same time other ethical issues might be negotiated in the decision-making process by the inclusion of various stakeholders and transparency in motives, means and ends in the decision-making process (Pedersen 2006). For example, legislation concerned with the interests of the public allows public service actors to decide and solve different problems the best way, as we saw in the example with the planning of a new road. Ethics are typically built into the legislation of how affected stakeholders have to receive financial compensations for the costs, of a project which applies to them.

However, the legislation does not indicate how and where the road should be placed and which public concerns the project should consider. In this respect the ethical decision making of the planners comes into play. Maybe rational reasons of where to place the road may make the planners consider the benefit of the many roadusers. At other times the ethics of the individual becomes a natural consideration for planners.

For example, if the roadplanning removes the livelihood of small shopkeepers and no alternative place for these shops can be provided, the road planners might consider ethical issues for both the roadusers and the shopkeepers in a way so that the shops are preserved and the physical place of the road is considered for the adaptation of both the individual and the public interests.

The problems for these complex projects is that decisions regarding allocated costs and time are often decided prior to the final design of the project, especially if the project is politically decided. Financial costs and time schedules may be fixed, however, vast examples of public construction processes shows that both budgets and time are typically exceeded in the end (Kreiner 2009) because of unforeseen events, claims, demands etc. that were unknown at the time of decision making, or worse: that decisions are made on a wrong basis.

COHERENCE OF THE OSM MODEL

The coherence of the Organic Stakeholder Model (OSM) and especially how ethics perpetuates it is visualised by a basic schemata, in which cases can be described in to create the specific and concrete coherence applicable to each individual case.
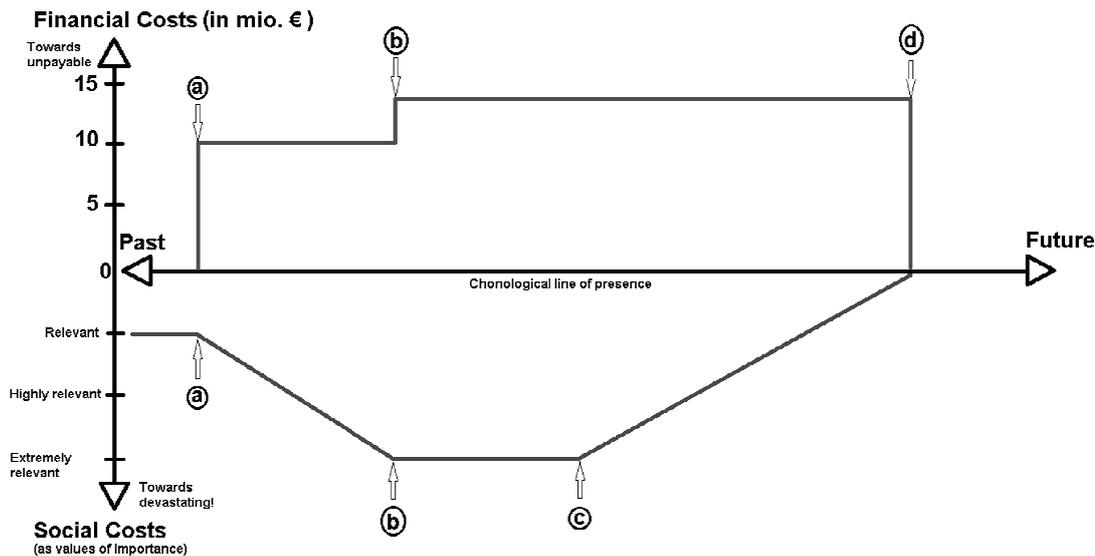
FIGURE 5: 'ETHICS' AS DEPENDENT ON 'TIME' AND 'COSTS'

The above illustration in Figure 5 aims to show how ethics can be explained by dependent variables such as time (chronological and relational) and costs (financial and relational (social)). The horizontal baseline contains the twofold notion of 'time', while the vertical baseline contains the twofold notion of 'costs' in a kind of coordination system. The diagram never meets ends as a normal mathematical coordinate system would do, and this is because the model wants to illustrate the flexibility of each axis, and to avoid speculating in negative outcomes historically in the first place.

The idea is that in this system two graphs will be shown according to the two terms: an absolute line in the upper quadrant measuring concrete chronological time and the financial costs involved and a relative line in the lower quadrant illustrating relative time (the perceived or sensemaking of the past, the interactions within the present and the imagination of the future) and the relative costs (social and environmental costs measured in perceived values of importance). The letters in circles illustrate which final decisions were made during the process. The last letter indicates the outcome of the project when the absolute investment of time and costs met the relative solution of the project. The coordinate system is the same in all cases, but the lines in the upper and lower quadrants respectively vary dynamically with the problem in hand.

The circularity of the OSM (Figure 4) is deliberate, because it illustrates in general terms how this process can be an ongoing feature, or how it develops and generates new problems, that

136

follow the same pattern. The coordinate system (Figure 5) shall be seen as a part of the ethical core of the OSM.

EMPIRICAL EVIDENCE OF THE OSM

The six project cases executed in two different Danish water companies show how ethical decision making involves several stakeholders in the decision making as well as how the planners listened to the voices of weak stakeholders. They also show how the projects depend on the proper allocation or flexibility of time and costs, and how this eventually will become a business case for the water companies. Appendix 2: Table B, page 300, shows the different premises on which of the six cases are based.

The six cases are all different, but at the same time they share the same qualities and values as part of their ethical decision making. All the cases were extremely complex, and very few determinant decisions were extracted out of the hundreds of different decisions made during each process in each project. These decisions were chosen for their crucial ethical impact on the feasibility and completion of the projects. The evolution and combination of the lines in the upper and lower quadrant show how stakeholder involvement in ethical decision making determines the outcome of the project ultimately. If stakeholders were not heard or involved, the problem would have been unsolved or the outcome would have generated new problems. We also see how fixed financial costs and chronological time were not possible for the completion of the project in many of the cases. Every time the upper quadrant line jumps up, a decision is made to extend both financial costs and chronological time in order to meet stakeholder demands and to complete the project in an ethical manner to satisfy the many before the few.

Odense Port

Decision (A) in Figure 6 was the problem of an open wastewater basin in a suburb called Tarup in the city of Odense. This problem had been present for many years but as unsolvable as a Gordian Knot because of the lack of possibilities to dig in a densely urbanised area. Now techniques of tunnelling were possible, and decisions to close this open, un-environmental basin were made. Soon after decision (a) was made, the City Council decided (b) to develop the port of Odense from an industrial area into a recreational area with the possibility eventually of swimming in the Channel of Odense.
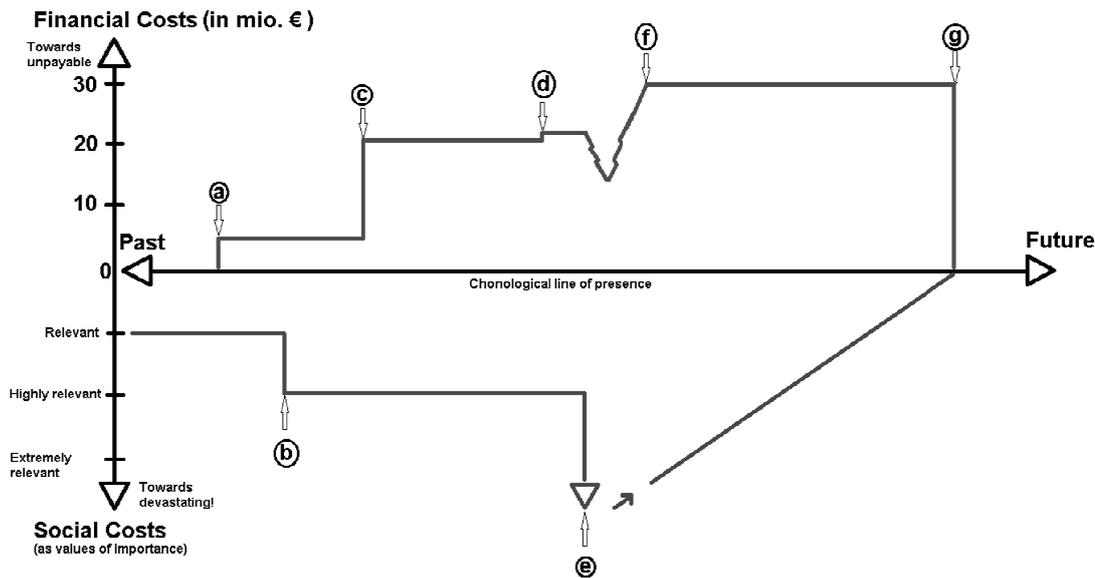
FIGURE 6: ODENSE PORT

There was strong political pressure on the water company to eliminate two wastewater outlets from the port/channel in order to realise these urban plans, and the financial costs and timeschedule rose as a consequence of this in decision (c). The project developed into a gigantic pipeline basin of 11,000 m^3 in a partnering cooperation consisting of a constructor (entrepreneur), the developer, and a consultant. The details of the initial project showed that the initial route of the basin was impossible to make due to a protected forest. The only possible way to route the pipeline was through the forest. To get around it was impossible due to other obstacles.

Thus, the price was slightly increased in decision (d). When the forest protection agencies (municipal and state authorities) and several environmental protection NGOs heard about this decision, they demanded a new route to avoid cutting down parts of the 300 year old forest. The environmental authorities then decided (e) not to allow this design, and a nearby collapse of the project occurred. At this specific (chronological) time, a quarter of the project had already been installed, and a major redesign phase began. Time out in decision making was allowed while the design was changed for a new political decision-making process. It was possible to complete only half of the project to the Port of Odense, but if the design were not readjusted in Tarup, this initial part of the project would remain unsolved as in the beginning. After a while, the new design was made possible through a deep tunnelling under the forest, and this decision led to an increase both in financial costs and in the time spent on the project.

The City Council politicians decided (f) that the project could be solved by the new design, which meant that the price for water delivery and sewerage would be increased in order to pay

138

for this redesign. The forest protection authorities and the NGOs were satisfied, and the social costs were now to be eliminated finally. The outcome (g) was a project, that did not only satisfy the politicians, the authorities, and the NGOs, but also had a very ethical touch to every small problem solved for any other impacted stakeholder during the entire process. This project created a story of a 'first mover' in the water sector in Denmark in how to solve complex and seemingly insoluble problems in a densely built urban area.

Dalum

The above project showed the way for this specific water company to solve other projects with the same complexity through the knowledge created in the Odense Port project. All evidence of good and ethical project design for this similar project in the suburb called Dalum was used to tunnel a basin pipeline under another protected forest.
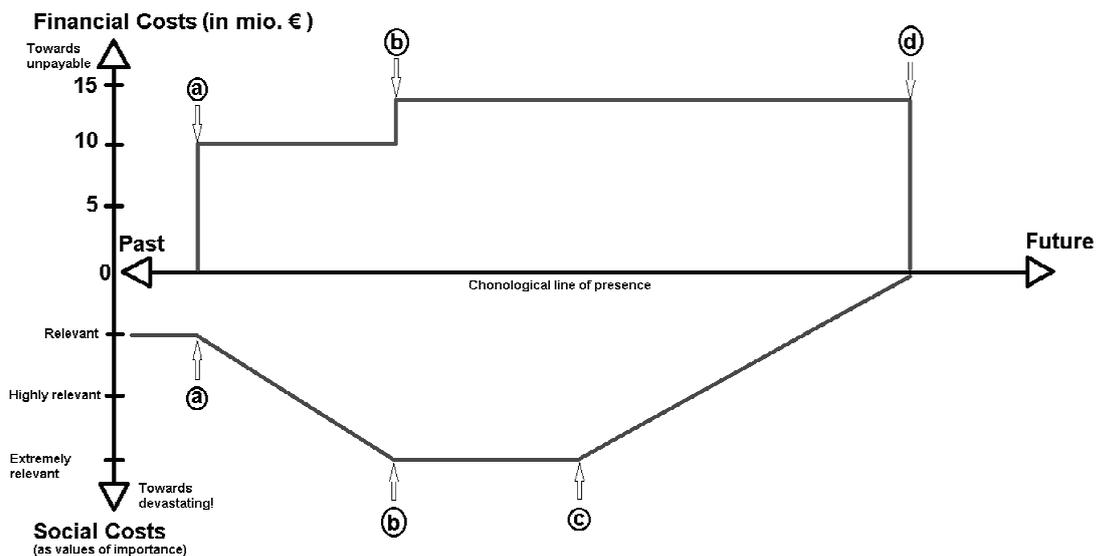
FIGURE 7: DALUM

The basin in Dalum would have an outlet into a protected river as well. All relevant stakeholders such as nature protection authorities, NGOs, land and property owners, and politicians were involved in the very first design from the beginning. Therefore we see a more smooth and ethical decision-making process in this project shown in Figure 7.

The project was acknowledged in decision (a) with a preliminary design. From this point all stakeholders–both determinant stakeholders and other stakeholders–were involved in the decision-making process either in the direct design of the pipeline or in parts for this design. When the design was agreed with all relevant stakeholders including the decision-making politicians in (b), the final schedule with fixed chronological time and financial costs was possible without

further negotiations. The planners continued to define and refine the final design according to technical and other stakeholder demands, and from (c) all problems were solved to every determinant stakeholder's satisfaction, and the concretisation of the project made a complex project uncomplicated with regard to the desired outcome in (d).

This process were also seen in a third project, where creativity in planning and design was necessary and the full involvement of determinant stakeholders was crucial for the completion of a project in yet another suburb called Sanderum.

Sanderum

The problem in this area was due to several occurences of extreme stormrain events damaging nine houses in Sanderum. The houses were placed in the bottom of a hilly area, and rainwater flowed into this low area. In the initial phase of project design (a), no less than 15 different designs were considered with variable, but expensive costs. See Figure 8.
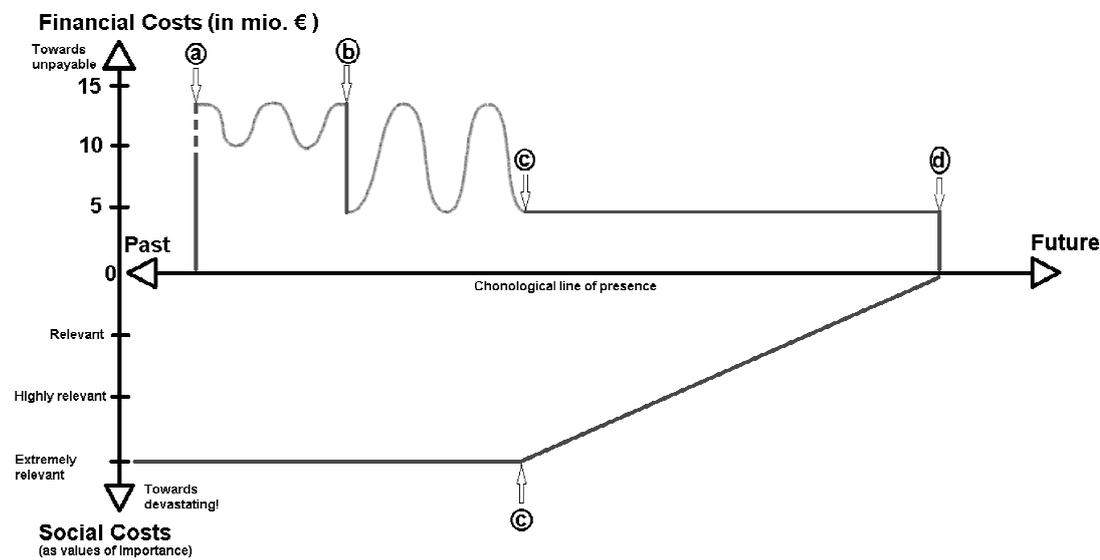
FIGURE 8: SANDERUM

The nine houseowners, the owners' union, and the natural protection and environmental authorities of the municipality of Odense were all involved in the decision-making process. However, suddenly an idea from one of the stakeholders made the 'turn' (b): why not buy all nine houses, since this was where the stormrain naturally would end and then build a large rainwater reservoir in this particular low area? This was a very controversial suggestion, but when it was calculated economically, it showed that not only would this suggestion buy out the houseowners and free them from their problems for half the financial costs of the 15 other suggestions: it was also

possible to design the reservoir to reduce the risk of new flooding from 1 per 10 years to 1 per 50 years.

The stakeholders needed extended time to agree to such a decision, because it was crucial for them how much economic compensation they got from selling their houses to the water company. Finally, the prices were negotiated satisfying seven out of the nine houseowners, who agreed to sell their houses and move out a year after the agreement was signed. They needed this time to find new homes or build new houses elsewhere (c). The final outcome (d) of the design of the new rainwater basin was made in cooperation with the remaining houseowners and the union of owners in the area to make the new water reservoir a natural 'pearl' for social purposes as well as technical ones.

The next case is very different from the three above, but the time/cost dependencies are shown to be just as viable as in the above.

Ryttermarken

The merger of a water and wastewater company in Svendborg with the municipal waste section necessitated a new building with room for more offices, a canteen and more meeting facilities (a) in Figure 9. What seemed to be a traditional construction of a new building turned out to be a struggle of conflicting stakeholder demands, that were solved by a democratic process. This process continued during the design until decision (b) was made, but the needs of the stakeholders–primarily the employees–initiated several conflicts, that had to be solved during the design phase.

After this process, that made the financial costs and chronological time expand to meet all the needs arising, the building was to be built in an energy project to reduce the consumption of fossil energy and substitute this with 'green' energy from geothermal and solar thermal heating as well as from solar cells to produce electricity for the entire property housing the administration and operation facilities of the new water and waste company in Svendborg. Unfortunately the project had several end problems, that resulted in new conflicts, since failures in the construction created an awful smell of sewer odor as well as cold and heat problems occurring after the commissioning of the new building. Luckily these problems were solved after a while, but these problems had an effect for a long time after the project had been finished and these feelings overruled the ethical results of the energy neutral building in the first place in the employees' minds.
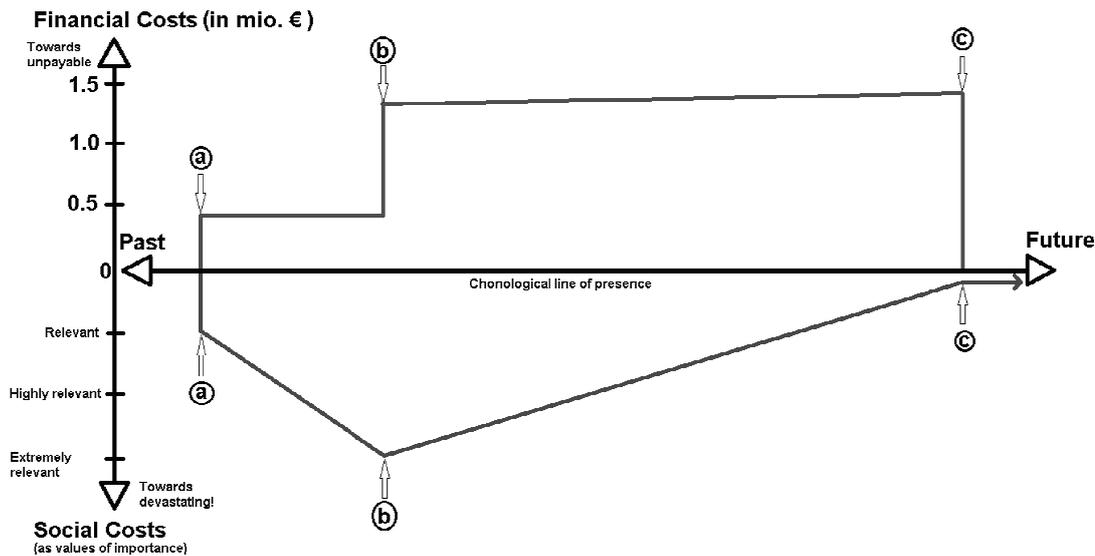
FIGURE 9: RYTTERMARKEN

The last two projects have comparable characteristics, since they are experimental and have a potential not only to solve a problem, but to create ethical benefits in the long run both financially and ultimately socially.

STAR and Lunde

The projects in Figure 10 and 11 are the smallest projects in this assembly of projects with ethical decision making. However, their efficiencies and how ethical decision making involving stakeholders can result in a business case are worth mentioning. We see in both projects how ethical decision making and the business case for the ideas behind the projects of reducing energy can go hand-in-hand. In three wastewater treatment plants (WWTP) and in one water works, projects using smart technology and re-direction of distribution resulted in a total energy reduction the first year after of approximately 10 percent in the WWTPs energy consumption and 50,000 kWh in the water delivery's energy consumption locally. The business case for financial gain is seen where the red line crosses the timeline meaning that social costs now become social gains or benefits for both the climate and the financial bottomline as reduced or reversed costs.
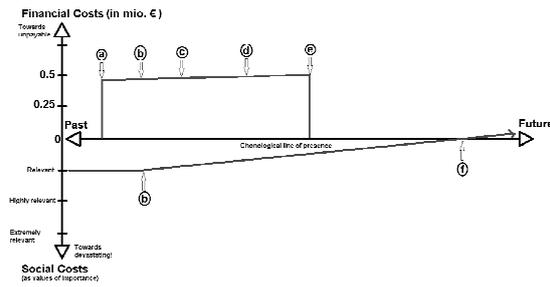
FIGURE 10: STAR ENERGY OPTIMISATION IN 3 WWTPS.
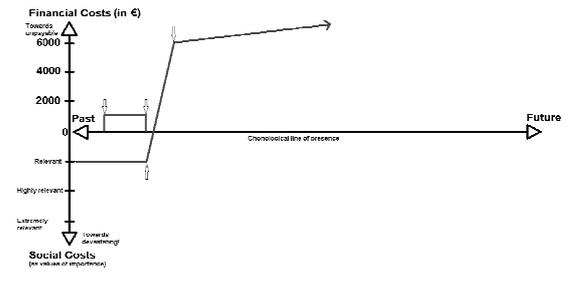
FIGURE 11: PRESSURE OPTIMISATION IN WATER DELIVERY

DISCUSSION AND IMPLICATIONS

The Organic Stakeholder Model by no means contains an exhaustive explanation of how problems are solved in everyday lives of organisations. As mentioned before it acknowledges the ideas of who are the most determinant stakeholders and who wields more influence than others in the way the power, legitimacy, and urgency (Mitchel et al., 1997; Wartick & Wood, 1998) are implicated in this model as well. What it also seeks to contribute to or do away with is, as Fassin mentions, the staticness of many stakeholder models trying to systemise stakeholders into rigid categories in unflexible systems.

Fassin shows how some categories are sustainable enough and possible to elaborate, which he does in his categorisation of different stakeholder types such as stakeholders, stakekeepers and stakewatchers and lately his borrowed notion from Holzer: stakeseekers (Holzer, 2008; Fassin, 2009, 2010). These categorisations are also possible to use in combination with the Organic Stakeholder Model, since this wants to show how variables such as time and costs are linked to ethics, which Freeman holds is the most prominent feature of stakeholder theory (Freeman, 2010), addressing quality and value and bringing this into play by addressing stakeholder relationships other than stockholders.

This said, the weakness of the Organic Stakeholder Model is that it offers no simple or unified solutions to the art of *how to* work with stakeholders. It recognises what Pedersen found crucial for a good stakeholder relationship, which includes terms such as inclusion, openness, tolerance, empowerment, and transparency (Pedersen, 2006), but it does not predict that if decision makers use the ideas of the Organic Stakeholder Model, that then a specific outcome will then be possible. It does not protect against what March showed us from the Garbage Can Model of decision making, that if problems are solved with oversight and flight, then they are not really solved in any case. In other words, it does not take the responsibility of the decision makers out of their hands.

What the Organic Stakeholder Model offers is an ethical mindset for decision makers in their considerations of the involvement of multiple stakeholders in their decision-making processes and how they can benefit from that process if allowed some flexibility in the dependent variables of time and costs. It also shows how some problems may be solved by these investments eventually. The model is no shortcut to ease decision-making processes, however, I hope my contribution with a more ethical decision-making process eventually can develop a business case both financially and socially for decision makers.

CONCLUSION AND PERSPECTIVES

The above qualitative study of six cases from mega projects (and problems) to small projects in two Danish water companies shows us how ethical decision making depends on two crucial variables: 'time' (chronological and relational) and 'costs' (financial and social). Whether decision-making processes are more rational or garbage can-processes, these examples show that in order to avoid problems to be solved by 'oversight' and 'flight' (Cohen et al., 1972), which does not really solve anything, that the Garbage Can Model of decision making is very true albeit problematic.

If these complex problems are to be solved, decision makers must invest in elasticity in terms of 'time' and 'costs' to provide ethical decision making in order to solve seemingly insoluble problems. This is what Burns & Stalker showed was possible in 'organic' systems, which are more effective than 'mechanic' systems, and that is why the above is an Organic Stakeholder Model. The necessity to include stakeholders in both determinant level (Mitchel et al., 1997; Wartick & Wood, 1998) as well as non-determinant levels during the process and to value ethics by providing flexibility in time and costs may be the way to solve complex problems ultimately (Kreiner, 2009). When time and costs are fixed in an inflexible way, the outcome will be framed by this fixing and the result depend on what is possible inside the rigidity of this framework. However, very few complex problems are fixed in time and costs.

As we saw, sometimes it is possible through the inclusion of stakeholders in the design phase to reverse the financial costs as in the Sanderum case as well as in the last two cases of energy reduction. In these instances it is possible to see a business case financially as well as socially and environmentally.

PAPER #3

How Well Are Water Companies Engaged in CSR? A Critical Cross-Geographical Discourse Analysis.

LINNE MARIE LAUESEN, 2012

ABSTRACT

The purpose of this paper is to investigate how well water companies in four different nations and different political cultures are engaged in the CSR discourse. This question is relevant after more than 20 years of privatisation of the public administration's bureaucracy with its adoption of management styles, behaviours, and thinking from the private business sphere. This paper critically examines how water companies take part in the CSR discourse, by which institutional mechanisms this managerial 'thinking' in terms of institutional 'logics' has come about, and which adopted 'meanings' lie behind it.

The paper shows a qualitative ethnographic investigation and a discourse analysis of privatised water companies from four different nations in terms of political democratic traditions and market economies: Denmark, the UK, the US, and South Africa. Seven companies are chosen in each country from the smallest to the largest in order to obtain maximum variety and express analytical generalisations across nations and company sizes. The findings of the cross-geographical, political, and market economic study shows how institutional logics are transferring from 'implicit' CSR towards 'explicit' CSR through the mechanisms of coercive, normative, and mimetic isomorphism. Companies that are only engaged in coercive isomorphic 'implicit' CSR show a hesitant and resistent engagement, whereas companies engaging in normative and mimetic isomorphism translate their discourses in a more authentic way into 'explicit' CSR.

The findings question the credibility of this authenticity when most CSR reports from the water companies are made without third-partyaccreditation, without performance indicators, and only through narratives that are hard to scrutinise. The research has limitations regarding the discourse analysis, which in Denmark was possible to conduct from both oral texts such as interviews, observation studies and document analysis, whereas in the UK, the US, and South Africa

the qualitative material is based only on written texts from documents, CSR reports, annual reports, and written communication between regulators and companies. The research implications suggest a further replication of the findings from a more in-depth analysis of the institutional logics in these companies in the UK, the US and South Africa by replication of the study from Denmark. The practical implications of this study suggest a transformation of political instrumentation from rule setting to incentive making to make public water service companies even more engaged in 'explicit' CSR to obtain more authenticity and a higher level of legitimacy in the field compared to the strong tradition of 'explicit' CSR seen in the private business sphere.

The originality and value of this research is shown by the empirical findings of the theoretical suggestions by Matten & Moon (2008) in how 'implicit' CSR is transferred to 'explicit' CSR in the privatisation of public service companies in the water sector across nations, cultures, political, and market economies. It shows through the discourse analysis of institutional logics how institutional isomorphism is prevalent in this sector and how New Public Management systems need to conform from instrumental rule making to incentive making to make public services adopt CSR in a more authentic way.

Keywords: Corporate social responsibility, Discourse analysis, Isomorphism, Institutional logics, Water companies

INTRODUCTION

Corporate Social Responsibility (CSR) has for decades been characterised by its voluntary nature through which private businesses should contribute to the welfare of society (Carroll, 1991; Schwartz & Caroll, 2003; Kramer & Porter, 2006; O'Toole & Vogel, 2011). CSR is expected to be a business duty in multinational companies by intergovernmental organisations such as the OECD (OECD, 2001, 2011; ILO, 2006) and the UN[111] (UN, 2012b). It is thus diffused to their respective member nations, where this has become part of national legislation. Companies engage in CSR for various reasons such as stakeholder pressure (Freeman, 1984; Freeman et al., 2010), legitimisation (Carroll & Shabana, 2010), expected competitive advantages (Kramer & Porter, 2006), or social entrepreneurship (Hockerts & Wüstenhagen, 2010).

CSR is understood very differently across nations, and a huge difference is seen between Anglo-American countries and Central European / Scandinavian countries. This phenomenon is described by Matten & Moon (2008) as 'implicit' (embedded in norms and regulations) and 'ex-

---

[111] www.unglobalcompact.org retrieved August 2012

plicit' CSR (embedded in business policies). This distinction is relevant in understanding the differences in how CSR is perceived when comparing CSR in companies across nations, which will be discussed later in this paper.

CSR has sprung out of the private business sphere since the 1950s (Bowen, 1954; Moura-Leite & Padgett, 2011). However, recently public service companies' engagement in the CSR discourse has been seen in the literature (Lauesen, 2011). After 20 years of privatisation and regulation following the global trends of New Public Management (NPM) (Hood, 1991; Rhodes, 1994; Keating, 2001; Pollitt & Bouckaert, 2004), public service companies need to be acknowledged as having an impact on the overall CSR agenda.

This paper compares the discourses from the water companies in Denmark with the privatised companies in the UK, the US and South Africa. These types of companies have only been explored by a few researchers in relation to CSR and mainly by researchers in the UK or the EU (e.g. Johnston & Smith, 2001; Barraqué, 2003; Larrinaga-Gonzélez & Pérez-Chamorro, 2008; Crowther, 2012) and by researchers of accounting (Crowther et al., 2001; Rogers, de Silva, & Bhatia, 2002; Adams & McNicholas, 2006; Crowther et al., 2006; Adams & Frost, 2008; Idowu & Towler, 2008). Concretely, Johnston & Smith (2001) found that the environmental performance indicators used in the water industry are legislation-driven instead of measuring environmental impacts to improve the environmental performance of their company.

Barraqué analysed the water sector internationally and concluded that the New Public Management marketisation policies increase water prices and use the rhetoric of "droughts" to frighten people with possible water "wars". Barraqué recommends that we look back in history to the days of municipal governance of the water services. At that time a low cost perspective and the *"objective of having the municipality manage the water supply was to get the rich to pay for good clean water for the poor"* (Barraqué, 2003, p. 210). Larrinaga-Gonzélez & Pérez-Chamoro analysed water companies in Spain and found that these public organisations' sustainability reports seemed to be coupled with real organisational strategies and operational activities. Crowther (2012, also referring to Crowther et al., 2001) found among British water companies that the major driver for them to reveal environmental reports was actual pressure and the mitigation of future pressure from their regulators, Ofwat.

This shows that there might be different rationales and institutional approaches to NPM, which emphasises the need for further research to provide knowledge of which institutional logics

(Friedland & Alford, 1991; Thornton & Ocasio, 1999) are at play both in regard to corporate social responsibility among managers and in regard to NPM among regulators of this sector. Following this path, this paper explores how the seemingly implicit CSR becomes explicit and how this makes a difference (Matten & Moon, 2008) in enhancing CSR and stakeholder engagement in the water sector. The following research question guides this paper:

How well are water companies engaged with corporate social responsibility?

The paper is structured in the following way. First, an empirically induced account of how CSR is perceived and conceptualised among practitioners in the water sector through their discourses is presented. Next, the research methodology of qualitative discourse analysis, and afterwards each nation's institutional regime of NPM and the theory of institutional isomorphism (DiMaggio & Powell, 1983) are explained. This leads to the discourse analysis of the institutional logics based on Thornton et al.'s (2005) definitions, which are analytically investigated in the water sector in relation to CSR. The empirical findings of the discourse analysis of CSR in water companies and among their regulating stakeholders from Denmark (DK), the UK, the US and South Africa (SA) are finally presented and the conclusions provides a prospect for future research.

AN APPROACH TO CORPORATE SOCIAL RESPONSIBILITY

A consensual definition of CSR is hard to find in the academic literature. Many scholars refer to Carroll's pyramid (1991) differing between economic, legal, ethical and discrete bases of CSR (Matten & Moon, 2008; Schwartz & Carroll, 2003). However, the CSR concept depicted as a pyramid with philanthropy at the top and economy at the bottom has lead to inappropriate hierarchical misinterpretations of what is most important. Thus Schwartz & Carroll (2003) chose to revise it into a Three-domain Model of CSR as a Venn diagram with overlapping circles of economy, the legal, and ethical domains.

Nevertheless, these principles find repercussions in the international society through intergovernmental organisations such as the UN[112] (UN, 2012b) and OECD (OECD 2001, 2011; ILO, 2006). These institutions have adopted and institutionalised a broad CSR concept that includes terms of economy, the environment, sustainability, labour, and human rights, and concretises what has been researched for many years in academic CSR circles (MacLeod, 2007). In this respect Matten & Moon's (2008) 'implicit' and 'explicit' CSR is important to bear in mind, since misunderstandings about these notions and what people (laymen as well as scholars) mean

---

[112] www.unglobalcompact.org retrieved August 2012

when they say "CSR" is not obvious. There is no fully shared meaning of what constitutes CSR. Especially the notion 'implicit' CSR is much contested today and results in a harsh debate of what is 'real' CSR? Can it be said to be CSR if it is implicit and taken for granted (Berger & Luckmann, 1967)? When does implicit CSR become explicit? Matten & Moon (2008) explain these questions vaguely in their descriptions:

> *"On the one hand, explicit CSR is part of a broader movement of the global spread of management concepts, ideologies and technologies which mostly result in some sort of 'Americanisation' of management practices." (Matten & Moon 2008, pp. 12-13).*

> *"[…] there is ample evidence that CSR in the 'explicit' sense is gaining momentum and spreading all over Europe (and beyond)." (Matten & Moon, 2008, p. 1).*

This spread of 'Americanisation' and explicit CSR is replicated in Europe and abroad by many studies.

> *"[T]here is not 'a' European social model, but several: Anglo-Saxon, Central-European, Scandinavian or Nordic, Mediterranean, Central and Eastern European etc." (Argandona & Hoivik, 2009, p. 9).*

Similarly, CSR is replicated differently in other parts of the world, (for instance Asia, Africa, and Latin America) where explicit CSR is seen in connection to particular institutional contexts and distinct from others (Adams, Hill, & Roberts, 1998; Maignan & Ralston, 2002; Welford, 2003; Habisch, Jonker, Wegner, & Schmidpeter, 2005; Midttun, Gautesen, & Gjølberg, 2006; Matten & Moon, 2008; Höllerer, 2012; Argandona & Hoivik, 2009; Lauesen, 2011).

This paper investigates how explicit CSR is discursively emerging in the public service sector that has been privatised or quasi-privatised and has adopted a wide range of managerial practices such as implementation of CSR as a discourse in their new business policies. Especially explicit CSR, that goes 'beyond legislation', has become popular (Matten & Moon, 2004). However, in the EU some elements of CSR are normatively encouraged and sometimes coercively authorised from the institutions that regulate these companies (Doh & Guay, 2006). In the latter one might speak of implicit CSR when legislation demands CSR. However, the way it is demanded is to be incorporated as explicit CSR in the relevant business policies. For instance, the Danish law requires large companies to provide CSR reports as recommended by the OECD

(OECD, 2011). In these they must describe how they individually work with explicit accounts of CSR[113]. This type of implicit CSR law provides a 'formative' regulation. This means that the legislation does not explicitly state the "what" and "how": it requires a certain genre but not a certain content. This is seem similarly when states require businesses to publish annual reports (Höllerer, 2012). How the individual organisation enacts CSR is still explicit and discrete.

This paper explores how public service companies engage in explicit CSR discurses. It analyses to which degree this engagement is part of isomorphic processes (DiMaggio & Powell, 1983): coercive ('implicitly' demanded in a 'formative' but not a descriptive way as a genre), normative ('explicit' if the norm is occurring among voluntary initiatives of companies; 'implicit' if the norm is encouraged by the regulators as a genre) and mimetic (purely explicit as when corporations imitate others' voluntary CSR initiatives) processes.

Practitioners of public water service companies in Denmark, in which CSR is not regulated[114], perceive CSR from their local point of view and do not refer to any theoretical models. Some of the managers refer to the concept of Global Initiative Reporting. However, most express their gut feeling or self-expressed logic of what CSR is about. Therefore, a discursive and open approach of CSR is preferred in this paper to define what the sector sees as important descriptors of CSR across nations. Through discourse analysis institutional logics, in which CSR is interpreted, is analysed from comparable texts established or approved by managers of cross-national water companies (see also Crowther, 2012). References to patterns in which CSR is expressed by the various managers of water companies in different nations are compared in Appendix 2: Table B, page 300.

CSR is partly normatively promoted and partly regulated by law by each nation's environmental ministry[115] as implicit CSR, although most CSR is explicit and voluntary in the water sector. The managers of the water companies agree that CSR is relevant for environmental preservation, mitigation of climate change, human rights, and occupational safety in the sense that it often goes 'beyond legislation' (Matten & Moon, 2008). However, CSR is also used to secure a sustainable economic pricing system that is regulated, and to secure complianc with legal matters including the prevention of corruption. This induced account of CSR can be seen as a logic,

---

[113] BEK nr 761 af 20/07/2009, https://www.retsinformation.dk/Forms/R0710.aspx?id=126096 (in Danish), retrieved August 2012.

[114] Apart from one company that is working as a multinational company outside the boarder of Denmark.

[115] See the webpages of the respective environmental ministries in Denmark (www.mim.dk (in Danish)), in the UK (www.defra.gov.uk), in the US (www.epa.gov) and in South Africa (www.dwaf.gov.za). All retrieved August 2012.

not to be confused with an institutional logic as described by Friedland & Alford (1991) and Thornton et al. (2005). It is a logic that flows in the institution of water services, which traverses several institutional logics such as the institutional logic of the *market, democracy, bureaucracy, religion/science, family, profession,* and *corporation.* However, this discourse analysis does not measure to which degree CSR is enacted in practice eventually; what is said is not always true, and what is true is not always enacted in practice (Brunsson, 1993). Institutional logics are parts of the ideas within an organisation, which establishes its own legitimacy (Friedland & Alford, 1991) by mirroring what is institutionally accepted among others that share this discourse (Thornton & Ocasio, 1999; Thornton et al., 2005).

In many cases these institutional logics in the discourses are hard to continuously neglect and decouple from practice, because when these logics–institutional or non-institutional–are first expressed, they will be scrutinised by the public (Meyer 2004) in order for them to be trustworthy if they are enacted in practice eventually. This means that in time and with continuous stakeholder pressure, institutional logics will have repercussions on everyday practices of organisations or will come to reflect the practices of CSR that these organisations are expected to perform (Meyer, 2004). This is especially seen when the accountability of an organisation is demanded through third-partyscrutiny (Crowther, 2012).

The plausibility and reliability of the logics in the institutional field of public water service can therefore be analysed in the discourse analysis through 1) the juxtaposition of the opposing (e.g. the regulators') discourse; by 2) by accreditation of performance measurements (by independent accountants or certification bodies) or; 3) by descriptions in texts by other independent parties.

DISCOURSE ANALYSIS AS RESEARCH METHODOLOGY

A discourse analysis is a study of the language of use. This can be interpreted in many ways such as through content analysis (taking the spoken word for good as an expression of 'reality'), linguistic analysis (looking at the meaning of words used) (Gee, 2011), critical analysis (using Critical Theory (e.g. Habermas, 1971)), or through a broader social and politically informed construction approach to sociology (e.g. Berger & Luckmann, 1967) in order to critique and change society by making the interconnections of things, the dominance of ideologies, or the power in relationships visible (Wodak & Meyer, 2009).

Critical discourse analysis takes its departure in hermeneutical interpretation traditions rather than deductive traditions depending on mere linguistic analyses without neglecting issues, contents, and topics (Wodak & Meyer, 2009, p. 28). The analysis of argumentation is typically ana-

lysed into domains such as 'kinds of..' and 'forms of..', strategies and logics, compositional frames, insinuations, symbolism, and metaphors as well as the linguistic analysis of idioms, sayings, vocabularies, and styles within a certain school of knowledge (Ibid.). From these ideas the arguments presented in this paper are related to the institutional logics, which has been examined by analysing the arguments within interviews and discursive texts using Thornton & Ocasio's (1999) redefinitions of Friedland & Alford's (1991) initial account of institutional logics. The discourse analysis of institutional logics found within empirical arguments will capture the institutional framing and contrasting of different meanings of CSR in the water sector. By using the institutional approach to discourse analysis a critical stance is taken by looking for 'contrasting' logics (Friedland & Alford, 1991; Thornton & Ocasio, 1999; Spradley, 1979, 1980). The interpretation of how these contrasting logics play up against other logics can thus determine the validity and reliability of the discourses of CSR taking place in the water companies.

Discourse analysis is an emerging field in contemporary CSR research. E.g. Coupland (2005), Laine (2005), Tregidga et al. (2007), Biloslavo & Trnavcevic (2009) bring interpretive and discourse analysis in to investigate CSR and sustainability reports, websites, and other such sources of written texts. This paper introduces an empirical and case-based investigation of the discourses of CSR of seven water companies and their regulators in each nation. In the case of Denmark the empirical material is based upon interviews and participant-observation studies. This material is then compared to the CSR discourses in corporate texts from water companies' CSR reports and other public documents from websites from seven other water companies from the UK, the US, and South Africa respectively.

All 28 companies are chosen to qualitatively show a maximum of variety (Flyvbjerg, 2006) of different company sizes related to their quantitative production of water. The three largest companies and four medium size companies are chosen from all nations. Since the nations differ in size and have different sizes of water companies, it only makes sense, for instance, to compare them with those small and medium sized Danish water companies, which have a clear CSR profile either explained in public reports, on their websites, or through interviews. The idea comparing also medium sized and large companies within and across nations is to get as broad a CSR definition as possible but still to make this definition as comparable as possible.

In Denmark I carried out in-depth, semi-structured interviews with top managers (directors), planners, CSR experts, economists, project managers (engineers) and four interviews with two

municipal authorities and one state authority. My methodology is inspired by the constructivist ethnographic tradition (e.g. Stake, 2000; Kvale, 2007; Justesen & Mik-Meyer, 2010; Fontana & Frey, 2005; Spradley, 1979; Denzin & Lincoln, 2011; Denzin, 1989). CSR reports, annual reports, and other documents were found on almost all the Danish case companies' websites[116] as well as the authorities'[117] and branch organisations' websites[118]. From the UK, the US, and South Africa research material was found in documents and information from the webpages of the chosen water companies in each country[119] and from documents from the webpages of their authorities[120], regulators[121], and diverse branch organisations respectively. See Appendix 3: Table C, page 303.

NEW PUBLIC MANAGEMENT AND INSTITUTIONAL ISOMORPHISM

New public management (NPM) is a contextual frame for the institutional settings of the public water companies in Denmark as well as in the UK, the US, and in South Africa (Lauesen, 2011). NPM has grown worldwide since the 1980s in reaction to political and financial crises such as

---

[116] Københavns Energi, now merged into the company HOFOR (http://www.hofor.dk/wp-content/uploads/2013/06/HOFOR_aarsrapport_Vand-Spildevand_2012.pdf), Aarhus Vand (http://aarhusvand.dk/Om-Arhus-Vand/Publikationer/), VCS Denmark (http://www.vcsdenmark.com/About%20us/Responsibility.aspx), Nordvand (http://nordvand.dk/OmNordvand/Pjecer_og_artikler/Sider/default.aspx), Roskilde Forsyning (http://roskilde-forsyning.dk/media/169542/rosforscsr_ver03_web.pdf), Vand and Affald Svendborg (http://vandogaffald.dk/om-os/planer-og-gr%C3%B8nne-regnskaber) and NK Forsyning, Næstved (www.nk-forsyning.dk). All retrieved August 2012 and re-retrieved 20th September 2013.

[117] http://www.kfst.dk/Vandtilsyn, re-retrieved 20th September 2013.

[118] www.danva.dk, retrieved August 2012.

[119] The UK: Thames Water (http://www.thameswater.co.uk/about-us/9568.htm), Severn Trent Water (http://www.stwater.co.uk/about-us/), Yorkshire Water (http://www.yorkshirewater.com/about-us/our-performance.aspx), Welsh Water (http://www.dwrcymru.com/_library/leaflets_publications_english/our_sustainable_future/our_sustainable_future.pdf), Wessex Water (http://www.wessexwater.co.uk/publications/), Portsmouth Water (http://www.portsmouthwater.co.uk/environment/default2.aspx?id=316), Sutton and East Surrey Water (http://www.waterplc.com/pages/about/publications/). All re-retrieved 20th September 2013.
The US: United Water (http://www.unitedwater.com/about-us.aspx), American Water (http://amwater.com/corporate-responsibility/corporate-responsibility reporting/index.html), California Water Service Group (http://www.calwatergroup.com/sustainability/index.shtml), Denver Water (http://www.denverwater.org/AboutUs/EnvironmentalStewardship/), Aqua America (http://ir.aquaamerica.com/), El Paso Water Utility (http://www.epwu.org/) and Owensboro Municipal Utilities (http://omu.org/). All re-retrieved 20th September 2013.
South Africa: Rand Water (http://www.randwater.co.za/Annual%20Reports/Forms/AllItems.aspx), Johannesburg Water (http://www.johannesburgwater.co.za), Umgeni Water (http://www.umgeni.co.za/governance/ar.asp), Lepelle Northern Water (http://www.lepellewater.co.za), Bloem Water (http://www.bloemwater.co.za/ar.html), Amatola Water (http://www.amatolawater.co.za/about-us/introduction) and Pelladrift Water (no URL, data found on www.dwaf.gov.za). All retrieved August 2012 and re-retrieved 20th September 2013.

[120] Danish environmental ministry (www.mim.dk), British environmental ministry (www.defra.gov.uk), the US environmental protection agency (www.epa.gov) and Department of Water Affairs in South Africa (www.dwaf.gov.za). All retrieved August 2012 and re-retrieved 20th September 2013.

[121] Denmark: Competition Authority (www.kfst.dk/tilsyn), the UK: OFWAT (www.ofwat.gov.uk), the US: NARUC (www.naruc.org) and South Africa: DWA (www.dwaf.gov.za). All retrieved August 2012 and re-retrieved 20th September 2013.

the oil crisis in the 1970s and the financial crisis in 1980s (Kettl, 2002; Pollitt & Bouckaert, 2004; Christensen & Lægreid, 2010). The traditional bureaucracy was seen as inefficient, slow, and in some nations very corrupt and incapable of lifting the nations out of its financial problems. Change of the public administration from being state and local public administrations was initiated through privatisation of various kinds of public offices into more business-like consortia (Osborne, 1993; Hood, 1991).

There were demands for budget steering, annual reporting, managerial structures and autonomies, and contracts with incentives and penalties regulated by state authorities that were ultimately politically controlled (Kettl, 2002; Pollitt & Bouckaert, 2004; Christensen & Lægreid, 2010). By adopting the wisdom of the private sector and the idea of the invisible hand of the market (Sullivan & Sheffrin, 2003) it was assumed by powerful liberal state leaders such as Ronald Reagan and Margaret Thatcher that the new stabilisation of public spending could turn the tables (Hood, 1991; Pollitt & Bouckaert, 2004).

The significant (post-) new public management features in the four nations is shown in Appendix 4: Table D, page 304.

The consequences of the requests from state governments and intergovernmental organisations such as the OECD for creating 'value for money' (Osborne & Gaebler, 1992; Pedersen, 2010) seemed at first hand to be only for economic savings. CSR, on the other hand, addresses the interests of the society (Garriga & Melé, 2004; Van Marrewijk, 2003; Carroll, 1991) in general in order to overcome the problems of inequality, human rights, labour conditions, environmental problems, climate change, and other such social issues. The political imperative of NPM seems to override these social incentives of CSR in its demands of 'doing more with less' and the creation of 'value for money' through economical savings and efficiency and effectiveness making and not through social improvements. However, this apparent dichotomy was to be found non-valid ultimately, since both sides (NPM versus CSR) contained issues of concern for both economic and environmental issues, however, from different perspectives.

The empirical reality of NPM explained in the discourses of water companies is a translation of meaning from one type of logic (for instance the logic of economy) to another (for instance the logic of environment) through their institutional contexts (Friedland & Alford, 1991; Czarniawska, 1998; Thornton & Ocasio, 1999; Weber & Glynn, 2006). The managers' perception of what they think is right and wrong with their institutional framework (NPM) and their

interpretation and sensemaking of it (Weick, 1995) as public agents is used discursively as a motivator to change their institutional setup (DiMaggio & Powell, 1983; March & Olsen, 1994; Scott, 2001).

This is not to say that the logic of economy is wrong and the logic of environment is right. These agents can affect their legislative institutions by complaining over specific issues to the Appeals Board, or to assemble themselves in branch organisations and through them be heard in a collective and amplified voice. This works better for them than if they tried to create a discourse among their peers themselves (Freeman & Medoff, 1976). Thus, the juxtaposition the discourses of public water service companies about their relationship with CSR and their institutional context within the NPM framework suggests an analysis of how their institutional logics come about through the idea of coercive, mimetic, and normative isomorphism as a process to initiate change (DiMaggio & Powell, 1983, pp. 150-153)

Institutional isomorphism

Paul DiMaggio and Walter W. Powell wrote their seminal work on institutional isomorphism investigating why organisations had become so similar (DiMaggio & Powell, 1983, p. 147). They found that organisations did not position themselves as distinctive from other organisations in a competitive marketplace; rather they changed their organisations to become more similar according to three isomorphic processes. These isomorphic processes were found to have impact on resource centralisation and dependency, goal ambiguity and technical uncertainty, and structuration of professionalism summarised as the following (DiMaggio & Powell, 1983, pp. 154-156):

- Coercive isomorphism: The greater extent to which organisations in a field transact with agencies of the state, the greater the field as a whole becomes similar due to the state requiring adoptions of standards and legislation in the field.
- Normative isomorphism: The greater dependence an organisation has on another organisation or assemblies of organisations (e.g. in trade unions) and on (their) shared resources (e.g. groundwater or human capital resources), it will adopt the structure, behaviour and business model of the other(s).
- Mimetic isomorphism: The more uncertain the relationship between means and ends are, the greater extent organisations will model themselves on organisations they have found successful.

These theoretical ideas will be adapted in the following analysis of NPM and CSR discourses and the conflicting/competing logics among water companies and their regulative stakeholders.

For an overview of theoretical definitions of institutional logics used (Thornton et al., 2005), see Appendix 6, Table F, page 308. In the upcoming analysis I will refer to this table by pointing to the inserted 'chess board' numbers such as (A1), (B1) and to the entire logics as "row (A)", "row (B)" etc. The last column shows the hybridisation of the competing, but coexisting logics, which is found in the relationship between the contextual frame of new public management and corporate social responsibility.

Discourse analysis of conflicting/competing logics of CSR in the water sector

DENMARK: INSTITUTIONAL STAKEHOLDER PRESSURE

In Denmark there were especially conflicting logics between the managers of the water companies and their regulating authorities in relation to CSR based upon the relatively new (2009) mandatory economic regulation according to the Water Sector Act:

> *"It constrains our environmental and sustainability duties to manage and secure a fresh and healthy water resource for future generations!" (Interview A, March 2011, my translation).*

The managers' main institutional logic, in which 'CSR' was found mentioned, was the logic of profession and the logic of corporation situated within a normative isomorphism across water companies. In Appendix 5: Table E, page 306, we find the main arguments of the managers. These can be placed in row (B) and (C) and with only fragments of row (A) accepted and a few logics from row (D) in Appendix 6: Table F. The authority's main institutional logics within NPM are the institutional logic of the market (row A) and the state (row D), which produces a coercive isomorphism upon the regulated water sector.

At the time of investigation, many top managers were deeply engaged in policy making and a collective discourse through their branch organisations through bringing their complaints to courts and hoping for changes to be made in order to receive financial rewards (A17) for their environmental investments (C15)[122]. The price cap regulation in (A12) and (D12) conflicts with the autonomous decisions that company managers have (B12) and the reward system attached to them (A17). The ability for these managers to decide their own prices and thereby indirectly the income of the company is at stake here. All complaints were denied by the regulators[123] due to arguments about the enhancement of welfare (D1) for the lowest possible cost for the citizens

---

[122] Price Cap Notice § 33, https://www.retsinformation.dk/Forms/R0710.aspx?id=140562 (in Danish), retrieved August 2012

[123] http://www.kfst.dk/Menu/Soegeresultatsside?t=1AF3, re-retrieved 20th September 2013.

(A12).

In the managers' arguments are also found replica of (D2) and (D3) about resource dependence on groundwater reservoirs and their commitment to distribution, which the managers of water companies claim being capable of handling autonomously on behalf of the wider society as a part of their normative isomorphism. An excerpt of the 25 qualitative interviews is assembled in Appendix 5: Table E, page 306, which expresses the overall pattern of the Danish research.

Investments in environmental protection and sustainable handling of natural resources do not suit the institutional logic of the market, consisting of the exchange of commodities and economic depreciation of investments of goods, whose value declines over time. The Price Cap Notice indirectly promotes investments and sanctions operational costs in a complex model calculating a price cap, which is the maximum price of a regulated service (Lauesen, 2011). When, for instance, afforestation is not approved as an investment due to the institutional logic of the market and the institutional logic of the state (regulation), it becomes an operational cost, which is benchmarked and affects and diminishes the price cap, which eventually puts a pressure on the water companies' survival. The companies can either choose to accept this and calculate it as an operational cost according to the market logic, or they can refuse to invest in afforestation if the regulation threatens their survival on the quasi-market.

However, not all kinds of environmental investments are a problem in the Price Cap Notice; investments in technology and fixed assets are depreciable, and therefore they can be encapsulated into the price cap as seen equivalently in the UK[124] (Crowther et al., 2006; Lobina & Hall, 2001; Danish Competition Authority, 2003).

At a glance these competing institutional logics of profession/corporation versus market/state seem to be a driver for the discourse between the managers of water companies and their authorities. This, however, is not the entire picture when interpreting the two opposing institutional logics from the mechanism of the opposite market logic of the water companies. This includes row (A) except from (A9), (A10), (A12), (A14), (A15) and (A16).

Most of the interviewed managers say that the conditions should be reversed from 'making the managers manage' (A12) to 'letting the managers manage' (B12) (Osborne & Gaebler, 1992; Hood, 1991; Politt & Bouckaert, 2004). However, they forget or leave something out of their discourses:

---

[124] The Water Industri Act 1991

> *"There exists no real market or free competition in natural monopolies such as the public water sector" (Interview A, October 2011, my translation).*

That is number (A1), (A3), (A5), (A8), (A10), (A14), (A15) and (A16). These mechanisms are replaced by the authority regulation within the equivalent areas in row (D).

The coercive isomorphic pressure from the state and local authorities upon the water companies enacts a resistance from the water sector expressed in their competing institutional logics. The regulation made by the state and local government of the water companies creates a coercive isomorphism, where economic targets and objectives are benchmarked and calculated into a price cap by the authorities (Matten & Moon, 2008).

The discourses have negative repercussions for this conflict of institutional logics. Whether CSR benefits the resource preservation or diminishes financial costs, in the long run it suits both competing logics. It is then translated in the discourse into the logic of profession as expressed in the key sentence: *"We must preserve the natural resources and mitigate the climate change"* ((C15) or (D2)). However, it is only executed if long-term market benefits are recognised ((A17) and (B17)) by the managers and the municipality owners of the water companies.

In general the Danish water companies are so small that they are not obliged to produce CSR reports unless they are considered to be the largest companies in Denmark[125]. Their institutional history of being a part of the municipality administration for decades has generated a dichotomy in the new context: the normative isomorphic spirit of 'social commitment' that has continued into the 'business spirit' of the discourse has not left their 'self-regulation' spirit yet. Managers believe that they are trustworthy due to their persona and former history of being a part of the local municipal administration. Local authorities and former colleagues of the managers from the water companies express this concern today:

> *"Managers in the water companies must learn to decode this irrational idea that existed before, where nobody complained about this double role of sel-fregulation of their own operations at that time." (Interview I, March 2012, my translation).*

Therefore, ironically, when the highly discursive promotion of CSR is interfered with a 'business-like' economic thinking by their new regulators, the managers react promptly to this insti-

---

[125] BEK nr 761 af 20/07/2009, https://www.retsinformation.dk/Forms/R0710.aspx?id=126096 (in Danish), retrieved August 2012

tutional change by adopting features that suits them best (A7) and by defeating what currently constrains them (A12) (D12).

> *"The same agency mechanisms are seen in other public service sectors in Denmark that are state regulated since the 1990s for instance the electricity, gas, oil and transport sector. To an even worse degree of conflict. This is peanuts, however!" (Interview G, August 2011, my translation).*

THE UNITED KINGDOM: SUSTAINABILITY CONCERNS AFTER 20 YEARS OF ECONOMIC REGULATION?

The situation of regulation of the UK water companies has been followed through the website of the British water service regulation authority, OFWAT. British water companies have existed since the late 1980s and have been economically regulated due to price cap mechanisms since then.

In late 2010 OFWAT had news about 'sustainability' on their website, although no specific terms of regulation of sustainability were produced at that time. Today, and since the price review in 2009, OFWAT has systemised the regulation of sustainability in the UK context. All UK water companies must produce and follow a clear business plan where they must state how they will incorporate various sustainability issues and report their progress to OFWAT every five year. This means that the water companies have their own environmental policy stated on their website and are evaluated towards this logic of CSR by the authorities. However, can this adoption of a CSR logic survive a critical discourse analysis and justify whether the companies are accountable for their conduct?

The CSR objectives required by the British government and scrutinised by OFWAT as regulators are[126]:

- Production of a five-year Water Resource Management Plan
- Plan for mitigating and reducing impacts to climate change
  - Consider low carbon and renewable energy in investments and planning
- Reduce leakages from the system
- Improve resiliency and mitigation of flood hazards
- Manage their own land in a sustainable manner including secure biodiversity

---

[126] OFWAT 2008, and www.ofwat.gov.uk/sustainability/waterresources/legal , www.ofwat.gov.uk/sustainability/waterresources/planning , http://www.ofwat.gov.uk/sustainability/waterresources/leakage/, retrieved August 2012 and re-retrieved 20th September 2013.

- Engage with consumers and consider their viewpoints in improving a sustainable service

The UK water companies are either obliged (coercive isomorphism) or encouraged to follow (normative isomorphism) this CSR logic promoted by OFWAT. Regulation of CSR is done on the basis of reporting how well the companies achieved what they said they would achieve in their CSR policies.

However, not all UK water companies reveal CSR reports. Not all UK water companies provide the same facts and figures in their CSR reports. Some, such as Yorkshire Water, have a sustainability statement report explaining in text how they work with CSR. However, these texts are without performance indicators. Others have a CSR case study report, where they show different examples of their presumed CSR work told as a narrative and illustrated with pictures supposedly from the cases. All UK water companies display their individual programmes to promote biodiversity in their ownership of land properties, which is mandatory, as well as the companies themselves promoting special programmes to attract and support employment of staff.

In line with the coercive regulation as well as the normative recommendations from OFWAT, the primary new CSR target of the UK water companies is to engage in the overarching climate change mitigation as a first and foremost voluntary CSR objective. However, this is rather encouraged normatively from regulator to company besides the normative and coercive environmental targets already pursued through the environmental legislation. This shows a high degree of coercive and normative isomorphism translated through the regulator. Customer relationships are regulated through price caps, and this model is where the Danish model for regulation found its inspiration. These stories and pictures, however, do not justify whether the CSR discourse is enacted into practice when no third-partyscrutiny of performance indicators are validating it in the first place (see also Crowther, 2012; Crowther & Seifi, 2010; and Cheney et al., 2004).

THE UNITED STATES OF AMERICA: FINALLY TAKING CLIMATE CHANGE SERIOUSLY

America is a country with a population of more than 320 million[127], which is much larger than Denmark's with only 5 million inhabitants (Hockerts & Wüstenhagen, 2010). However, despite the structural differences of state governance and market economy, a highly liberal market economy and a coordinated market economy respectively (Campbell & Pedersen, 2007), both countries share a similar structure in regulating public water services (coercive isomorphism).

---

[127] http://worldpopulationreview.com/united-states/, retrieved 20th September 2013.

Both have two central governmental/federal regulating bodies; an environmental ministry and an economic regulator. In the US the Environmental Protection Agency (EPA) regulates the law implementing environmental impact by water companies such as water quality, wastewater outlets, water conservation, and natural protection in general[128].

The economic regulator, who sets the water rates, is the public utility commission at state level organised by the National Association of Regulatory Utility Commissions[129]. Some of the US water companies are fully privatised and represented in many states; other companies are still owned by the municipality. They all share a similar federal institutional setup and regulation across states; however, regulation differs very much and is not inherently as effective as it could have been (Beecher, 2009; CSS, 2011). In regard to public water services this setup makes them comparable to other and smaller countries, which also have a similar institutional setup such as in Denmark, the UK, and South Africa.

The chosen variety of US water companies and their discursive approach to CSR, express a strong emphasis on community charity as part of their CSR logic. Environmental protection is a repercussion from the mitigation of the climate change engagement envisaged and normatively praised by the EPA. However, this is not regulated but normatively diffused in an isomorphic manner throughout the states with more or less success. We find this new normative logic of sustainability mainly reflected in the largest private companies in their CSR policies and reports[130]:

- Mitigate climate change and improve air quality by reducing GHG emissions and radiation
- Protect water by reducing contaminants and restore watershed and ecosystems (biodiversity)
- Promote sustainable communities, preserve and restore land, strengthen human health and environmental protection.
- Reduce chemicals in products and promote pollution prevention

The CSR reports from the privately owned water companies in the US are not equally impressive in unveiling many performance indicators. Again we see an imbalance in corporate stories and pictures while certificates of and participation in CSR indexing lists that may validate this CSR logic is only adopted by the few largest companies. The two municipality-owned water

---

[128] www.epa.gov/waters retrieved August 2012
[129] www.naruc.org retrieved August 2012
[130] EPA Strategic Plan 2011-2015 (EPA 2011), http://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P1008YOS.PDF, retrieved August 2012 and re-retrieved 20th September 2013.

utilities (El Paso Water Utility and Owensboro Municipal Utilities) have neither CSR policies nor reports on their webpages.

SOUTH AFRICA: STILL LIVING IN THE AFTERMATH OF THE APARTHEID REGIME

The end of the apartheid era (1948-1994) has in South Africa had a close link to the history of new public management and CSR revolution in that country. In 1997 the Water Service Act was completed to catch up for the millions of South Africans who had no access to water and sanitation (Deedat & Cottle, 2002). A year when the privatisation of the water companies followed in order to fulfil the capital need, and a regulating body was promoted to ensure the intentions of the act, which *"recogni[ses] the rights of access to basic water supply and basic sanitation"* (WSA, 1997, p. 1).

This regulating body was created as the Department of Water Affairs of the Republic of South Africa to serve both as environmental and economic regulator. At first these intentions had a hard beginning with sky rocketing water prices (McDonald & Pape, 2002; Hall et al., 2010). After a period of implementing legislation to prevent harsh private profiting and to donate free water pricing to the poorest areas, the cost-recovery principle with regulation on pricing is today implemented as a coercive isomorphism. However, it seems to be in constant need of improvements (DWA, 2012).

The water companies in South Africa are met with many coercive CSR obligations and normative CSR incentives from their regulators. However, most of the companies studied have quite a different approach to CSR compared to the three other nations. Where climate change and environmental protection have a high stake in the CSR discourses in Denmark, the UK, and the US, human rights, human diversity, HIV/AIDS programmes, and utilisation of local labour and suppliers are much more highly valued in the South African discourse.

Only a few of the investigated companies revealed environmental performance indicators. This does not mean that mitigating climate change and drought management is not important in South Africa: it means that the companies are meeting a CSR logic of human capital and mitigation of poverty disseminated by the regulator, who has not implemented sustainable and green programmes in its regulation as much as the other nations yet.

CONCLUSION

To answer the research question; "How well are water companies engaged in corporate social responsibility?*";* a clear pattern in the regulated public water service sector is shown in Appen-

dix 7: Figure A, page 311. The findings of the cross-geographical, political, market economics study of a maximum variety of water companies showed how institutional logics are transferring from implicit CSR to explicit CSR through coercive, normative, and mimetic isomorphism. Companies that are only engaged in coercive isomorphic implicit CSR show a hesitant and resistant discursive engagement.

When social responsibilities are regulated in a formative way, the logic of CSR shows a relatively high compliance interpreted as coercive isomorphism, which the local (national), regional (union level such as the EU and USA) and international (such as the OECD) levels promote. However, the regulation does not determine to which degree CSR issues should be met and how they are met and carried out. The regulation replicates a type of for instance OECD expectations of multinational enterprises, which means that what is regulated is that the companies should make plans, follow them, and be evaluated according to them by the regulators.

Whereas when companies engage in normative and mimetic isomorphism, explicit CSR confirms their legitimacy using third party-evaluated performance indicators. The normative isomorphism is then seen when a non-regulated part of CSR is disseminated as an expectation from the regulator to the sector. In this way the normative isomorphism can be said to include both implicit and explicit CSR.

This suggests that policymakers should consider the use of incentives rather than strict rules in promoting CSR to make public water service companies engage in normative and mimetic isomorphism. This would result in explicit CSR, which would contain more authenticity (or honesty) and a higher legitimacy in the field compared to the strong tradition of explicit CSR seen in the private business sphere, where third-partyscrutiny is part of the validation.

In Denmark, where social responsibilities are not regulated, the case studies show a tendency of mimetic isomorphism where few companies (approximately 10 %) try to imitate the large companies, who as first movers are the diffussors of the CSR logic. They engage actively in declarations of performance indicators verified by accredited institutions. However, we do not see a clear and general normative isomorphism since water companies in general have neither CSR policies, reporting systems, nor certificates that guarantee their trustworthiness.

In the UK OFWAT has initiated the implementation of sustainability performance in its regulation and defined certain kinds of social responsibilities as a coercive isomorphism. These parts are mandatory, but are to be developed individually on all case companies' webpages as norma-

tive isomorphism. However the quality and reliability vary strongly from strong and compassionate CSR reports revealing both quantitative metrics and qualitative storytelling to weak reports that only show CSR examples of storytelling not combined with quantitative measurements nor with independent evaluation.

In the US many privately owned water companies are regulated also according to obligations to publish CSR policies as well as to report them[131] (CSS, 2011). The two largest companies are listed on sustainability indices that have accredited information of their CSR policies and reports. The municipality owned water companies are not regionally but self-regulated, and one can hardly find any CSR or any other kinds of social responsibility information on their webpages. This gives a similarly mixed picture of private versus publicly owned water companies in the US, where cross-country multinational industries are regulated but not regional companies (CSS, 2011).

In South Africa the regulation of CSR is very developed in the largest companies in matters of human relations and less developed in environmental and climate matters. In contrast to Danish and US water companies, the South African water companies have a much more transparent CSR policy regarding human rights, diversity, health programmes, and education programmes promoted normatively by the regulators. On the other hand, they lack information on the environment and climate-related information. We see the same promotion of human rights and diversity in the UK water companies as a normative CSR issue, but alongside environmental and climate related performances.

The conclusion of this comparative international case study of water companies in Denmark, the United Kingdom, the United States, and South Africa reveals a mixed result of CSR performance in the companies studied. We see a relatively high level of CSR acknowledgements at the discourse level, which have a strong environmental focus in Denmark, the UK, and the US, whereas in South Africa the focus is central around human/labour rights. These things point to a high degree of normative/mimetic isomorphism including in the discourse.

The regulation of water companies in the various NPM systems is replicated by the companies' websites. However, CSR without the coercive or normative encouragement from the regulator seems dependent on the degree of mimetic isomorphism, which is slow to translate into normative isomorphism. Capturing all isomorphisms is evident when regulators impose social respon-

---

[131] www.naruc.org, retrieved August 2012

sibilities templates as 'formats' upon the water companies, which is seen in most of the examples found cross-nationally.

However, these formats do not dictate the degree to which CSR should be carried out; only that it should be part of the companies' business policies and displayed on their websites and in the plans they submit to their regulators for future evaluation. The latter indicates that the apparent dichotomy or competition between the logic of economy and the logic of environment may come to coexist when regulators impose mandatory formatting but voluntary content. This explains why the competition is not about water companies disliking their economic obligations; they dislike the absence of a proper format in which to work with both the logic of economy as coexisting with their logic of environment.

The findings show that there is much more to achieve if stakeholders put pressure on the public service companies and do not let them live a life without scrutiny. The public water sector will lag behind the private sector if it does not follow the trends initiated by the private sector; the public sector has lived a life out of the CSR limelight with the implication that CSR was what the public sector was doing. This paper asked: *How well are water companies engaged in corporate social responsibility* (after its privatisation)? The answer given is that they may think they do well, but fairly few show us how well they are doing in a credible way.

PROSPECTS

Public services need to be investigated much more in relation to CSR. Regulation seems to be highly embedded as coercive isomorphism in this sector especially for guaranteeing economic sustainability, whereas environmental sustainability is more or less left to mimetic and slowly emerging normative isomorphism in all the compared nations' water companies.

We know from the few case companies, that submit comprehensive accredited CSR reports with performance measures, that between 80 % - 100 % of all emission comes from fossil energy (Table 1, CSS 2011) with only one case (Denver) as low as 65 %. This is an area where water companies including sewerage and wastewater treatment can improve their CSR prospects in the future. The public sector has a long history of scrutinisation of its economic and qualitative performance. However, not many studies have focused on this institutional field as contributing to CSR.

The research has limitations in terms of the discourse analysis, which in Denmark was possible to conduct from both oral texts such as interviews, observation studies and document analysis,

whereas in the UK, US and South Africa it is based only on written texts from documents, CSR reports, annual reports, and written communications between regulators and companies. The research implications suggest further replication of the findings from a more in-depth analysis of the institutional logics in these companies in the UK, US and South Africa compared with the study from Denmark.

PAPER #4

Stakeholder Dissonance: Corporate Social Responsibility Versus Regulation. A Study of a Trust Recovery Process.

LINNE MARIE LAUESEN, 2013

INTRODUCTION

Corporate social responsibility (CSR) as an umbrella concept can be defined as *"the broad array of strategies and operating practices that a company develops in its efforts to deal with and create relationships with its numerous stakeholders and the natural environment"* (Waddock 2004, p. 10). CSR has suffered from a lack of trust between businesses and their stakeholders especially in the aftermath of the financial crisis and its extensive examples of severe economic greed in the banking and investment sectors while lacking institutional regulation (Bannerje, 2008; Souto, 2009; Karnani 2011(a)+(b); D'Aselmi, 2010; Emeseh et al., 2010; Schreck, 2010; Gianarakis & Theotokas, 2011; Hanson, 2011; Mackey, 2011; O'Toole & Vogel, 2011; Emeseh et al., 2010; Herzig & Moon, 2011; Lauesen, forthcoming).

'Trust' is in this paper defined through Rousseau et al.'s (1998, p. 395) terms as *"a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another"*. The derived terms such as 'trust breakdown', 'trust building', and 'trust recovery' are thus understood in relation to this definition of 'trust'. 'Trust breakdown' is understood as a psychological state that is the reverse of the above trust definition. It may evolve over time, but it can also happen momentarily due to a critical event. The core premise of a trust breakdown in the understanding of this paper is that trust has existed before, but is now lost between agents. 'Trust recovery' is thus related to trust breakdown and un-

---

[132] (see definitition at http://www.emeraldinsight.com/authors/writing/author_rights.htm)

derstood as an ongoing process, where the intentions are to repair the trust that was lost. However, this process needs an instrument or some microprocesses to be built up, and these instruments or microsteps are understood as 'trust building' processes. These can happen either prior to any trust being established or in order to recover a broken trust relationship between agents. When trust is fully recovered, we can again talk about trust in its prior sense.

As a consequence of the contemporary lack of trust in organisations and institutions many companies and states suffer from a lack of incentives to meet the expectations of the broader society and its inhabitants (Lauesen, forthcoming). This phenomenon is here called 'stakeholder dissonance' and is defined as the stakeholders' disagreement and dissatisfaction with (parts of) the outcome and behaviour of organisations whether it is businesses, governments, or other kinds organisations, which they depend upon. *"The term 'dissonance' implies a level of disconnect that is not always conscious or intended. It is more a lack of alignment where [some]....do not mesh well [with others] despite mutual needs and interests"* (Bogenschneider & Corbett, 2010, p. 127). This paper sets out to investigate stakeholder dissonance and the process of trust recovery as a struggle between a business sector's voluntary corporate social responsibility and the authorities' tightening of municipal and state regulation upon this sector.

The business sector investigated in this paper is the Danish water service sector, which is chosen as an empirical example of a sector, which since 2003 has suffered from an institutional trust breakdown. It has been quasi-privatised and become market-driven through a public reform in 2007. The trust recovery process is further ahead than in that for instance in the banking sector, and this can thus be used as an inspiration for other sectors in the aftermath of the general trust breakdown following the global financial crisis in 2008.

The following research question is central in this paper:

How does the process of trust recovery play out for organisations who experience a trust breakdown in the area of corporate social responsibility, and which mechanisms are involved in the trust building process?

Since trust recovery in the Danish water sector has not yet been fully settled but is still ongoing seven years after the privatisation, the possibility to follow the trust recovery process in the midst of the struggle between the water companies' corporate social responsibility and the municipal and state authorities' regulation has been insightful as a study of stakeholder dissonance and how difficult it is to enact voluntary CSR when regulation severely interferes.

This paper draws on Bogenschneider & Corbett's (2010) Community Dissonance Theory, which explains the mechanisms of barriers between the communications of researchers, policy makers, and policy practitioners, all seen as different communities. These communities each have their own vocabulary of motives (Mills, 1940), need for knowledge, textual and information tradition, and pace of communicating knowledge to their own stakeholders. In this paper these ideas are used in the setting of the Danish water companies' engagement with their authorities in enacting CSR versus regulation.

From this new way of seeing stakeholders as different communities with the above traits this study can highlight emerging developments of CSR versus regulation in other sectors as well, for instance the financial sector (Herzig & Moon, 2011), for policy makers, regulators, and professionals. The contribution of this paper to the CSR and stakeholder literature is based upon the findings in the paper of how trust recovery in the Danish water sector is connecting macrolevel dynamics between regulation and CSR, which needs to be rooted in the microlevels of organisations down to the individual level.

I discuss why government regulation is not sufficient to ensure trust either in this sector or in for instance the banking sector due to mechanisms of cheating and gaming behaviour (Hood, 1991; Crowther, 2013). I argue that trust needs to be anchored in the organisations' engagements with each other in spite of their different and competing logics down to the individual level. In this case I juxtapose the regulators and regulated companies. I show how trust can be developed through the companies' voluntary engagement in CSR and how this engagement is vulnerable to the regulators' ignorance of this process.

Finally, I explain through the Community Dissonance Theory (Bogenschneider & Corbett, 2010) combined with crucial points from the theory of Vocabularies Of Motives (Mills, 1940) and the Institutional Logics' Perspective (Friedland & Alford, 1991; Thornton et al., 2012) how this engagement as a part of trust recovery involves knowledge sharing and willingness to learn from each other's professional and institutional cultures and languages in order to align the different vocabularies of motives and logics into coexistence.

TRUST IN STAKEHOLDER RELATIONS

In Freeman's well-known stakeholder concept, which is defined as *"any group or individual who can affect, or is affected by, the achievement of a corporations' purpose"* (Freeman, 1984, p. vi) Freeman did not directly mention 'trust' as a vital part of the corporation's stakeholder

relationship. However, later with Wicks & Gilbert (1994) he talked about trust as one of the main ideas in stakeholder relationships:

> *"Communication provides the mechanism for persons to interact with and learn from one another, to build trust, to find points of agreement and disagreement, to discover how a relationship can enrich each party involved, and to sculpt a form of interaction that fits them." (Wicks et al., 1994, p. 487).*

Trust between organisations and their stakeholders is not only vital to the stakeholders: seen from Freeman's strategic lens, it is also important for the corporation or organisation as a part of their strategising purposes for *"reinforcement of attitudes which promote worker involvement, increase trust, and bring out added commitment and productivity"* (Ibid., p. 491; see also Freeman, 2005, 2010; Freeman et al., 2004; Freeman et al., 2007). Wicks wrote with his colleagues that *"trust seems to be a good markets and firms can't get enough of"* (Wicks et al., 1999, p. 99) and referred to how trust can facilitate cooperation, lower transaction costs, promote efficient market exchanges, and improve the firms adaptability to complexity and change. Therefore they continue Freeman's strategic lens in seeing trust as something tradable for businesses as part of their intentional strategic motives.

Since the idea of using trust expressed through CSR policies, corporate reports, and business incentives for stakeholder engagement (e.g. Lawrence, 2002) was adopted not only by responsible companies. It was also adopted by businesses that did not only 'do good' for society, but claimed to be trustworthy when they at the same time exploited nature, externalised their workforces, polluted the environment, and were part of the explanation of why trust in the concept of CSR and stakeholder engagement began to fade (Greenwood, 2007; Buzar et al., 2010; Krkač et al., 2012).

Economic crises affecting billions of people are thus the worst catastrophes for concepts of good intentions such as CSR and stakeholder engagement since they are easy to blame instead of the behaviour of those who exploit them. It is thus in the interests of both researchers and practitioners to reinvestigate the core of the CSR and stakeholder engagement in order to make these concepts regain the reliability and validity for which they were intended. This paper argues that the concept of 'trust' is crucial to bring these two phenomena back on track and to find ways to recover trust between businesses, their authorities, and other stakeholders since this have in many places been lost during the financial crisis if not before.

COMMUNITY DISSONANCE THEORY

Bogenschneider & Corbett (2010) studied the relationship between university researchers, politicians, and public officials from the mid 1990s till 2010, which has resulted in a theory of why professional communities have difficulties in understanding each other. They define Community Dissonance Theory as portraying *"knowledge producers and knowledge consumers as functioning within a discrete number of disparate communities that find it difficult to communicate with each other"* (Bogenschneider & Corbett, 2010, p. 15).

They base their theory upon the interaction from evidence-based research and policy-making procedures and outcomes. Each professional community; that of the research community (knowledge producers); the political community (policy makers, knowledge consumers); the mediators' (translating the communication between communities, knowledge consumer and producer) professional community; and the public officials (enactors of the policies, knowledge consumers); are all distinct and incompatible cultures within the boundaries of each profession:

> *"Sometimes researchers communicate well with policy makers, other times they appear to represent very different species." (Bogenschneider & Corbett, 2010, p. 16).*

Seeing knowledge producers and knowledge consumers as domains that can encapsulate both professional and institutional cultures, the authors provide a platform in which trust recovery can be studied among multiple stakeholders, organisations, and institutions. Each community group is formed around a core technology and a core professional performance task that form the respective institution's purpose, culture, and structure. Each community is *"shaped by professional and institutional cultures in ways that differentially affect how their inhabitants think, act, and behave"* (Bogenschneider & Corbett, 2010, p. 77).

The theory discusses the different culturally based traits of each community (profession) such as communication style, working style, temporal salience, information needs, and writing styles in order to show the culture clash between communities that are incapable of meeting each other's needs. For instance, the need of policy makers to have grounded research as a foundation of their concrete policies often meet barriers between the knowledge producers and consumers. It may take years to create sufficient research documentation prior to a decision-making process, which is not equivalent with most policy making processes, which often is here and now. Also, the way and the language, in which the researchers communicate their knowledge production to

their respective academic fields, does not match the brevity, conciseness, and the language that the knowledge consuming policy makers necessarily understand. The same clash is seen between the policy makers as knowledge producers of law texts and the public officials that have difficulties in translating this into concrete practices (Bogenschneider & Corbett, 2010).

This culture clash may result in a trust breakdown between the agents belonging to different communities. However, these patterns may also facilitate the recovery of trust, which requires mutual work in comprehending the cultural differences of these communities in order to collaborate and perform their interrelated working tasks (Bogenschneider & Corbett, 2010, p. 122-125). Some of the most important instruments suggested by Bogenschneider & Corbett are to harmonise the different cultures within the communities and enhance trust through improving the alignment of their different communication styles, working styles, temporal differences, information needs, and writing styles. The temporal salience and communication style explained above is where the clashes between researchers and politicians are most extreme, the authors claim.

The process of trust building can be facilitated through knowledge sharing (Bachmann & Inkpen, 2011; Lee et al., 2010) whether it is found on interpersonal, organisational, or institutional levels (Bogenschneider & Corbett, 2010). This argument is central in Bogenschneider & Corbett's Community Dissonance Theory, which lifts the argument that knowledge sharing is important for trust building from a microlevel to a macrolevel. This paper suggests that these knowledge and communication bases can be extended towards the cultures of any communities. An example between the operators and their regulators in the Danish water sector will be shown.

However, the ideas underlying Bogenschneider & Corbett's Community Dissonance Theory neglect one important issue in relation to the trust recovery between the business and its stakeholders: they do not treat the underlying motives behind the different communities' cultures, knowledge bases, and inherent logics. Thus, I will argue that the Community Dissonance Theory combined with Mills (1940) Vocabularies of Motives and the Institutional Logics' Perspective (Friedman & Alford, 1991; Thornton et al., 2012) may further enlighten us as to how trust recovery can be processed to disentangle stakeholder dissonance and the struggle between corporate social responsibility and regulation.

VOCABULARIES OF MOTIVES

Mills framed the sociolinguistic term 'vocabularies of motives' and argued that *"motives may be considered as typical vocabularies having ascertainable functions in delimited societal situations"* (Mills, 1940, p. 904). Mills studied how motives were recognisable through language, which linked behaviour and motive through the terms (vocabularies), with which the social actor interprets his own conduct. The motives have their own reasons, i.e. they are interpretations stemming from a certain 'logic' that is rooted in the language universe and culture of the agents. However, Mills was interested in why certain motives were verbalised rather than others. Motives stand in Mills' concept as anticipated situational consequences of questioned conduct and the cognitive awareness of these. However Mills' motives do not necessarily require long judicious arguments; citing Kenneth Burke:

> *"Our introspective words for motives are rough, shorthand descriptions for certain typical patterns of discrepant and conflicting stimuli." (Burke, 1936, p. 45; cited in Mills, 1940, p. 905)*

However, Mills recognises that different situations have different vocabularies of motives appropriate to their respective behaviours (Mills, 1940, p. 906). On the other hand Mills argues that motives are not taken out of the blue: "*[they] are accepted justifications for present, future, or past programs or acts"* (Mills, 1940, p. 907) and the individual's control of such acts explains them. In this sense we see how motives with their shorthand reasoning become taken for granted vocabularies that are accepted in different parts of society related to certain communities and their logics (Berger & Luckmann, 1967).

The interesting part of Mills' theory for this study is when the motives in one field differ from the motives of another. Mills termed this as 'mixed motives' or 'motivational conflicts' when competing or discrepant situational patterns and their respective vocabularies of motive exist. A conflict of motives occurs when *"motives belonging to disparate systems of action, which have differing vocabularies of motives appropriate to them manifest vocabulary patterns that have overlapped in a marginal individual and are not easily compartmentalised in clearcut situations"* (Mills, 1940, p. 912).

Power is unavoidable in Mills' understanding of institutional practices and their vocabularies of motive: they exercise control over delimited ranges of possible situations (p. 913). For Mills and his successors it becomes crucial to decontextualise this type of power relationship and its insti-

tutionalised linguistic framing of normative actions situated within clusters of vocabularies of motives.

In the same vein contemporary researchers try to establish an understanding of how trust between different stakeholders is related to different vocabularies of motives. Dirks et al. (2001) proposed that to understand the determinants of cooperation in situations, where interdependent individuals have mixed motives, a social exchange account of trust will moderate the relationship between cooperative motives and cooperative behaviour (Dirks et al., 2001, p. 458):

> *"Under high levels of trust, the individual will be more likely to attend to cooperative motives, while under low levels of trust the individual will be more likely to attend to competitive motives."*

This paper will investigate to which degree Dirks et al.'s propositions can be found salient for the trust recovery process between the dissonant stakeholders in question in the Danish water sector as well.

Kramer et al. (2010) explain the salience of motives in relation to trust recovery and enhancement of trust in organisations, which entails the creation of conditions that are conducive to the development and maintenance of positive expectations about others' trust related intentions [motives] and capabilities [competences] (Kramer et al., 2010, p. 248; see also Kramer, 1999; Möllering, 2005). These findings can be extended to the cooperation between organisations and their stakeholders to see if it is possible to create appropriate conditions for aligning competing motives, logics, and capabilities between these agents.

To understand and recognise how different communities interact, conflict, and recover trust; which institutional language universes and cultures they participate in; and which logics and motives are prevalent in their respective communities; can contribute to an understanding of how trust recovery can be established. Stakeholder complexity involving a multitude of organisations and agents needs a recognition of which mechanisms are at stake and which efforts are needed to recover, build, and nurture trust between them.

LOGICS

This paper has chosen to use the term 'logics' in the framework as presented by institutional theory. Although the term 'logics' takes part in an ongoing discussion both in institutional theory (e.g. Binder, 2007) as well as in cultural theory (e.g. Rao & Giorgi, 2006), this paper recognises that logics of organisations exist in multiples (Binder 2007; Gertsen, Søderberg, & Zølner,

2012), but at the same time (a) certain logic(s) may dominate a stakeholder relationship whether they compete or coexist (Sackmann & Phillips, 2004; Gertsen, Søderberg, & Zølner, 2012; Martin & Frost, 2012).

To extract these dominating logics this paper finds relevance in using Friedland & Alford's (1987, in Scott, 2008; Thornton & Ocasio, 1999, 2012) proposition of 'institutional logics'. Friedland & Alford explained, for instance, the institutional logic of capitalism as an accumulation and the commodification of human activity; the logic of the state as rationalisation and legal regulation of human activity; and the logic of science as mundane truth (Friedland & Alford, 1991, p. 248; Scott, 1987, p. 500). They found that there was no necessary harmony between these logics and belief systems: they can be multiple, conflicting, or contradicting.

> *"Institutional logics are socially constructed, historical patterns of material practices, assumptions, values, beliefs and rules by which individuals produce and reproduce their material subsistence, organise time and space, and provide meaning to their social reality" (Thornton & Ocasio, 1999, p. 804).*

Besides the idea that logics exists in multiples and compete with each other, they may also coexist as bricolages (Campbell, 1997; Dacin et al., 2002), or hybridisations (Pedersen & Dobbin, 2006), or overlap in consensus or with one logic dominating the other (Ruef & Scott, 1998; Thornton, 2002; Rao, Monin, & Durand, 2003; Suddaby & Greenwood, 2005; Schneiberg & Clemens, 2006; Lounsbury, 2007; Reay & Hinnings, 2009).

A typical logic that is shared among contemporary governments, authorities, and businesses is the market logic, which is linked to Friedland & Alford's logic of capitalism (Friedland & Alford, 1991). Other logics may belong to the category of the institutional logic of science related to the profession in question. A vast body of research has shown how the institutional logic of capitalism and science respectively conflict especially where public governance having adopted an overarching institutional logic of the market meets organisations that may decouple from their regulation (e.g. Meyer & Rowan, 1977; Scott, 1995; Westphal & Zajac, 1994, 2001).

However, few studies have shown how two seemingly competing institutional logics successfully merge, create new hybridisations or coexist (Mazza, Sahlin-Andersson, & Pedersen, 2005; Reay & Hinnings, 2009; Thornton et al., 2012). This study is interested in finding the process mechanisms of how competing or contradicting logics may find a balance in a trust building process, which may facilitate trust recovery, and how the logics within each universe of mean-

ing travel from competing logics into coexisting logics (Czarniawska-Joerges, 1998; Friedland & Alford, 1991).

To understand how these different logics shape meaning, interact, and compete with other kinds of logics, Berger & Luckmann (1967, p. 65) suggested looking for how different agents (or organisations or institutions) legitimate themselves. They suggest that this legitimation can happen through pretheoretical affirmation ('this is how things are done'); rudimentary theoretical affirmation where explanatory schemes related to actions are explained through narratives, myths, and proverbs; explicit theoretical and sectorial affirmation belonging to the technical language universes of the distinctive communities in which a profession is grounded; and symbolic universes of theoretical affirmation that *"integrate different provinces of meaning and encompass the institutional order in a symbolic totality"* (Berger & Luckmann, 1967, p. 95).

The first level is founded upon self-evident knowledge; the second upon transmitted schemes of texts or orally told stories; the third upon administered procedures sanctioned by different legitimators such as strong and leading agents of the field or directly through the law by regulators; and the fourth upon cognitively meaningful integration in the institution as a whole.

The symbolic universes of meaning in different provinces each constitutes an institutional order and becomes part of what the province takes for granted and how it incorporates the logics within it. Since different symbolic universes exist, there are naturally competing or less meaningful symbols in one universe seen from the perspective of the other. If opposing symbolic universes should meet, deviant conceptions must be integrated through translation from one universe of meaning to the other (Berger & Luckmann, 1967, p. 85).

RESEARCH METHODOLOGY

The methodology used in this paper to investigate the trust recovery process from a pervasive stakeholder dissonance and conflict between CSR and regulation is a qualitative case study analysis of seven Danish water companies and their local and state authorities. The cases are chosen on the basis of contextual (legislative and structural) similarity but with a maximum variety in company size in order to be able to analytically extend the findings towards a broader field (Flyvbjerg, 2006).

I have conducted interviews and observation studies from different sized organisations from small, medium, to large and multinational companies and through a snowball sampling located their most salient stakeholders during the period 2011-2013. This was combined with a docu-

ment study from 2000 till 2013, and through my comparison of these it was possible to gain inside knowledge of how trust was breached and recently emerged as a trust recovery process consisting of various trust building mechanisms.

The seven companies were chosen from different Danish municipalities and include four small and medium sized enterprises and three large companies producing from two to fifty million cubicmetres of water. The case studies of these companies have been carried out as qualitative inquiries involving:

- In-depth interviews with managers and stakeholders of seven Danish water companies
- Participant-observations in the daily life of a medium respectively a large company
- Field studies of three projects carried out in different companies, and a
- Documentary study of the companies' CSR reports and annual reports, publications from the authorities related to the Water Sector Act, related letters from the companies and their branch organisations, and articles from two professional magazines in which the companies publish their work.

More than fifty taped interviews and five taped meetings with different managers, employees, and external stakeholders of the seven companies were conducted. Field notes from the participant-observation studies were taped as an audio diary immediately after my visits to the water companies. All material was transcribed. The taped interviews and meetings for this study are listed in Appendix 1: Table A, page 289. The extract used especially in this paper is shown in Appendix 8: Table G, page 312.

Many qualitative methodology scholars have addressed the constructionist approach to qualitative inquiry (Kvale, 2009; Denzin & Lincoln, 2011; Gubrium & Holstein, 2001; Charmaz, 2006). This perspective has also found its way into the so-called New Ethnography (Denzin, 1989; Goodall, 2000; Bochner & Ellis, 2006), where the role of the researcher is recognised as being a part of the mutual and reflexive interpretation of the reality in question (Spradley, 1979, 1980; Becker, 1998; Denzin, 1989; Goddall, 2000; Charmaz, 2006; Ellis & Bochner, 2006; Alvesson & Sköldberg, 2009).

ANALYSIS METHODOLOGY

Interviews, observations, and documents from the case studies were analysed using the ethnosemantic method described by James P. Spradley (1979, p. 91-216) including four types of analysis:

1) **Domain analysis**, where symbols and meanings expressing cultural or tacit knowledge are grouped into categories called 'domains'.

2) **Taxonomic analysis** investigates the internal structure of the 'domains' to be able to identify 'contrast-sets' or 'subsets' and their semantic relationship. Taxonomy analysis looks for the breadth and depth of each 'domain' from an inside-out perspective.

3) **Componential analysis** involves a search for the attributes or components of meaning that signal differences or contrasts among symbols in a 'domain'. This enables a holistic and non-static, but dynamic expression of what is the meaning of the 'domains' in all its facets.

4) **Theme analysis** involves the search for interrelationship among the 'domains' to be interpreted into larger cultural themes that control behaviour or stimulate activity which is tacitly approved in a given society (Spradley, 1979, p. 185).

First, a pilot study (Teijlingen & Hundley, 2001) among top and middle managers of four water companies was carried out to find the relationships through which their daily lives were connected to corporate social responsibility (CSR) and how this was enacted. Using the pilot study as a springboard for a full qualitative inquiry, the rest of the study followed in an inductive/abductive way, where new issues were inductively found alongside an abductive discussion of the initial issues from the pilot study in relation to CSR.

The field observations involved meetings both at the organisational and the interorganisational levels, and even though not all the content of the meetings was related to CSR and trust, special sequences of key meetings are used in this study as background material. My choice of document study was related to the subject of CSR and its opportunities and barriers.

All relevant taped interviews and meetings were transcribed into textual form, which alongside document texts were interpreted and decontextualised into paraphrased statements according to their discursive weight and salience in the empirical material. In condensed form this material was used in the domain analysis (Spradley, 1979, 1980; Van Maanen, 1988; Strauss & Corbin, 1990; Charmaz, 2006).

In the analysis I have deliberately chosen to work with a limited number of codes extracted from the material as the final and condensed raw material in order to obtain an in-depth understanding of a few overarching concepts rather than a broad and complex account of the variety of meanings attached to the everyday conduct of the informants (Spradley, 1979). The codes (X) were analysed using Spradley's semantic relationship of domain types (see Appendix 12: Figure B,

page 320) in order to retrieve a cover term for the domain (Y), which afterwards was used for further taxonomy and componential analysis.

Only the semantic relationships that were found inductively relevant were used. See Table 1.

Code (X)	Key sentence (example)	Semantic relationship (X is a …. of Y)	Domain (Y)
Economic efficiency and effectiveness	"We are punished for our environmental investments"	is a **result** of is a **reason** for	Distrust Paradox
	"Our board can only decide upon service targets now"	is a **kind** of is a **way** to	Trust recovery Behaviourise

TABLE 1: CODE, KEY SENTENCE WITHIN THE CODE, SEMANTIC RELATIONSHIP, DOMAIN.

For instance; the code (X), 'Economic efficiency and effectiveness', contains two key sentences derived from the interviews, where one is framed as: *"We are punished for our environmental investments"* (Interview B, March 2011, my translation). This sentence frames a statement, where a manager from a water company blames the authorities for punishing them for having invested in environmental improvements such as planting forest to protect groundwater from contamination from agriculture. He complains that the regulator will not let his company receive an economic benefit from doing this through a deduction of the price cap. The manager takes this as a result (semantic relationship) of 'distrust' between the authorities and the water company. This 'distrust' becomes a domain (Y) in the analysis. The same key sentence is a reason for (semantic relationship) the domain called 'paradox' since in the eyes of the manager, doing good for society should be rewarded.

After recognising a range of domains, these were analysed for their taxonomy (internal semantic relationship; the content of the domain) and their contrasts, which was part of the componential analysis. In this way key phrases from interviews, meetings, field notes, and document studies were analysed interpretively and condensed into fewer and richer domains. These led to the final findings of themes related to institutionalised trust consisting of trust breakdown and trust recovery through the process of trust building. See the excerpt in Table 2 and the full analysis in Appendix 9: Table H, page 313.

Domain	Taxonomy	Component	Theme
(Y)	(internal relationship)	(contrast-set)	
Distrust	Disempowerment	Autonomisation	Trust breakdown
Paradox	Economic exclusiveness	Environmental neglect	
Trust recovery	Regulation/benchmarking	Punishment, "sick system"	Trust recovery
Behaviourise	Sound strategy/low cost	Constraints affects quality	

TABLE 2: DOMAIN, TAXONOMY, COMPONENT, THEME

To continue the example from the domain 'distrust', within this general feeling of distrust between water companies and their authorities expressed by managers of the water companies is a deep disapointment as to how the new Water Sector Act has 'disempowered' them (internal relationship, taxonomy), since it is now the state, which decides which decisions are good and bad, and the water companies are rewarded or punished through their individual economic price caps, which do not favour environmental investments prior to others. As a 'contrast' to this managerial feeling of 'disempowerment' a wish for 'autonomisation' (component analysis); i.e. having the right to decide how to invest rightfully themselves; underlies this statement and is widely expressed in interviews with managers of the water companies. Eventually these step-by-step analyses of the code (X) 'Economic efficiency and effectiveness' leading to the domain (Y) 'distrust' result in a theme of 'trust breakdown' between the water companies and their authorities. In this way other codes are analysed into domains, and through taxonomies and contrast-sets different themes are derived, sometimes in combination with one another.

FINDINGS

The interviews, in which I asked my respondents how the water companies' engaged with their stakeholders in relation to their corporate social responsibilities, revealed a main theme of 'trust' and how CSR for the managers of the water companies had become a vital part of the trust recovery process and which trust building mechanisms they saw involved in it. All managers felt an overarching breach of trust between them and their regulators:

> *Manager: "It's not as if the public has trust in what we say. So everything we do in relation to the Supply Secretariat, we have to have an auditor stamp on everything." (Interview B, March 2011, my translation).*

They also talked about how this trust breakdown influenced their work with CSR:

> *Manager: "We bought 315 hectares of land where we will raise forest [which can protect groundwater from leaching of various substances, pesticides, etc.] to protect a wellfield. The Competition Authority refused to approve the afforestation because it had a secondary purpose; public leisure and recreation, so we got no deduction in our price cap for it since we are not allowed to spend utility money on that part of it." (Interview B, March 2011, my translation).*

The initial addressing of 'trust' was replicated throughout the next interview sessions after the pilot study, where it had been initiated. Trust was referred to in interpersonal relationships (between colleagues), professional relationships (between work professionals), client relationships (between managers and citizens as well as managers and contractors), and organisational relationships (between organisations as a whole and between organisations and regulating organisations).

Codes in relation to corporate social responsibility and trust were concerned the natural environment, climate change, citizen concerns, traffic and mobility, and work environment, which all encapsulated a logic of 'environment' (and the protection of it), and codes of economy, bureaucracy, regulation and price caps, which all resembled a logic of 'economy' and savings. See the entire analysis scheme in Appendix 9: Table H, page 313.

Below is explained what lies within these two main codes, which constitues the issue inherent in the dichotomous logics of respectively 'economy' and 'environment'.

REGULATOR'S LOGIC: 'ECONOMY'

The institutional, legislative, and structural premises for the Danish water companies are stated in the Water Sector Act, which emerged with a public reform in Denmark in 2007. This act is a late adopter of the logics within the global (Post-) New Public Management trajectory, which has been disseminated within the OECD member states since the 1990s (Osborne & Gaebler, 1993; Keating, 2001; OECD, 2005; Greve, 2009; Pedersen, 2010; Christensen & Lægreid, 2011; Lauesen, 2011). Locally in the Danish water sector it includes water companies with a production above 200,000 cubicmetres of water in addition to the authoritative roles of the local and state governments.

The logics within the change of contextual premises and regulation of the water companies is found in the history leading up to the formation and implementation of the new Water Sector Act. Before the reform the regulation of the water companies was mainly executed from the

municipal environmental authorities and the local city politicians at the City Board. A critique of the former practices of regulation and operation of the water companies was stated in a report from the Competition and Consumer Authority from 2003. This report concluded that *"the water market in Denmark has not had the same scrutiny as have other supply areas such as heat and electricity supply"*, and since the competition in the electricity sector, according to this authority, had resulted in a significantly more efficient power production, the analysis in the 2003 report *"shows that the same is possible in the water sector"* (Spenner & Wacker, 2003, p. 101):

> *State Authority: "This report lead to a 'service check' in the Danish water sector, and after a short period of 2-3 years an official governmental committee wrote a (non-published) report around 2006, which confirmed the recommendation." (Personal communication with the Competition Authority, August 2011, my translation).*

After political action the Water Sector Act became a part of the larger Structural Reform enacted in January 2007 (Lauesen, 2011). The Ministry of the Environment, which had authored the text within the Act, had a political incentive to cherish both the then liberal government and the Ministry of Finance and to adopt the government's strong political incentive for a 'tax stop' and reduction of expenditure in the public sector in general (personal communication with a former employee of the Ministry of the Environment, October 2011). The concretisation of this logic of economy includes the ideas of 'efficiency and effectiveness', that was adopted through international pressure and was pervasive in the thoughts of the Ministry of Finance. They put pressure upon the Ministry of the Environment mediated by the reports written by the Competition Authorities from 2003-2006.

This neoliberal logic of economy replicates the ideas within the New Public Management literature since the late 1980s as well as white papers from the OECD (Hood, 1991; Osborne & Gaebler, 1993; Keating, 2001; OECD, 2005; Greve, 2009; Pedersen, 2010; Christensen & Lægreid, 2011). The initial report from the Consumer Authorities states the expected amount of savings that was assumed possible by the new privatisation and regulation of the water companies as an effective amount of 1.3 billion Danish Kroner per year. This was part of the political incentive to mobilise the enactment of the institutional change and the implementation of the logic of economy (Spenner & Wacker, 2003, p. 101).

With the new Water Sector Act municipalities had to separate operation from authority and create quasi-privatised, limited liability companies with separate boards and no financial cluster between the rate funded companies and the tax financed areas of the municipalities (Lauesen, 2011). The Competition Authority was politically and legally appointed as the state's financial regulator arising from its own recommendation. It regulates the income and expenditures of the new water companies. The regulator ensures that the water companies within this framework continue to operate within the cost-recovery principle; that they become quasi-privatised and separated from the direct activities and economic interests of the municipalities; and that they follow the Danish Limited Liability Act as a non-listed, privately held corporation, whose shares are owned solely by the municipalities.

Each year they enact price cap regulations to approximately 325 water companies in order to effect the economic saving potential promised at an appropriate pace. According to the Competition Authorities the logic of economy has been negotiated in order to meet pressures from the water sector, and the economic potential has been refined as an invisible optimal potential, which is never spoken of anywhere afterwards (personal communication with the Competition Authority, August 2011). Nevertheless, the process of aligning the logic of economy with the logic held by the water sector is ongoing as a consequence of strong stakeholder influence acting in unison with the branch organisation of the water sector, DANVA (see Lauesen, 2011).

OPERATOR'S LOGIC: 'ENVIRONMENT'

The water companies, on the other hand, have quite a different logic, which is linked to their core services and scientific profession of delivering water and purifying wastewater. Before the reform the operator's institutional logic of professionalism expressed as 'providers of water for protecting health, the environment, and sustainability' was taken for granted. This logic is institutionalised in water companies in many OECD nations (e.g. Johnston & Smith, 2001; Rogers, de Silva, & Bhatia, 2002; Barraqué, 2003; Adams & McNicholas, 2006; Adams & Frost, 2008; Idowu & Towler, 2008; Larrinaga-Gonzélez & Pérez-Chamorro, 2008; Lauesen, 2012).

The logic of environment as part of the water companies' institutional logic of professionalism is held first and foremost in non-financial terms. To ensure these logics the water companies invest in projects:

- to mitigate climate change such as enlarging their storage and purifying capacities to avoid sewerage overflow and substituting their use of fossil energy for green technologies in order to lower their emissions;
- to protect their groundwater reservoirs with for instance afforestation, which will have future recreational functions for the public, and land purchase in order to decrease the use of pesticides, which are all part of services that go beyond their legislative requirements (Lauesen, 2011, forthcoming).

The financial cost-recovery principle, which is part of this logic of environment is grounded in the idea that natural goods should be equally provided for the public ideally for free. However, since there are financial costs involved in providing healthy, environmental friendly, and sustainable water, the price of water must only reflect the direct costs of the service with no profits (Barraqué, 2003).

Before the reform it was not necessary to frame these operational activities of providing water and purifying wastewater into any globally recognised concepts such as corporate social responsibility (CSR). The taken-for-granted assumptions of the appropriateness of the logic of environment were directly integral to the municipal services (Larrinaga-González & Pérez-Chamorro, 2008; Lauesen, 2012). The Water Sector Act does not reflect this logic of environment according to the operators and their branch organisations (Lauesen, 2011). Thus a trust breakdown was articulated among the Danish water companies' directors and explicitly stated in the branch organisation DANVA's magazine addressing the distrust in the new system of severely felt regulation constraints (see Bækgaard, 2011).

All interviewees in this research including that of the regulators echo the discourse of a trust breakdown. Thus, instruments meant to enhance the level of trust in the water companies to cover for its implicit loss of legitimacy because of the dismissal of the logic of environment, was emerging in business policies and programmes within the widely recognised field of corporate social responsibility (CSR). In 2012 approximately ten percent (33 out of 325) of the Danish water companies now have web publications of their adopted CSR policies. These policies are related to issues stated within the UN Global Compact and various EU directives promoting green accounting and certification (such as ISO standards and EMAS) in order to show transparency in issues of environmental protection, human rights protection, and stakeholder engagement (Lauesen, forthcoming).

This tendency to publish statements within the framework of CSR on company websites does not *per se* indicate whether or not the actual company enacts the logic of environment. However, the academic literature of how water companies enact the above logic and how it is historically and institutionally framed in legislation, norms, and values can be found in a range of papers (see Johnston & Smith, 2001; Rogers, de Silva, & Bhatia, 2002; Barraqué, 2003; Adams & McNicholas, 2006; Adams & Frost, 2008; Idowu & Towler, 2008; Larrinaga-González & Pérez-Chamorro, 2008; Lauesen, 2011). The findings within this research confirm that this logic is also prevalent in companies that do not officially publicise their engagement with CSR programmes, and that the logic is part of a larger institutionalisation that is rooted within their entire identity and legitimacy.

CODING OF THE LOGICS

The codes were translated into different domains, in which the conflict between the logic of 'environment' and 'economy' respectively highlighted the theme of trust between water sector organisations, local authorities, and state authorities. The more care a water company would take in reducing their impacts upon domains within the logic of environment such as concerns for nature, citizen, traffic and mobility, and climate change, the more it affected the domains within the logic of economy in the raising of costs and price for water deliverance, and vice versa. However, reductions of emissions of greenhouse gases were in many cases similar to economic cost reductions, which created a business case for this concern in many water companies, which seemed to help sustain the coexistence between the two logics.

Following Berger & Luckman's idea of looking for legitimacy (see also Tolbert & Zucker, 1983; Westphal et al., 1997) this was most clearly found within the state authority, from where the new bureaucracy was diffused as a regulatory pressure upon the water sector:

> *State Authority: "The water sector had not been exposed to competition' as had other public service fields in Denmark. This was a necessary thing to do." (Interview H, August 2011, my translation).*

It was seen as an opposing case at both the municipality level and the organisational level of the water companies, where accounts of legitimacy loss were explicitly stated among all case organisations generally.

The internal semantic relationship of the domains comes across in two vital functions of public water service operations: 1) production and deliverance of water and transport and purification

of wastewater and 2) the maintenance of the infrastructure such as the pipe networks and the water works and treatment plants. These operations have mainly a service purpose, but in order to maintain the network system, some disturbances of the social order while doing construction work in urban or rural areas occurs. Citizens, traffic, shop and landowners, the environment and the climate etc. are disturbed temporarily by noise, reduction of space, as well as by emissions, outlets, and waste from the general workings. However, these operations did not seem to disturb the balance of trust between the stakeholders and the operators due to the level of explicitness in communication between the water companies, their contractors, and the citizens affected (Lauesen, 2012).

The external semantic relationship between the domains explains the water companies' structural and hierarchical position in the institutional setting in relationship to other organisations, which control or are controlled by each other. The state authority administers the Water Sector Act, in which the water companies as well as the municipalities are involved. The municipality has two roles in the external semantic relationship with the water companies: one as the owner, and the other as local environmental authority. The municipality grants permission to and controls the water companies.

This means that they provide access for the water companies to disturb private or public property in the interest of the common weal, for instance when a water company needs to maintain or install a new pipe system on either private or public land. The citizens have in their capacity as landowners certain legal rights to receive financial compensation from the water companies due to the loss the landowners have from the pipe work the water companies are permitted to install on this third-partyproperty. The constructors, who are hired to install or maintain a pipeline, work as a subcontractor for the water companies, and due to the contract between them suppliers are subject to the water companies' regulations (Lauesen, 2011).

The componential analysis of the domains looks for contrast-sets within the CSR domains in relation to the theme of 'trust' (Spradley, 1979, p. 173). The contrast-sets are found in the interviews as 'conflicts' or the prevention of the same. See Appendix 10: Table I, page 317.

The conflict between regulation and CSR reveals three overall categories, which are later discussed as 'themes': trust breakdown, trust building, and trust recovery. These themes are semantically combined as part of the taxonomy of the domains. When the domain 'distrust' appeared it had many sources. However, they were all related to the institutional trust breakdown. One of

them is explicitly stated as being part of a typical phrase expressed by many interviewees: *"They do not understand us"*, which is coded as 'competence incongruence'. The state and local authorities freely admitted that their knowledge competencies in the field they regulated was severely lacking. However, this was also a problem with the water companies for the (project) managers, who did not understand the concerns, motives, and duties of the authorities.

THEMES

The main themes found in this research in relation to 'trust' and CSR were 'trust breakdown', and 'trust recovery' with an underlying process of 'trust building'.

Trust breakdown

The state authorities declared a trust breakdown with the 2003 report and provided the answer to this breakdown as an institutional change with the Water Sector Act involving the general neo-classical logic of creating economical efficiency and effectiveness in public service. The idea of separating a water service, that is rate funded, both economically, legally, and physically from the municipalities, that are tax funded, in order to mitigate the invisible or potential misuse of the water sector economy to co-finance other municipality expenses, for instance social services, was instantly applauded by the water companies. Hereafter the water companies had opportunities to reestablish their infrastructural systems, that in some municipalities had been severely neglected:

> State Authority: *"The two largest concerns there have been were economic efficiency and the separation of authority and operations! Simply to separate the money boxes from each other! When you speak to officials who have worked in the municipalities you can hear between the lines that the tariff income from the municipal water service has been used to finance everything other than the pure operation of water delivery and infrastructure! You won't find it written down, and I would not like to say it, but you can say that it has been a mutual understanding between officials. Today, the municipalities do not put much effort in hiding it either!" (Interview H, August 2011, my translation).*

It was not illegal for the municipalities to get loans from the water funds at favourable rates; they had no other 'bank' to go to. Taking up private loans had not been an option for municipalities before the reform; they could arrange an 'internal loan' with interests at the same level as 'normal' banks (Haugaard, 2004).

Trust recovery

To recover the breakdown of trust between professionals, who possessed different and at times incompatible logics such as the logic of environment and the logic of economy, we must understand the underlying barriers that have had to be overcome. These barriers were found to be epistemological knowledge and language (or logic) barriers; the ability to be able to cognitively understand, perceive, and respond to other stakeholders' institutional and professional nature, institutional and professional field of knowledge, and their cultural professional language, logics and concerns (Friedland & Alford, 1991; Thornton et al., 2005; Bogenschneider & Corbett, 2010).

The barriers between the economists and the lawyers from the state regulating office, the technical engineers in the water companies, and the typical biology/geology educated and trained staff in the local authorities were found to be based upon their different epistemological backgrounds (Kuhn, 1970). Often they did not understand the language, the vocabulary, the logics, motives, means, and ends of the other party. In their mindsets and cultural universes, they had competing logics with the other party (Mills, 1940; Friedland & Alford, 1991; Dirks et al., 2001; Thornton et al., 2005; Bogenschneider & Corbett, 2010).

In other words, the engineers might understand the scientific logic and public service motives of the biologists and geologists when they talked about environmental concerns for watersheds, biodiversity, and natural habitats; however they did not understand why the local authorities could not disentangle their technical logic of environment and expertise well enough when they discussed natural preservation and vice versa.

The technical logic of environment in the water companies has adopted the analogy of the CSR concept, regarding which all the managers in the research found appropriate comfort and could easily relate and translate their technical language to be framed in this broad and to them fashionable phenomenon (Czarniawska-Joerges, 1998). Some referred to institutionalised CSR systems such as the UN Global Compact or Global Reporting Initiative, while others did not. The motive for the water companies was found to gain as much independence as possible from various regulators and authorities, and in this sense the translation of 'the company' into 'CSR' seemed very convenient.

The engineers stood in stark contrast to the logics presented to them by their state regulators. The engineers neither understood nor shared the same dominating logic of economy nor did they

understand the motives of the economists and lawyers about economic equity and savings in the public service sector. The managers perceived themselves as continuously performing 'best practices' both qualitatively and economically within the municipal authorial supervision, which on the other hand strengthened the state authorities' ideas of the water sector as a utility maximising sector that must be regulated and controlled (Friedland & Alford, 1991). The motives of the state to meet pressures of legitimacy in adopting New Public Management strategies where they were missing such as in the case of the water companies blend with the national political (liberal) motives for reducing taxes, which similarly subsumed the rate funded water sector.

The local authorities, however, were found to have a closer scientific epistemological relationship with the technical engineers. Many were educated in overlapping natural science fields. Interviews with the local authorities have shown that this task was easier because they were both geospatially and epistemologically more closely positioned. Importantly, they also shared the motive of willingness to engage with each other and to enhance their cognitive understanding of their interdisciplinary fields due to their shared ownership and their connection to the local politicians of the municipality City Board.

Trust building

To recover trust between these agents microprocess of trust building were found, whose success rate was shown to depend upon the willingness (motive) of organisations and the individuals in these organisations to engage in knowledge sharing, negotiations, collaboration, and the necessary control for the level of compliance with institutionally accepted logics. The adoption of the New Public Management system in the Danish water sector is one answer to trust recovery based upon control and compliancy (Rousseau et al., 1998). However, trust was not found capable of being established alone from the institutional regulation as control systems because of the risk of creating a system of cheating, gaming, and other attempts at 'survival' by those who were entrapped in the system (Hood, 1991; Crowther, 2013; see also Bachmann & Inkpen, 2011). It needed to engage individuals interorganisationally in the trust building process to recover the trust breakdown fully.

The necessary engagement involved the alignment of competing logics and motives through a mutual willingness to share knowledge with the other party and to learn each other's professional and institutional cultures, languages, and vocabularies (Mills, 1940; Bogenschneider & Corbett, 2010). Dirks et al.'s (2001) findings of trust is therefore found relevant to this research, where trust can be a moderator in the relationship between cooperative motives and cooperative

behaviour between agents and organisations that engage in the alignment of the vocabularies of motives in which a coexistence of institutional logics can become possible.

Local Authority: "We [the local authorities and the local water company] have been working together on developing a workable basis among us. In the beginning there was VERY little acceptance from the officials, but the leadership of the company said 'of course we should do that'. But now, next week again, a few of us are going to a meeting together, and they are really nice to say, 'Call straight down! Call Judy and suggest that she's gotta go with us!' Because they know that I need knowledge about their work! Together! So that we hear the same thing and our roles are tightened up a bit from that lawyer consultant there: 'You do that and you do what'. Well, we think, yeah, yeah! And every time that happens, then it becomes easier and easier! But we have - together, we actually have started all over again! We do not have any reference points together. It is COMPLETELY from scratch!" (Interview A, March 2012, my translation).

The operators reflected a crucial need to balance regulation with their voluntary CSR investments and operations in order to establish and institutionalise a coexistence of the competing logics, motives, and concerns from all relevant institutional fields in order to facilitate the personal commitment by those who practice the law. This balance can be obtained if the regulators and policy makers adopt voluntary CSR incentives that stands outside the 'regulatory space' (Hancher & Moran, 2000), which enables a 'voluntary space' that is not punished within the regulations, which operators today feel is the case (Lauesen, forthcoming). See Appendix 11: Table J, page 319 for a summary of the findings and their linkages.

CONCLUSION AND FURTHER RESEARCH SUGGESTIONS

Based upon my findings I suggest a theoretical extension of Bogenschneider & Corbett's (2010) Community Dissonance Theory to embrace multiple stakeholders each having their own complex and unique culture and communication modus based on their institutional, professional, or individual comprehensive language universes. This includes the knowledge-sharing and educative diffusion of each language universe's vocabulary including its important nouns, verbs, terminologies, semantics, taxonomies, and axioms. I also suggest incorporating the vocabularies of motives, which is closely linked to the language universes and cultures of the different professional and institutional communities. The more these languages and their derived logics and

motives can coexist, the more trust can recovered as seen in the relationship between the water companies and the local authorities.

However, the trust between the legal/economic state authority and the managers of the water companies have not fully recovered trust to the same level and still need a balancing of logics and motives into further trust building attempts if risks of 'gaming' and 'cheating' are to be avoided. It necessitates a mutual desire and motivation by both parties within organisations and institutions to invest time and willingness to be able to overcome the problem of distrust among them. The remaining questions are: Is it desirable for the regulators that the operators trust them or is the trust issue more relevant between citizens and regulators than between regulators and operators? Is it not enough to have created a 'regulatory space', and why is it necessary to have a 'voluntary space' for CSR?

Regulation can provide immediate trust between the state and its citizens (Edelman Trust Barometer, 2012, p. 3). However, the advantage of having a 'voluntary space' for corporate social responsibility in the operator's field, that is promoted and reflected in the regulation respecting this 'space', is an emerging field in for instance the British water sector. This paper can enlighten the political decision-makers in deciding and implementing CSR as a desired and voluntary asset and eventually rewarding CSR investments by changing the regulations in order to reflect this concern regarding the economic regulation if it is found politically appropriate. By creating these 'spaces' with well defined boundaries it may facilitate the logic of economy and environment respectively from being dichotomous into coexistence in respectively a 'regulatory space' and 'voluntary CSR space' without being forced into an uneasy hybridisation of logics and motives.

Future research can follow the recommendations in this paper and benefit from comparing linguistics (nouns, verbs, semantics etc.) or logics from professional language universes and investigate the meaning of these and their adoption into other professional language universes. These findings are found to be general enough to be applied to other sectors, for instance the banking sector, especially by combining the Community Dissonance Theory with the Vocabularies of Motives and the Institutional Logics' Perspective. In other words, aligning logics and motives in well defined 'spaces' that may coexist across institutions or organisations has been found to be crucial for trust recovery in this research, which has shown that the link of trust between business and society may be through a new balance between CSR and regulation.

PAPER #5

CSR in the aftermath of the financial crisis

LINNE MARIE LAUESEN, 2013

(This paper is an almost identical post-print version of the printed version: "CSR in the aftermath of the financial crisis", *Social Responsibility Journal* (2013), 9 (4), pp. 641- 663.

ABSTRACT

The purpose of the paper is to examine the literature of CSR before and in the aftermath of the financial crisis in 2008. The aim of the research question is to map out the consequences on CSR because of the crisis, to derive new principles for future CSR models consistent with the consequences of the financial crisis, and to suggest new research as well as policy making possibilities to highlight the importance and necessary survival of CSR as an instrument for sustainable and financial progress.

The paper uses a literature review of CSR prior to and after the financial crisis in 2008 with an emphasis on academic papers published in peer-reviewed journals. The findings of the paper reveal that post-crisis CSR models do not articulate anything that has not been mentioned before. However, they do strengthen former values of CSR, but still lack an overall formula of how the financial sector can adopt CSR in the core of their businesses and transparently display their products and the risks adhering to them.

The paper proposes a new Four 'E' Principle that may guide new CSR models to accomplish this deficit. The Four 'E' Principle is based upon the core of Schwartz & Carroll's Three-domain CSR Model, which the Principle extends and revises: Economy, L/Egal, Environment, and Ethics. This Principle disentangles the dialectic relationship between economic and social responsibility; takes financial products into consideration; refines the definitions of good stakeholder engagement without the illusions of corporate 'Potemkinity'[133]; and considers the benefit of replacing the semiotic meaning of the 'C' in CSR from 'corporate' to 'capitalisms'' social responsibility in order to extend the concept towards a broader range of market agents.

The paper calls for a discussion on ways in which governments and businesses can enhance social responsibility though balancing the requirements of more engagement by businesses as well

---

[133] 'Potemkinity' is defined in the paper based on the myth of 'Potemkin Villages' and is used to criticize corporate social performance and the lack of transparency in corporate reporting displaying corporate illusions.

as public sector companies in CSR. The paper suggest some instrumental mechanisms of how governments can involve not only multinational companies but also smaller companies and other kinds of organisations acting on the market to make them engage more in CSR.

Keywords: Corporate social responsibility, CSR concepts, financial crisis, financial sector, government role.

THE FINANCIAL CRISIS 2008

The Lehmann Brothers, Bear Stearns, Merrill Lynch, Freddy Mac, Fanny Mae, Golden Sachs, Morgan Stanley, and CitiGroup among other financial institutions have been accused of initiating the financial crisis in 2008 and the current pandemic global recession due to the negative effects of their subprime mortgage lending (Hellwig, 2008; White, 2008; Reinhart & Rogoff, 2008, 2009; Herzig & Moon, forthcoming). Subprime mortgage lending consists of high risk investments in mortgages to borrowers unable to meet their financial obligations. It involves risks reduction of losses by covering up risky loans with less risky loans in the so-called derivatives market. Products such as Credit Default Swaps (CDS), Mortgage Backed Securities (MBS), Asset Backed Securities (ABS) and Collateralised Debt Obligations (CDO) were and are still sold on the global investment markets (see Hellwig, (2008); and Schwarcz, (2008) for further explanation of these financial instruments).

The rapidly rising house prices were thought to be a guarantee of security for poor borrowers being able to pay their subprime loans back when they sold their houses in the future. A general belief that the housing prices could not stall–at least not before the lenders had secured their risks and sold it off in the international market–was to become a blind faith in the so-called "house bubble" (Schwarcz, 2008; Reinhart & Rogoff, 2009). Financial bubbles have been seen in other sectors in the past. For instance, an art bubble was recognised in accordance with the housing bubble, an IT bubble at beginning of the 2000s, in the 1990s the Asian market relived a financial crisis, the oil crisis of the 1970s and the meltdown in the 1980s. Actually we could continue beyond to the Great Depression in the 1930s and trace circles of manic booms and depressive periods throughout more centuries (Galbraith, 1994; Reinhart & Rogoff, 2008; Kindleberger & Aliber, 2011).

Such 'bubbles' have not caused all financial crises. Some has been initiated by recessions due to earlier warfare such as the Great Depression in 1930s, and others due to the shortage of natural resources such as oil (Reinhart & Rogoff, 2009). How could these developments be allowed to

happen when it is historically known that prices cannot rise inevitably? History memory seems to be the most short-lived in the financial sector of all fields (Galbraith, 1994) collectively backed with a renewed faith in *"this time it is different"* (Reinhart & Rogoff, 2009). The historic development of the current 2008 financial crisis can be traced back to the beginning of the early 1990s (White, 2008), where the US investment bank JP Morgan invented a way to reduce loan risks in the business sector using a technique known from other areas such as farming: to spread risks over a market of Credit Default Swaps (CDS). In the case of Enron, JP Morgan had high risk loans that would have drained them and prevented them from doing other business. With the new CDS the risk of losing credit was reduced due to the spread on the market of multiple investors, which meant that JP Morgan could continue their business with other companies.

What seemed to be an innovation in security and stabilising funding to secure financial institutions by sharing both high risk and low risk loans soon spread to other financial institutions as 'the great idea of the century'. Derivatives entered the financial markets so fast that they became the mainstay for taking even higher risks in subprime mortgages. The rapid diffusion effect concerned the American federal regulators, who in the late 1990s suggested regulation of the derivatives that did not fall under normal financial products because of their fear of a coming financial meltdown. However, a massive lobby against regulating the derivative market lead by the largest bank, CitiCorp, and leading politicians such as Alan Greenspan, made deregulation possible, which meant that banks could now engage in investments or merge with investment companies and get involved in the market of mortgages and derivatives. The market now exploded into consumer-related risks: subprime mortgages. One of the arguments in this lobbyism stems from Clinton's political promises when he took office.

Bill Clinton promised in 1995 that every American was entitled to own a house (White House, 1995). No Americans should be forced to live in miserable conditions without shelter, and the American society was rich enough to reduce the income gap by offering poor families a house. The financial sector responded by putting pressure on the president to abrogate the Glass-Steagall Act and allow banks to engage in investments, merge with investing companies, and make riskier loans not only for businesses but also for mortgages for everyday people and families in order to fulfil this policy. This resulted in the Gramm-Leach-Bliley Act in 1999, that liberalised the financial market and made high risk loans known as the subprime mortgages become possible (White, 2008). Practically insolvent loan takers could now finance a house through mortgages, which they would not have been granted before. These loans were called

'NINJA' loans, which meant loans to ordinary loantakers with No Interest, No Jobs, and [no] Assets (Partnoy, 2009).

The liberalisation of the EU financial market took place just a couple of years later (Vives, 2001). Many large banks and investment companies such as the German IKB Bank, Credit Suisse, and many others invested aggressively in subprime mortgage derivatives, which soon spread to even the smallest banks all over the world. We all know the results of the financial crisis with bank collapses and tremendous impoverishment for small borrowers all over the world. This irresponsibility has lead to the current global recession in all types of sectorial business sectors as well as the public sector affecting a huge range of citizens living at the edge of society (Partnoy, 2009).

This paper examines what happened to the concept and practice of corporate social responsibility (CSR) since this movement apparently had not enough clout to prevent another financial crisis. Although the OECD Guidelines and the UN Global Compact and other 'soft law' officially, politically, and institutionally made CSR equal good business conduct, these instruments did not seem to be able to avoid the irresponsible behaviour of at least the financial sector. Now the financial crisis has overwhelmed and overshadowed all other types of crises, such as ecological crises, environmental crises, and human rights crises, which were among the reasons for the CSR blossoming. Therefore, the paper highlights the state of the art of CSR in relation to the financial crisis through a literature review of the discursive changes of the CSR debates before and after the 2008 event. The question of how CSR is developing in the financial sector will be addressed exclusively although CSR in this paper generally is seen as an umbrella framing all business sectors.

CSR UP TO 2008

The history of CSR can be dated back to the World War II (Moura-Leite & Padget, 2011) and in some nations even further back to the 19th century (Bannerje, 2008). However CSR accelerated in the 1990s and 2000s as a response to growth in wealth and business profit (Carroll & Shabana, 2010) at a rate hitherto not seen (See Appendix 13: Figure C, page 321).

Traditionally CSR debates have fluctuated between two poles in the literature: 1) the normative/dogmatic, business case, profitability school (Friedman, 1970; Jensen, 2000; Porter & Kramer, 2002, 2006) and 2) the stakeholder school (Freeman, 1984; Carroll, 1991; Donaldson & Preston, 1995; Schwartz & Carroll, 2003; Matten & Moon, 2008; Freeman et al., 2010). Garriga

& Melé (2004) provided an extended overview over these types of schools and suggested four different types of CSR traditions as shown in Figure 1:


Instrumental

- **Emphasising strategic management for economic wealth creation for the company**
  - (e.g Friedman 1970, Jensen 2002, Porter and Kramer 2002, 2006, Hart and Christensen 2002, Prahalad and Hammond 2002, Prahalad 2002)

Political

- **Emphasising power-asymmetry between the corporation and society and derived social responsibilities for companies**
  - (e.g. Davis 1960, 1967, Donaldson and Dunfee 1994, Andrioff and McIntoch 2001, Wood and Lodgdon 2002, Matten and Crane 2005, 2007)

CSR 'schools'

Integrative

- **Emphasising the integration of social demands into the business**
  - (e.g. Sehti 1975, Preston and Post 1975, Vogel 1986, 2005, Wartick and Mahon 1994, Mitchell et al. 1997, Agle and Mitchell 1999, Rowley 1997, Carroll 1979, 1991, Wartick and Cockran 1985, Wood 1991, Swanson 1995, Schwartz and Carroll 2003, Matten and Moon 2004, 2008)

Ethical

- **Emphasising moral values as ethical obligations above any other considerations**
  - (e.g. Freeman 1984, 1994, Brundtland Report 1987, Evan and Freeman 1988, Donaldson and Preston 1995, UN Global Compact 1999, Philips 2003, Melé 2002, Philips et al. 2003) (Garriga and Melé 2004, pp. 52-53 + 63-64)

FIGURE 1: CSR 'SCHOOLS'

The idea of the 'business case' for CSR gained prominence especially for scholars such as Porter & Kramer (2006) who referred to the profitability and competitive advantages of strategic CSR for the financial bottom line. They suggested a licence to operate approach to CSR in all kinds of businesses (Porter & Kramer, 2006, p. 4) claiming that it should be deeply connected with the overall economic performance interests of the company. Their CSR concept of 'shared value' highlight that

> *"a healthy society needs successful companies. No social program can rival the business sector when it comes to creating the jobs, wealth, and innovation that improve standards of living and social conditions over time" (Porter & Kramer 2006, p. 5).*

Furthermore, they argued that if governments weaken the ability of businesses to operate productively, they may constrain the businesses so much that competiveness fade, wages stagnate and jobs eventually disappear. Porter & Kramer saw this wealth creation as equally important as the sustainability and social responsibility that companies should also apply. Their rationale was that when wealth decreases, tax income, philanthropy and voluntary 'do gooding' evaporate. However, Porter & Kramer's argument that CSR provides a competitive advantage and that stra-

tegic CSR is the answer to improve CSR results in general has not proved sustainable, of which the financial crisis is an outstanding example.

Carroll (1991) supported the idea of the business case for adopting CSR, however, in an importantly changed version:

> *"Only when firms are able to pursue CSR activities with the support of their stakeholders can there be a market for virtue and a business case for CSR" (Caroll & Shabana 2010, p.102).*

Carroll distinguished the profit principle from Friedman. It was originally set in terms of 'acceptable profits' and not the version of 'maximising profits' for shareholders (Carroll, 1991, p. 41). Carroll's (1991) influential Pyramid of CSR, later with Schwartz (2003) refined and revised into the Three-Domain Model of CSR (Matten & Crane, 2005; Visser, 2006), acknowledged that the formed had lead business to think that if they only added philanthropic donations, they would exercise the full concept of CSR (Schwartz & Carroll, 2003, p. 505). The new Three-domain Model has merged the 'philanthropy' part into the 'ethical' part de-emphasising it as the greatest imperative as the top in the former Pyramid of CSR would suggest.

Even before the crisis, the Three-Domain Model seemed a more integrated and less layered concept expressed no longer in a pyramid shape with hierarchical divisions but in a co-dimensional Venn diagram (see Schwartz & Carroll, 2003, p. 509, Figure 2). However, although this revision had already been presented in 2003, it did not seem to have the same influence upon business managers as the old hierarchical Pyramid of CSR had. Their efforts to try to draw the readers' attention to the middle core of the Three-Domain Model, the simultaneously economic/legal/ethical part[134] (Schwartz & Carroll, 2003, pp. 518-520), seemed to have good intentions, but no effects: at least not in the financial sector.

The majority of CSR concepts emphasised the 'multiple stakeholder approach', which discursively dominated the purely economic and rational choice perspectives of CSR (e.g. Friedman, 1970; Jensen, 2002). Stakeholder theory is a field of its own and seen from Freeman's (1984) perspective somewhat in competition with the concept of CSR, which Freeman accuses of having becoming *"an 'add-on' to a given profit making corporate strategy"* (Freeman et al., 2010, p. 238) and suffers from the 'separation thesis':

---

[134] any activity simultaneously stimulated by economic, legal and ethical interests, for instance obeying ethical concerns and laws in the production and the trading of goods

"The discourse of ethics can be separated so that sentences like 'x is a business decision' have no moral content, and 'x is a moral decision' have no business content" (Freeman, 1994, p. 412).

Freeman was inspired by Sen's (1987) and Putnam's (2002) ideas of the 'collapse of the fact/value dichotomy' suggesting that economy is inherently entangled with matters of ethics and *"the false dichotomization of the two has impoverished discipline-based analysis in both economics and ethics"* (Freeman, 2010, p. 68). Sandberg (2008a) listed nine different ways to interpret Freeman's response to this 'separation thesis' and showed how this thesis lacks clarification, which might explain why the debate around it has had a hard time coming to grips with it (Sandberg, 2008b). In spite of this debate Freeman acknowledges the CSR literature taking the idea behind his stakeholder theory seriously and that this theory is well suited to inform and develop concepts of CSR in order *"to guide managers towards how to acknowledge and deal with the complex reality they face"* (Freeman et al., 2010, p. 224).

CSR IN BUSINESS PRACTICES

Research has shown that the business case for CSR was hard to see as profitable in the 2000s (Gupte, 2005; Schreck, 2010). However, there were indirectly many gains from CSR that might impact on profit eventually (Vogel, 2005). Vogel argued that if Walmart, Nike, and British Petroleum did not address CSR, whether profitable or not, it might impact their overall sales, because customers and legislators cared about how multinationals conducted their businesses and impacted workers, children, nature, and the climate (Vogel, 2005, pp. 164-166).

Another significant and widely cited CSR concept questioned the typically American ideology of CSR as being entirely voluntary for private corporations. Matten & Moon (2008) suggested that CSR could also be secured by the intervention of the state, union agreements, implicit cultural and institutional norms, and other non-explicit behaviours. Their 'Implicit/Explicit' approach to CSR recognised that not all CSR was entirely–as the above theories implied–voluntary: especially in the EU where some parts of CSR were highly integrated into institutional norms, values, and (regulated) legislation.

This perspective has led to a variety of productive European research mainly following the start of the financial crisis (e.g. Hiss, 2009; Höllerer, 2012; Lauesen, 2011, forthcoming). A range of scholars from Europe showed how implicit CSR consisting of values, norms, and rules codified and mandatory as within legislative requirements for corporations have become more explicit

especially after the OECD encouragement of (quasi-) privatisation of the public administration into voluntary corporate policies, programmes, and strategies (e.g. Argandoña & Hoivik, 2009; Hiss, 2009; Meyer & Höllerer, 2010; Jackson & Apostolakou, 2010; Lauesen, 2011, forthcoming; Höllerer 2012).

Finally, the introduction of the UN Global Compact and OECD revision of the Guidelines for Multinational Enterprises made CSR become officially and politically accepted and institutionalised into the concept of business excellence.

CSR IN THE FINANCIAL SECTOR

The historical period from the release of governmental regulation according to the Gramm-Leach-Bliley Act (1999) and onwards provides a hint of how this sector approached CSR. CSR was in the financial sector perceived as *"a program of actions taken to reduce externalized costs or to avoid distributional conflicts"* in response to market failures (Heal, 2004, p. 1). Responsible banking/investing was to avoid distributional conflicts that caused harm to the clients of the bank or investment company. It contained issues like insider trading, where privileged personnel or organisations exploited their access to information for their own benefit instead of their clients' or the public's (cf. Heal, 2004, p. 26), or avoiding the allocation of under-valued shares to people that could bring them additional business, fake bids, rigged auctions, or volume-contingent commissions (Heal, 2004, p. 26). These were assembled in the 'Equator Principles ' initiated in 2002.

The purpose of the Equator Principles was and still is to prevent banks and investment companies from engaging in socially irresponsible companies, that would take loans for more than $50 million and indirectly involve these banks in accusations of major pollution, human rights violation, and other antisocial use of their funds (Heal, 2004, p. 28). However, The Equation Principles have been criticised by various NGOs for not preventing their members from investing in antisocial projects, which made their trustworthiness spurious for the time being (Herzig & Moon, 2011, p. 11).

The positive side of responsible banking both contemporarily and prior to the financial crisis was the diffusion of microcredits to poor people and entrepreneurs as a part of the social entrepreneurship movement for instance in India and Africa (Mayoux, 2001; Sapovadia, 2006; for an overview see Hockerts et al., 2006). Banks and investment companies were not averse to revealing social reports, but they were not reporting their activities in a way that would make readers

alarmed over their conduct due to their 'normalisation' of their practice and their small impact on environmental and social issues. They did not reveal suspicious relationships with controversial clients (Herzig & Moon, 2011; Stray & Ballentine, 2000, cited from the former).

Research from CSR reports from five banking groups (Lloyds/TSB, the Royal Bank of Scotland, HSBC, Barclays, and the Co-operative Bank) revealed that the growing importance of CSR considerations was in the banking sectors' CSR reporting used to marginalise the information. Only some organisations were at the time *"beginning to articulate a stance with regard to CSR, as increasingly more attention is being paid to social and environmental issues"* (Coupland, 2006, p. 865).

These findings were similar to findings from banks from e.g. Singapore (Tsang, 1998); Malaysia (Abdul & Ibrahim, 2002); the UK (Decker, 2004); Bangladesh (Kahn, Halabi, & Sami, 2009); Australia (Pomering & Dolnicar, 2009); and a study of banks from Nigeria, which identified severe problems with *"selfinduced vices, regulatory laxity, inauspicious macro economic environment, and endemic corruption in the economy as the major constraints to the discharge of CSR in the Nigerian banking system"* (Achua, 2008, p. 57). Decker (2004) mentioned that *"in the UK retail banking sector, the impact of CSR is increasingly manifest in the efforts to create a competitive advantage out of CSR strategies, the growing prominence of mutual financial institutions in government policy and collaborative efforts between a range of financial institutions"* (Decker, 2004, p. 712).

However, not all literature from the banking sector shows the same neglect of CSR. Viganò & Nicolai (2006) found among European banks that although this banking sector had *"been quite slow in considering the consequences of the issue of sustainability, despite of the fact of their exposure to risk having an intermediary role in the economy"* (Viganò & Nicolai, 2006, p. 5) they began as much as did their American colleagues (Jeucken, 2001) around the Millennium to address the issue of sustainability in environmental and social issues. Jeucken (2001) supports Viganò & Nicolai's (2006) findings that research interests focused initially on the 'direct risks' for banks being indirectly involved in the financing of polluting activities by lending money to irresponsible companies. The 'indirect risks', such as the client's solvency/continuity or collateral, were only taken up recently and investigated in the sector (Viganò & Nicolai, 2006, p. 5).

Hellwig (2008) analysed the systemic risks in the financial sector leading to the 2008 subprime mortgage crisis, and found that the moral hazard and greed among banks' and investment com-

panies' managers led other managers investing in mortgage security instruments, which too were unreliable. However, due to their complexity, these managers found them secure, especially those compound packages (MBSs, CDOs, etc.) of risky subprime loans mixed with high security loans given top ratings by bank assurance companies or rating companies (Hellwig, 2008). Since these instruments were 'packages' that were standardised by accreditation companies, many managers did not understand their full potential and inherent risk although they knew that these 'packages' consisted of both high risk and low risk mortgages. The belief that in the upscaling of prices on houses and other assets, the market accepted that the risk was covered, which spread to other investors themselves, and no-one believed that there would ever be a meltdown on the market, that seemed only to go up. Therefore, the market of financial goods was not regarded as a risk that could explode, which was why it was never put into words to the public before the meltdown was actual. Hellwig expresses this through three aspects:

> *"First, moral hazard in origination was not eliminated, but was actually enhanced by several developments. Second, many of the mortgage-backed securities did not end up in the portfolios of insurance companies or pension funds, but in the portfolios of highly leveraged institutions that engaged in substantial maturity transformation and were in constant need of refinancing. Third, the markets for refinancing these highly leveraged institutions broke down in the crisis" (Hellwig, 2008, p. 14).*

Mortgage companies were rivalling each other in spotting a sky-rocketing market in which to sell high-risk compounds. They put political pressure upon the accrediting companies to rate these high-risk compounds Triple-A as the highest mortgage security, which made poor quality goods appear attractive for investment companies not knowing what they had bought due to the complexities of CDOs and MBSs. Since the track of a single high-risk mortgage loan would be covered up hundreds of times before reaching the investor in question after multiple trading on the market, no-one could ever validate the real value of the goods ultimately (Hellwig, 2008; Demyanyk & Van Hemert, 2008, cited from the former). Therefore, in August 2007 a chain reaction started involving a global net of banks and investment companies, which only a few analysts had foreseen would come when the 'bubble' did burst (Hellwig, 2008, p. 38; Reinhart & Rogoff, 2008).

CSR BEYOND 2008

The academic debate of CSR in the aftermath of the recent financial crisis has been fruitfully addressed in recent years in the academic literature (e.g. Bannerje, 2008; Karnani 2011(a)+(b); D'Anselmi, 2010; Schreck, 2010; Gianarakis & Theotokas, 2011; Hanson, 2011; Mackey, 2011; and Moon, forthcoming). This debate is very important to be continued since the aftermath of the financial crisis has not yet seemed to reveal any major changes to mitigate future effects from this type of financial crisis (Souto, 2009). In the midst of the aftereffects of the 2008 financial crisis, corporate social responsibility seems to have been subsumed in the public debate as a tool for reining in the greed, the irresponsibility, and the fallibility of the invisible hand of the market (Smith, 1776/2003; Emeseh et al., 2010).

New post-crisis movements such as the 'Conscious Capitalism' (O'Toole and Vogel, 2011; Hanson, 2011; Mackey, 2011), 'CSR 2.0' (Visser, 2010(a)), the 'USDIME' framework (D'Anselmi, 2010), and rearticulations of the sustainability approach (Aras & Crowther, 2008, 2009, 2010) view CSR and business conduct from enlightened ethical, stakeholder based, and sustainable business practices.

Conscious Capitalism (CC) is the business sector response to CSR evolving after the crisis as a way to speak up for business practices, that were now seen in a poor light according to the reputation, that the banking sector had diffused on all other business sectors. The CC- movement celebrates Freeman's stakeholder theory and recognises the need for businesses to make profits but in a way claiming that making money is not the most important in making business. Their claim, however, has not been convincing to many journals other than the *California Management Review*, which acts as a megaphone for this movement (see California Management Review (CMR) 2011, 53 (2)+(3)).

CC claims its support for higher purposes: to make meaning and motivation to inspire, engage, and energise their stakeholders; to integrate ethics, social responsibility, and sustainability practices into core business strategies; to engage employees in decision making and the sharing of ownership and profits; and to create value based leaders without salaries of 300-500 times that of their employees (O'Toole & Vogel, 2011, p. 61; Hansson, 2011; Sisodia, 2011; Rauch, 2011; Mackey, 2011). Scholars such as Vogel (editor of CMR) & O'Toole praise the initiative but are aware of the lack of evidence. They show how business members of the movement have several shortcomings trying to live up to their claims and the unrealistic expectations of corporate performance that the movement claims to serve (O'Toole & Vogel, 2011).

The 'CSR 2.0' is another conceptual idea developed by the scholar Wayne Visser (2010(a)+(b)) 'CSR 1.0' was about companies establishing relationships with different communities, engaging in philanthropic contributions and image branding. CSR 2.0 is about the global common, innovative partnerships and stakeholder involvement. CSR 1.0 was about 'one size fits all' meaning standardisation, accountability through external certifications and listing companies at sustainability ranking lists, whereas CSR 2.0 is about decentralising power to shared local panels of stakeholders, realtime reporting, and social entrepreneurship (Visser, 2010(a), pp. 144-145). Visser presents five concepts that make CSR 2.0 a success: a focus on creativity, scalability, responsiveness, glocality, and circularity as the mainframe of the new concept.

Creativity is important to escape the mere tickbox approach to CSR resulting from standardisation and accreditation; scalability is important to escape the charming case stories to show how a real change is implemented on larger scales away from small, nice, once-upon-a-time stories; responsiveness is important to engage in cross-sector partnerships and stakeholder-driven approaches; glocality, which is a term derived by the elision of 'global' and 'local', emphasises the 'think global, act local' philosophy, where international norms should be implemented locally; and circularity means thinking in terms of cradle-to-cradle in production, designing products that are inherently good for all levels of process (Visser, 2010(a), pp. 146-147).

> *"We don't need to go to extremes to prove the uneconomic nature of responsibility...The fact of the matter is that, beyond basic legal compliance, the markets are designed to serve the financial and economic interests of the powerful, not the idealistic dreams of CSR advocates or the angry demands of civil society activists" (Visser, 2010(a), pp. 129).*

Visser offers three options for taking CSR forward based on the major deficits CSR, which as an ideal offers, without being able to persuade businesses to implement it:

1) Recognise that role of CSR in the business world is a tactic for reputation management.

2) Pretend that CSR is working and more of the same is enough.

3) Reconceptualise CSR as a radical or revolutionary concept to challenge the economic model and offer genuine solutions to global challenges (Visser, 2010(a), pp. 129-130).

Visser expresses the paradox of linking CSR to business practice: although most managers know how to behave responsibly and in words and belief may adhere to its moral and ethical values,

the non-business case for CSR and its 'costs' leads business managers to think of their financial responsibilities and personal income prior to their social responsibilities.

The 'USDIME' framework is a concept developed by Paolo D'Anselmi (2010) in response to the irresponsibility of business conduct in practice. This concept focuses on *"stewarding the unknown stakeholder, allowing information disclosure, developing a culture of implementation, and exercising micro ethics"* (D'Anselmi, 2010, p. 49). The 'unknown stakeholder' is *"he, who does not share a voice, who doesn't know he has a stake in the activities of the organisation being analysed"* (D'Anselmi, 2010, p. 52), and who needs to be told of his stakes through a fair and comparative disclosure from companies set up against each other. D'Anselmi argues that it is not enough to spread glamorous stories of how good a certain company thinks it is. The company needs to show it with reliable data such as benchmarking, that can make a comparison between the conduct of a specific company with competing companies of the same kind, so the 'unknown stakeholder' can identify his actual stake or risk from being involved or affected by the company.

The companies disclosing their activities should engage in a culture of implementation instead of pure politics and announcements, which can be measured by reliable data instead of spurious announcements in disclosures. Finally, by living the 'micro-ethics' D'Anselmi means avoiding disinformation and not revealing the faults of others, but highlighting ethical values and results from e.g. whistleblowing, external claims upon the company, and how they stand in relation to the ethics of e.g. stem cells, abortion, and other crucial ethical stances (D'Anselmi, 2010, pp. 49-50).

D'Anselmi recognises that it is not enough that businesses like the notion of CSR and use it in branding but not in any other practice. He does not believe that they might enact CSR and stakeholder engagement just by saying so. If businesses are aiming to be trustworthy, D'Anselmi suggests that they engage in sector benchmarking and show their performance against their competitors. In other sectors, such as many privatised public sectors, this part is done mandatorily by state regulators (e.g. Lauesen, 2011, forthcoming; Crowther et al., 2001), and D'Anselmi might be right in his observation. Some questions arise, however. Who should oversee the credibility of these benchmarking data? The state, NGOs, or other independent third-partycompanies? The latter are likely to be 'corrupted' or 'pressured' by the mortgage-banking sector, so maybe we have to leave this task to the state too?

Finally, the rearticulation of the sustainability view of CSR (Aras & Crowther, 2008, 2009, 2010) suggests a retrospective look at the Gaia Hypothesis (Lovelock, 1979) and Brundtland Report (1989) suggestions for sustainable behaviour and encourages the inclusion of 'financial sustainability' as a fourth dimension to the inclusion of sustainability within CSR. The Gaia Hypothesis is *"a model in which the whole of the ecosphere, and all living matter therein, is co-dependent upon its various facets and formed a complete system... interdependent and equally necessary for maintaining the Earth as a planet capable of sustaining life"* (Aras & Crowther, 2008, p. 17).

From this departure Aras & Crowther have developed four core issues of sustainability of equal importance: (1) 'societal influence', defined as a measure of the impact that society makes upon the corporation in terms of the social contract and stakeholder influence; (2) 'environmental impact', defined as the effect of the actions of the corporation upon its geophysical environment; (3) 'organisational culture', defined as the relationship between the corporation and its internal stakeholders, particularly employees; and (4) 'finance', understood in terms of an adequate return for the level of risk undertaken (Aras & Crowther, 2008, cited from Lauesen, 2012(b)). This revival of the *Magnum Opus* wisdom of sustainability thoughts hybridised with contemporary economic models of the corporation serves to remind us that what was once 'good religion' has almost been forgotten and needs refurbishment and rebalancing with regard to tarnished CSR concepts exploited for corporate reputation rather than practice.

Where CSR before the crisis was concerned with large multinational companies engaged in sweatshop and supply chain activities involving violating human rights including child labour (Buchholz & Carroll, 2009; Crane et al., 2008), the gaze has since turned towards the scapegoats of the financial world such as banks, investing companies such as the Lehman Brothers, Goldman Sachs, Fannie Mae, and Freddie Mac, nefarious accountants such as Arthur Anderson (the Enron scandal) and other mortgage lenders, accrediting institutes, and many more (Bannerje, 2008; Souto, 2009; Karnani 2011(a)+(b); D'Anselmi, 2010; Emeseh et al., 2010; Schreck, 2010; Gianarakis & Theotokas, 2011; Hanson, 2011; Mackey, 2011; O'Toole & Vogel, 2011; Herzig & Moon, 2011). In this vein Emeseh et al. (2010) argue that multinational companies have been surfing the skies for too long and need to be regulated and controlled more severely to prevent greed, more bank failures, and social collapse for citizen taxpayers and former house owners, who have been impoverished.

The above new CSR concepts include, but (still) de-emphasise profit alone as a primary goal; they extend the multiple stakeholder orientation (Aras & Crowther, 2008, 2009, 2010; D'Anselmi, 2010; Visser, 2010(a)+(b)); and continues to argue that business ethics, social responsibilities, and sustainability practices can merge into core business strategies (O'Toole & Vogel, 2011; Hanson, 2011; Mackey, 2011). These new ideas are not without critique. They have been accused of naivety by those, who seek for a more 'realistic' version (O'Toole & Vogel, 2011) of business practices and by those, who sound the irresponsibility of businesses in general (Buzar et al., 2010; Krkač et al., 2012). Wayne Visser proclaims *"the impotence of CSR in the face of more systemic problems has been nowhere more evident than in the global financial crisis"* (Visser, 2010(b), p. 8).

These approaches, however, are not new. They have, as this review shows, been prominent in the CSR literature even before the financial crisis, although they are more emphasised in the industrial sector than in the financial sector.

CSR IN BUSINESS PRACTICES

In practice, businesses have reduced their overall financial activities in order to regain financial stability, which affects their CSR engagement (Jakob, 2012; Kemper & Martin, 2010; Karaibrahimoglu, 2010; Mia, 2011).

> *"The financial crisis of 2008 had a clear impact on CSR initiatives in many companies because of the exceptional pressure that they had to face in order to survive and with massive layoffs and expenditure cuts on community involvement programs being the most obvious outcomes of the crisis." (Jakob, 2012, p. 259).*

However, not all CSR initiatives seemed doomed in her investigation; some CSR issues gained more strength after the crisis, for instance organisational governance such as codes of business conducts and anti-corruption policies as well as environmental policies and compensation policies (Jakob, 2012, p. 259, 272). Brammer et al. (2012) suggest that *"even as individual and corporate 'greed', 'misconduct' and 'failure' have been argued to be at the root of the current financial crisis, the debate in the media, in politics and wider society has time and again focused on the 'system' which invited—or at least tolerated—the practices responsible for the crisis"* (Brammer et al., 2012, p. 22; cf. Campbell, 2011).

However, the decline of CSR activities has been shown as a direct effect of the financial crisis (e.g. Karaibrahimoglu, 2010, p. 382). The crisis has harmed economies worldwide and created a global recession (Obstfeld & Rogoff, 2009). Governmental spending has been tightened, and some countries, especially in Southern Europe, are now facing a tremendous challenge to mitigate bankruptcy and eventual exclusion from EURO collaboration (Marsh, 2011). In Greece, for instance, government cutbacks, as a consequence of the requirements for the extensive loans that the state has received by the European Union, have resulted in hospital mergers, reduced patient services, and massive layoffs or paycuts for staff (Kalafati, 2012).

In times of crises economic spending in the private sector is reduced; unfortunately, however, it severely affects businesses' engagement and investment in CSR. Scholars now talk about the consequences of corporate irresponsibility and link it to the financial crisis and the current recession (Visser, 2008; D'Anselmi, 2012; Herzig & Moon, 2011). Apparently some companies had prior to the crisis forgot the two top layers of Caroll's Pyramid (1991) of CSR: the 'philanthropic' and the 'ethical' parts of CSR. However, the literature also reveals that corporate irresponsibility is not necessarily the general pattern of corporate behaviour even when facing the recession: besides the already known irresponsibility of the banking and financial institutions, businesses as well as governments are adopting new strategies both for a more sustainable economy as well as strategic CSR to sustain growth (Gianarakis & Theotokas, 2011; Herzig & Moon, 2011).

> *"The financial crisis has prompted companies to move away from the socially responsible behavior as it costs a lot to satisfy a stakeholder' expectations."* *(Gianarakis & Theotokas 2011, p. 6).*

However, history shows us that the strategy to stall investments in CSR in times of financial crises and following recessions might be both fortunate and disadvantageous. When businesses as well as governments face financial crises, their first and foremost job is to create financial stability and thereafter growth (Taylor, 2009). However, the instrument used for this purpose in both governments and businesses has still reinforced the downward spiral of the recession in multiple layoffs, and cuts in expenditures, which have amplified the downturn in consumerism in general.

How do we stimulate financial growth with layoffs, customers' lack of payment capacity for goods, and decreased public and private investments? Governments and businesses are striving

to create more jobs. Governments of rich nations especially are redirecting multiple funds to rescue their markets and businesses to enhance consumerism, tax income, and eventually create growth and financial stability for businesses and governments (Reinhart & Rogoff, 2009). This is the ideal that most politicians are discussing and striving for, however, in many cases not able to put into practice (Herkenhoff & Ohanian, 2009; Altman, 2012).

Other businesses, however, seem actually to have strengthened strategic CSR during the current recession in order to stabilise its financial turnover and recover from the fiscal failures and market collapse of 2008.

> *"Instrumental CSR, in which firms would make financial gains simply by doing good, may have sustained the greatest image of all CSR theories. This is in part because there are very few rewards for any firms in this climate, and the proportion of profits attributable to benevolent deeds is yet smaller" (Kemper & Martin 2010, p. 236).*

Porter & Kramer's ideas of a competitive advantage as well as philanthropy may not be useful in a recession, Kemper and Martin claim. However, this does not prevent that business leaders from hoping for a comeback of strategic CSR. Using strategic CSR may now enhance trust and reliability and indirectly bring about the financial stability that businesses crave (Thomé, 2009; Gianarakis & Theotokas, 2011).

CSR IN FINANCIAL BUSINESS PRACTICES

The financial sector was in relation to sustainability and environmental impacts traditionally seen as a non-polluting and therefore non-impacting sector (Herzig & Moon, 2011). However, even though some banks began to make public their 'indirect risks' (Viganò & Nicolai, 2006), the financial crisis has shown that the financial sector did not pursue its business activities in ethically right ways in any case, which made scholars, practitioners, and governments turn their critical lenses towards the overall financial scandals and global impact on employment and impoverishment. Some claim that this is now seen as even worse than various ecological catastrophes due to the massive scale of its global impact (Kallis et al., 2009).

While the system of complexity was spun out in the worldwide net of the financial market of trade, it was easy to blame everyone else and especially those who went bankrupt, which is a typical reaction after a financial meltdown (Galbraith, 1994). Governments worldwide reacted to the crisis in very different ways according to their economic capabilities. Nations and federa-

tions lost their confidence in this sector and reinforced regulations alongside provisions of bank packages to stabilise the financial sector and the economy of their countries.

Today many former bank and investment executives are placed in high positions as consultants and regulators of their 'own' sector, which may contribute to the still widely held distrust of the entire sector even after some governments have tried to save the loans of the people from the consequences of high risk loans, that have sent millions of people onto the streets living a miserable life in the aftermath of the financial crisis. (See Hellwig (2008) for a comprehensive overview of the subprime mortgage crisis). Corporate social responsibility has not been an instrument that governments promoted as a solution for the stabilisation of the financial sector; regulation and federal guaranteed economic support with strict demands towards nations on the verge of financial collapse are today's continuing breaking news especially in the EU (e.g. the current situation in Greece, Cyprus, and other Mediterranean EU countries).

Discussions on governmental interference and regulation were perceived as 'bad rhetoric' before the crisis. However, now scholars have begun to praise this as an instrument to solve the previous irresponsibility of the financial business sector (e.g. Crawford and Williams, 2010; Karnani, 2011(a)+(b)): *"When the pursuit of private profits by firms leads to a reduction in public welfare, the ultimate solution, of course, is government regulation"*, says Karnani (2011(b), p. 79) and dismisses voluntary or self-regulating CSR for businesses and suggests a government regulated CSR that is binding, coercive, and enforced. Others plead for at least a redefinition of which social responsibilities businesses now are to take up (O'Toole & Vogel, 2011; Hanson, 2011; Karnani, 2011(b)).

CORPORATE SOCIAL "POTEMKINITY"?

In the academic literature the metaphor 'Potemkin Villages' are often used in settings where agents create different 'versions' of the 'truth' more or less in accordance with what had really happened in the scene of events (e.g. Brudney, 1982). To comment upon the development gap between the ideological premises of CSR and their practical implementation and lack of this in the business sector, it is appropriate to briefly describe the meaning of 'Potemkin Villages' and the suggested paraphrase: 'corporate social potemkinity'.

The label 'Potemkin Villages' stems from a myth about the Russian minister Grigory Potemkin, who ordered peasants to spruce up the riverfront of the Dnieper River in advance of the arrival of the Empress' Catherine II's visit to Crimea in 1787 (Montefiore, 2005). These fake back-

grounds were meant to impress the Empress about her mighty realm and its beauty, but the flip-side of this constructed backdrop was a realm in decay. The suggested paraphrasing of this myth into the word or metaphor of 'Potemkinity' can also be used for the corporate deficits in corporate social performance and their consequent 'disguising' of it, which the academic literature has amplified after the financial crisis.

The fake backdrops of corporate promises of being both financially and socially responsible have been scrutinised by several researchers after the detonation of the explosive crisis. Preuss (2010) found that several estimated US based multinational companies such as IBM, Exxon Mobil and Goldman Sachs claimed altruistic societal intentions to various media while hiding their profits in Offshore Finance Centers (OFC) or 'Tax Havens' such as the Cayman or Bermuda Islands for tax avoidance, estimated at US$ 11.5 trillion (Hampton and Christensen, 2007; cited in Preuss, 2010, p. 366). Spitzeck & Hansen (2010) found 'evidence' from companies' rhetorical claims in their reports of their strong stakeholder engagement as a corporate practice exemplified in customer integration in product innovation, the companies' stakeholder dialogues in operation management, and the companies' reports disclosing key performance indexes.

However, the drawbacks of their investigation based on the 'truth' of corporate report 'propaganda', may lead to these stakeholders being part of a so-called 'hearing', which in close observation studies rarely ends up as evidence of decisional influence (Lauesen, forthcoming). The answer to this potential disguise of the stakeholder engagement of corporate practices can perhaps be explained by Minoja et al. (2010) who suggest that the more stakeholders engage with the managerial core of the company, the less stimuli to innovation and change is seen due to the lack of criticism inherited in it. The fact that managers of corporations choose to display their positive stakeholder relationships and not their conflicts in corporate reports testifies that stakeholder engagement may be wisely selected by managers in order to produce 'nice stories' to the public and stabilise managerial power over the company (Lauesen, forthcoming).

Research in corporate social performance (CSP) replicates this falsity, for instance when companies claim to use the UN Global Compact Principles and never use them in actual practice (Arevalo & Aravind, 2010), where performance becomes an act of 'potemkinity'. Arevalo & Aravind (2010) provide an explanation resulting from their survey analysis of 271 different organisations ranging from 63 companies, 40 NGOs, 112 SMEs, 2 city organisations, 20 business associations, 31 academics, 1 CSR organisation and 2 foundations. The more companies actually enacted CSR in their policies, programmes, performances, and goals, the more negatively

they were affected by the economic crisis (Arevalo & Aravind, 2010, p. 415). Does this suggest that in times of economic crisis, companies should keep clear of engaging in any aspect of CSR in order to secure their economic survival? This is not the conclusion Arevalo & Aravind provide, since their second finding suggests that companies that were proactively engaging in CSR were found to be less affected by the economic crisis.

This finding made the authors conclude that continuing to enact CSR principles into CSP provides a better basis for coping with financial crises (Arevalo & Aravind, 2010, p. 417). However, this rather illogical correlation does not explain which other spurious variables can be derived from their quantitative analysis, which clearly suggests that corporations with a presumably good CSP are hit harder than corporations that are developing CSP and not conducting CSP at the time in question. It replicates Vissers' (2010(a)) suggestions that one cannot assume a financial business case out of good CSP on a short-term basis; we need to know how companies in a longitudinal and historically based study survive economic fluctuations (multiple economic crises); do they manage better if they had invested in good CSP than those, who had not, sticking to purely corporate financial performance? With such a study we could make well-based claims if CSP in fact did have a positive effect on long-term financial stabilisation or if 'good performance' is a disguise of 'potemkinity' in order to hide the real effects of corporate behaviour.

HAS CSR CHANGED AS A RESULT OF THE FINANCIAL CRISIS?

The research question of this paper was: *"What has happened to CSR in the aftermath of the financial crisis in comparison to before?"* The literature review within this paper shows that the discourses of CSR in theory in pre- and post-crisis theoretical models have changed relatively little.

The emphasis, which represented theoretical ideas of CSR before the financial crisis, was on multiple stakeholder relationships, transparency (and honesty) in disclosure, ethical values (human rights, environmental protection, and sustainability), and strategising businesses in order to be competitive while being socially responsible (meaning that profitmaking is acceptable as long as the above is preserved). The CSR concepts that have emerged after the financial crisis have showed a direction where:

- The stakeholder approach has grown and moved from an outside-in (responsive) to a more inside-out (proactive) view suggesting an engagement with multiple stakeholders (includ-

ing the 'unknown stakeholders (D'Anselmi, 2012)) looking at what the impact of the company is and how negative impact can be changed in an operational way instead of philanthropically serving the stakeholders and continuing business practices, which has left CSR where it is (Visser, 2010(a); O'Toole & Vogel, 2011; D'Anselmi, 2012).

- Philanthropy has been de-emphasised as it was misused for 'stakeholder-oriented' by corporations as a cover up for real damages; however it is still considered a part of 'doing good' especially in terms of financing growing markets for social entrepreneurs (Mayoux, 2001; Sapovadia, 2006; Hockerts et al., 2006; Aras & Crowther, 2010; Visser, 2010(a)). It has taken over more or less business' sole focus on charity and sponsorship.

- Sustainability has grown into framing not only environmental issues, but also social and especially financial issues (Aras & Crowther, 2008, 2009, 2010; Visser, 2010(a)), since all new CSR models do not blindly consider profit only as 'bad'; in a conscious and sustainable way, profitmaking still is the livelihood for businesses, albeit the focus has shifted towards a more holistic emphasise of the business in society.

The answer to the research question is that the idea of CSR has not changed; it has been strengthened, but not renewed, which is seen in D'Anselmi's introduction of the concern for the 'unknown stakeholder' as a clearer articulation of what former CSR models already had emphasised (e.g. Carroll, 1991; Wood & Jones, 1995; McWilliams & Siegel, 2001; Garriga & Melé, 2004; Freeman & Velamuri, 2008). The de-emphasis of philanthropy has already happened before the crisis (Schwarz & Carroll, 2003), however, it has not prevented businesses from continuing to juxtapose philanthropic sponsoring with CSR. The sustainability-turn was also prominent before the crisis (Lovelock, 1979; Brundtland, 1989) and has included not only environmental concerns but also financial concerns (Aras & Crowther, 2008, 2009, 2010).

This is surprising due to the reverse findings of the discourses of CSR in practice, which have changed dramatically due to the consequences of the financial crisis. Wordings such as 'irresponsibility', 'greed', 'habitual lying', and demands for 'governmental interference' have initiated a new tone of intolerance both towards the financial sector as an institution as well as towards the business sector in general in the post-crisis debate. This anger is not surprising: it is a normal reaction to a financial crisis:

> *"This, invariably, will be a time of anger and recrimination and also of profoundly unsubtle introspection. The anger will fix upon the individuals who*

were previously most admired for their financial imagination and acuity... and their incarceration will be viewed with righteous satisfaction. There will also be scrutiny of the previously much-praised financial instruments and practices – paper money; implausible securities issues; insider trading; market rigging; ... program and index trading – that have facilitated and financed the speculation. There will be talk of regulation and reform. What will not be discussed is the speculation itself or the aberrant optimism that lay behind it" (Galbraith, 1994, location 281 - 288, Kindle edition).

Taking Galbraith's recommendations seriously we need to consider some crucial dimensions in order to meet objectives of transparency especially of the 'products' of the financial sector in order to mitigate future speculative periods and the same fallacies that men have acted upon throughout centuries with financial crises (Reinhart & Rogoff, 2009).

THE FOUR 'E' PRINCIPLE

The financial sector both engineered and created the result of a global recession due to an unhealthy financial market system directly linked to the financial sector with a subsidiary critique of governments' lack of proper regulation. History has revealed that some in the business sector already were aware of these risks (e.g. JP Morgan), but failed to articulate them for motives we can only speculate on. Was it to preserve their own businesses? The emerging question is whether the ideas behind CSR can provide any help in healing a sick (financial) system, or whether governmental regulation should take full responsibility for regulating this sector? Is it possible to make CSR encompass financial products that are so complicated, that each time they are traded (maybe daily), they become more elusive of more questionable quality and with opportunities for even more greed and manipulation?

The future of CSR and where it is positioned between governmental regulation and voluntarism needs a further discussion on the means and ends of the global economy. CSR needs an articulation, which only few have dared to address (e.g. Karnani, 2011(a)+(b)).

Finally, the disentanglement of the dialectics, that previously existed in these debates (e.g. discussions of the 'separation thesis' in Freeman and Velamuri, 2008; Freeman 2010(a)+(b); and 'fact/value dichotomy' in Putnam, 2002), needs to be reevaluated.

To prepare for these debates new CSR concepts and models need first of all to recognise that the financial sector does not exist in a vacuum (Freeman, 2010(b)). The financial sector is an 'indus-

try' with tentacles reaching far into other industries. The financial sector has complicated products, whose social effects can be hard to understand for people other than financiers. This should not exclude this sector from being included in the field of CSR. In this respect, the field of CSR needs to embrace the need for stakeholders to have comprehensible information of the social impacts of the financial products they buy. This means that new CSR models need to expand their concepts into a vocabulary that can embrace the products and consequences of the financial sector. As physical products can be labelled with a declaration describing what they consist of in details, so might financial products be able to be, so that independent rating companies can have a fair and non-pressured chance to evaluate these products in order to secure trust in these compound products.

Furthermore, CSR has for long been about 'everything but finance': an 'add on' to the financial business core (Freeman, 2010). This dialectical relationship has to end if we should be able to cope with future financial fluctuations successful attempts at stabilisation (Putnam, 2002; Freeman & Velamuri, 2008; Freeman, 2010(a)+(b)). In order to make financial 'products' and their consequences transparent to the public in order to overcome the barriers that the crisis has left the world in: its effects on social poverty; its negative or stalling effects on the ecological crises and various sustainability issues, new CSR models should:

- Disentangle the dialectic relationship between economic and social responsibility:

  o Cancel the 'promise' of an economic, profitable business case out of short-term investments in CSR and substitute it with an incentive of 'consciousness' for long-term sustainability.

  o Rethink the semiotic meaning of the semantics of CSR: consider what would happen if the 'C' represented 'capitalism' to obtain a more holistic perspective of the totality of the market agents providing semiotic meaning for smaller companies (Freeman, 2010(a)), NGOs, quasi-privatised public service companies, public administrations, and even governments?

- Align financial products with that of physical products:

  o Allow financial products to be scrutinised to investigate which derived, financial impacts upon society these products have in a comprehensible vocabulary that stakeholders understand.

- Refine stakeholder engagement to avoid performance measures such as 'Potemkinity':

215

o Reject 'Potemkinity' in the performance measures of corporate reports and urge managers to allow critical voices (Deetz, 1992) as a part of their corporate transparency in order to facilitate positive change for the company and its stakeholders.

Based on Schwartz & Carroll's (2003) middle core of their Venn Diagram in their 'Three-Domain CSR Model', I suggest some principles for future creation of new CSR models. This is called the Four 'E' Principle incorporating the above in Appendix 14: Figure D, page 322.

The proposed Four 'E' Principle of future CSR models should encapsulate:

- Economy: includes the impacts of surplus, debt, production, products and overall risks:

o Display who benefits from the surplus and by how much; who is sacrificed for the debt and how severely; what are the impacts of processes in manufacturing, dissemination, exchange, and possession of the products upon various stakeholders; and which overall risks are there of all the above processes and explain the actions the organisations might take to mitigate these.

- L/Egal: includes the consequences of regulation, (non-)compliance, (anti-)corruption, and (non-)equality:

o Display which types of regulation the organisation is subject to.

o Explain both compliance and non-compliance of regulatory objectives and which actions will be taken to mitigate corruption and evaluate risks of incidents of corruption.

o Explain the degree of diversity and critically measure the risk of damage to certain stakeholder groups.

- Environment: include the impact upon: stakeholders, living nature, environment, and cultural heritage:

o Display which stakeholders, living species and natural habitats, human and natural environments including endangered subgroups and geospatial areas of land, water, and air as well as which cultural heritages are impacted by the conduct of the organisation and explain what is being done to mitigate it.

o Explain why certain stakeholders have a voice and impact upon managerial decision making and not others, and explain which critical stakeholder opinions are included or excluded by the management's decisions.

216

- Ethics: include the concerns for people, planet and profit:

  o Explain which policies the organisation has to protect the people within and outside the organisation, protect the planet from its impact; share its profit; and how it will execute this.

What does the Four 'E' Principle offer that for instance the UN Global Compact or the Global Reporting Initiative do not offer? The Four 'E' Principle urges managers not just to display, but also to reflect on their organisation's total impact upon stakeholders and to include critical voices as well as managerial responses. It offers a perspective upon financial 'products' and phenomena such as economic surplus and debt and urges managers to reflect upon the societal consequences of these. Finally, it implicitly argues that critique and self-critique is not a vice; rather it is a virtue will result in legitimacy and trustworthiness in managers who dare to avoid corporate 'potemkinity'.

Social responsibility is about creating actions that enhance trust in capitalism and its multiple effects upon multiple stakeholders and their environments (Lauesen, forthcoming). Trust can neither be established by regulation alone nor by giving market agents full discretion. CSR has been used and misused by businesses to gain legitimacy. Thus, new concepts are needed to de-lineate a way of giving all kinds of organisations acting in the capitalist market an ideational comeback regarding social responsibility, both in industry, the financial, governmental, non-governmental, and the public sector. To admit that CSR is more about the entirety of capital-isms' social responsibility may encourage such new concepts to emerge.

The outcome of this paper is to suggest that new research in CSR should facilitate a revision of 'old' CSR concepts in order to adapt to the Four 'E' Principle suggested in order to revive the ideas behind CSR as a field as an alternative to or in conjunction with governmental regulation.

PAPER #6

The Culture of CSR Reporting: How Organisational Texts Change an Organisation

LINNE MARIE LAUESEN, 2013

(Presented as "Corporate Texts as Cultural Meaning Transmitters" at the *8th Organisational Studies Summer Workshop*, Mykonos, Greece, May 22-26 2013. This pre-print is a slightly changed version of the paper, which is in ongoing review in the *Accounting, Auditing and Accountability Journal*, Emerald.)

ABSTRACT

The purpose of this paper is to investigate what CSR reporting does to an organisation in terms of how such texts create micro changes in the everyday life of the organisation regarding its responsibilities towards society.

The methodology consisting of multiple discursive methods is used for analysing organisational behaviour and micro changes herein and used for analysing the meaning that can be derived from corporate social responsibility (CSR) reports of 28 water companies from Denmark, the UK, the US, and South Africa respectively. A maximum of variety is sought across companies and nations in terms of sizes and market-economic settings (Flyvbjerg, 2006), whereas the institutional setting of water companies is sought to be similar. The organisational culture is perceived as being hybridised of multiple cultures that coexist or are blended (Gertsen, Søderberg, & Zølner, 2012). Critical discourse analysis consisting of vocabularies of motives within texts (Mills, 1940; Spradley, 1979, 1980), critical visual analysis of images (Kress & Van Leeuwen, 2006; Kress, 2010), and reflexive, contrasting analysis (Alvesson & Sköldberg, 2009) from a close observation study and interviews within a water company in Spring 2013, is carried out.

The findings show that critics may be right in their claim that (some) corporations exploit their corporate texts and inherent authorship in voicing a political manifesto of corporate branding as 'window-dressing' and 'greenwashing'. However, these texts impact the text-producing organisation itself through the cultural meaning that it communicates. Thus these texts and their creation become important both for the organisation and its inhabitants in terms of their understanding of (their) organisational culture, how it changes, which political messages and meanings it

carries, how the motives and intentions frame and impact the multiplicity of culture(s) within the organisation, and how this framing can be culturally productive or counter-productive.

The research is conducted through an ethnographic in-depth method limited to 28 cross-geographical/national CSR reports chosen from different sized nations in terms of population, different market-economic settings, but similar institutional settings of managing water companies. This means that the research shows analytically, but non-statistically, generalisability due to the maximum variety of companies, which makes similarities and differences between companies salient, which can be tested statistically in future research.

The paper includes practical implications for practitioners in their reporting of corporate social responsibility in enhancing their reflexive understanding the agency inherent problems underlying the production of corporate texts and their publication and exposure to critique. The paper also includes analytical implications for ethnographic researchers in the presentation of a multi-method practice providing analytical generalisability without adopting a positivistic, scientific, quantitative method but rather a qualitative field of inquiry.

The originality and value of the paper is that it offers a unique way of strengthening the triangulation between an ethnographic close observation and interview study in one organisation with a document study of similar organisations' corporate social responsibility reports across geography, nationality, and cultural boundaries. In this way the research is both an in-depth study and a study of breadth.

Keywords: Corporate social responsibility reporting; cultural meaning transmission; everyday organisational life; political motives, intentions, and implications.

INTRODUCTION

The trustworthiness of CSR reporting has suffered from poor credibility in the academic CSR literature, which makes scholars claim that it is hard to sustain the value of these reports in general (e.g. Schaltegger et al., 1996). CSR reports have been criticised for 'window-dressing', i.e. expressing their actions as being sustainable while they are not; expressing that they do good for society in one regard and in other regards they violate societal interests; and 'greenwashing', i.e. praising their products and conducts as more environmental friendly than they really are. Such kind of textual impression management is typically also emphasised through the presentation of shining pictures from the organisation's archive in their CSR reports in order to brand the or-

ganisation (e.g. Cooper & Scherer, 1984; Laughlin & Puxty, 1986; Crowther 2002, 2003; Palazzo & Richter, 2005; Morsing, 2006; Merkl-Davies & Brennan, 2007; Holme, 2010).

Corporate social responsibility (CSR) reports are not traditionally seen as carriers of meaning that may change an organisation or organisational culture: they are seen as a part of a strategic management serving the expectations of society while doing financial business (e.g. Prahalad, 2004, 2010; Porter & Kramer, 2002, 2006). They are also seen in relation to risk management (e.g. Husted, 2005; Bebbington et al., 2008) and stakeholder management to control the impact that different stakeholders have upon the company. In CSR reports organisations can communicate admissions, and concessions or show how they donated grants to various societal purposes (e.g. Freeman, 1984; Carroll, 1991; Crane & Matten, 2007; Crane et al., 2008; Buchholz & Carroll, 2009; Aras & Crowther, 2010).

However, few scholars have researched other meanings that CSR reporting may have for organisations beyond impression management (e.g. Merkl-Davies & Brennan, 2007), legitimacy theory (e.g. Deegan, 2002), or risk reputation management (e.g. Bebbington et al., 2008) such as organisational change (e.g. Gray et al., 1987, 1988) and organisational culture (Adams, 2000; Adams & Larrinaga-Gonzales, 2007). Recent studies have emphasised visual analysis of corporate texts (e.g. Putnam et al., 2004; Phillips, Lawrence, & Hardy, 2004; Rose, 2011; Bell & Davison, 2012; Margolis & Pauwels, 2011; see also special issue of the *Accounting, Auditing and Accountability Journal*, 2009, Vol. 22 No. 6) such as CSR reports (e.g. Höllerer et al., 2013). However, research lacks studies of which meanings these texts including its images have for the organisation itself, how this meaning is forming the organisations and may change their behaviour in regard to certain criticised issues, and how they have implemented such (micro) change(s) into the general core of their organisational culture.

This paper wants to contribute to this gap of knowledge by examining a sector that has had a relative short history of CSR reporting in order to be able to identify which kinds of micro changes this relatively new business conduct may have done to the organisation. For this purpose an organisation in the Danish water sector–a medium-sized water company with a CSR reporting history of five years–has been chosen as a basis for an ethnographic close observation study. In order to evaluate whether this organisation's way of doing CSR reporting can be said to reflect other similar companies' CSR reporting behaviour, this observation study is combined with a document study of 28 water companies' CSR reports from Denmark, the UK, the US, and South Africa. The research question that this paper wants to answer through the above study is:

How do corporate social responsibility reports create meaning for the everyday life in an organisation?

This study shows how corporate social reports in the water sector are meaning-carriers through their texts and images, which in a politicised way implicate the everyday life of the organisation studied. It also shows how different stakeholder views are suppressed in the CSR reports studied neglecting voices of for instance employees, customers, suppliers, external organisations and other stakeholders, and how this has deeper implications for the everyday life of the organisation. The study does not take a realist or objectivist approach towards trying to evaluate the 'truth' of the researched organisation and the CSR reports: it shows how the CSR reports through their politicization affect the organisation's behaviour on the premise that its CSR reports express how the organisations' management wants the organisation and its employees to work and to be perceived by its stakeholders (see also Martin, 1992, 2002). Through the publication of these reports on various public media such as websites, sustainability indexes, and other public lists, the CSR reports expose a biased organisational culture for public scrutiny, which may create resistance from employees, create new discourses, and affect the actions and behaviours that organisations engage in for enhancing their legitimacy, trustworthiness, credibility, and accountability.

Through this study, the paper contributes to the literature of social and environmental accounting research and its impact on organisational change (e.g. Gray et al., 1987, 1988; Adams, 2002; Adams & Larrinaga-Gonzales, 2007) as well as the literature on CSR and accounting (e.g. Crowther, 2012; Höllerer et al., 2013). Next, a very short review of the literature of CSR reporting is presented in order to underpin the research question and the academic contribution.

THE LITERATURE OF CSR REPORTING

Corporate social reports typically celebrate the activities and values of the corporation and neglect or under-emphasise bad behaviour or poor outcomes unless they are explicitly measured in regulated targets, which they have not managed to improve (D'Anselmi, 2011; Crowther, 2012; Lauesen, forthcoming). In this way organisations sustain a myth of continuation of improvements and try to persuade the reader that they are capable of fulfilling this claim (Crowther, 2012). This is in the academic literature of impression management known as the bias of narrative reports (see a review of this literature in Merkl-Davies & Brennan, 2007). Corporations often enhance their positive social impacts on areas very peripheral to their core activities such as charity giving to Third World countries to keep up the myth of companies working for the good

of society. Showing bad performance is perceived as damaging the organisation's reputation and thus it is not displayed in these reports. This makes them more or less unreliable in the eyes of the audience and exposes the reports to the severe critique (e.g. D'Anselmi, 2011; Buzar et al., 2010; Krkač et al., 2012). This is much debated among scholars, who perceive CSR reporting from either the viewpoint of legitimacy theory (e.g. Patten, 1992; Brown & Deegan, 1998; Deegan et al., 2002; O'Donovan, 2002; Milne & Patten, 2002; and for a review of this literature Deegan, 2002; all cited from Bebbington et al., 2008) or reputation risk management (e.g. Friedman & Miles, 2001; Toms, 2002; Hasseldine et al., 2005; all cited from the review in Bebbington et al., 2008; see also O'Dwyer, 2003).

Some of the critique claims that CSR reports in opposition to financial reports often take a more narrative turn although many reports simulate the economic language and explain the performance of the organisation in indexed quantitative units and metrics (Merkl-Davies & Brennan, 2007; Crowther, 2012). The growing exploitation of graphics, photos, and narratives, which may now have reached a point of tabloidization, is assumed to make a traditional boring report more interesting for stakeholders to read. Organisations particularly that describe their conduct in pure narratives and pictures have attracted much criticism for their incredibility and non-transparency (e.g. Bebbington et al., 2008; Rolland & Bazzoni, 2009; Crowther, 2012; Lauesen, forthcoming). This critique is relevant and important, since the pictures and the narratives that supposedly should be in concert with the organisation's quantitative performance measurements clearly lead a life not only in concert but also independently of other information pertinent to the organisation. Thus, they risk making reports into icons and fairy tales and may draw attention on something other than what should have been intended.

Some scholars have perceived social and environmental accounting research as a vehicle for encouraging organisational change (e.g. Gray et al., 1987, 1988), which has received critique from scholars (e.g. Tinker et al., 1991; cited in Adams & Larrinaga-Gonzales, 2007) emphasising a conflict-based perspective perceiving accounting as a vehicle for *"perpetuation of exploitative social relations"* (Adams & Larrinaga-Gonzales, 2007, p. 334). Adams (2002) found that the reporting process, the attitudes of participants creating it, and the organisational culture in general play an important part in the accountability and trustworthiness that can be allocated to such disclosures (Adams & Larrinaga-Gonzales, 2007, p. 334).

This paper contributes to this literature as well as the literature of CSR through its investigation of how CSR reporting impacts the organisational culture(s) and vice versa, which creates a flux

between these two phenomena as a kind of symbiotic relationship for better or worse. In this respect this paper wants to investigate if it is possible to argue for a specific CSR reporting culture that may not only exist in the water sector, but may be possible to detect in other business sectors as well. Finally, the paper wants to show how such a reporting culture creates meaning for an organisation's multiple cultures eventually.

THEORETICAL FRAMEWORK

ORGANISATIONAL CULTURE

The author of this paper acknowledges the existence of multiple cultures in one organisation (e.g. Sackmann & Phillips, 2004; Gertsen, Søderberg, & Zølner, 2012; Martin & Frost, 2012). These multiple cultures are seen as situated and contextually negotiated (Mills, 1940; Brannen, 2009; Brannen & Salk, 2000) and thereby simultaneously integrated, differentiated, and fragmented (Martin, 1992, 2002).

That an organisational culture is integrated means that it shares values and has consensus in mutually consistent, typical managerial, interpretations hereof. This type of organisational culture excludes ambiguity and differences in views (Martin 2002, p. 94). Thus, the integration perspective offers a unison voice representing a monocultural, managerial view of the organisational culture (e.g. Selznick, 1957; Pettigrew, 1979; Ouchi, 1981; Barley, 1983; Mintzberg, 1983; Martin & Siehl, 1990; Ebers, 1995; Schein, 1985, 1990, 1996, 2009; Martin, 1992, 2002).

The differentiation perspective focuses on the opposite of the integration perspective: the inconsistent interpretations of manifestations expressed by subcultures, in which consistency and consensus exist separate from other subcultures (e.g. Meyer & Rowan, 1977; Christensen & Kreiner, 1984; Martin et al., 1985; Sunesson, 1985; Rousseau, 1989; Martin & Siehl, 1990; Van Maanen, 1991; Deetz, 1992; Alvesson, 1993; Brunsson, 1995; Svenningson & Alvesson, 2008; Martin, 2002, p. 94). In these subcultures a kind of integration perspective exists in miniature, which means that the subcultures may each share certain parts of interpretations of manifestations, but may disagree to others. Martin & Siehl (1990) typified subcultures as 'dominant', 'enhancing', 'orthogonal' and 'countercultural'. The enhancing subculture over-emphasise the values of the dominant (managerial) culture, whereas the orthogonal subculture accepts the dominant values and interprets them into values that fit the subculture's own separate values, while the counter-cultural subculture challenges the core values of the dominant culture and supports alternative values (Martin & Siehl, 1990, p. 73). Thus the differentiation perspective offers polyphonic, dialectical voices, which work both in harmony and contrast.

Finally, the fragmentation perspective neither sees organisational culture as clearly consistent nor inconsistent, but emphasises ambiguity and multiplicity rather than clarity and harmony. It sees consensus as transient and issue specific (Martin, 2002, p. 94). Ambiguity is more than ignorance or confusion; it encapsulates the complications, tensions between opposites, paradoxes, and contradictions (e.g. Weick, 1979; March & Olson, 1976, 2004; Hedberg, 1981; Feldman, 1989; Brunsson, 1985, 1989; Daft & Weick, 1984; Weick, 1991, 1993, 1995; Alvesson, 1993; Weick & Sutcliffe, 2007; Cohen, March, & Olsen, 2012; Martin, 2002, p. 104). The fragmentation perspective thus emphasises organisations as multicultural, where each individual within the organisation may participate and contribute in a web of different and subjectively perceived cultures explicated in different alliances of situational appropriateness (March & Olsen, 2004). This constitutes an invisible organisational coherence and eventually prevents the collapse of an organisational anarchy. Thus the fragmentation perspective displays a cacophony of discordant voices, which often are unrelated, disharmonious, and chaotic.

In multiple cultures of organisations some parts of the organisational culture may be shared and stable, although they may be redefined over time and hybridised in a way that offers continuity and as well as change (D'Iribane, 2009; Gertsen, Søderberg, & Zølner, 2012, p. 5-6). This multi-perspective approach of analysing organisational behaviour and culture is emerging in the field of CSR and Sustainability research (e.g. Stoughton & Ludema, 2012; Stokes, 2012), and this paper wants to contribute to the accounting literature by suggesting this theoretical perspective as well.

CRITICAL THEORY AND ITS CONNECTION TO VOCABULARIES OF MOTIVES, GRAMMAR OF IMAGES, AND ARCHETYPES

Critical theory underpins a political (e.g. Deetz, 1992), intentional, and motivational (e.g. Mills, 1940) perspective on communication (see also Habermas, 1967; Bourdieu & Wacquant, 1992; Hine, 2000) such as oral speeches or interviews, texts, and images and stresses a reflexive critique of society and organisations and its respective cultures (Alvesson & Sköldberg, 2009).

> *"All information today....has to be considered as sponsored information."*
> *(Deetz, 1992, p. 32).*

This kind of 'sponsored'–i.e. carrying a hidden ideology that is authorised by someone–meaning of texts has a nexus of persuasion of the readers (Van Dijk, 2006). In other words, a text carries a political intention and motivation given by the author, which may be more or less hidden or

framed rhetorically to persuade the reader to adopt the meaning that the author wants to transfer through the text:

> *"Intention … is awareness of anticipated consequence; motives are names for consequential situations, and surrogates for actions leading to them." (Mills, 1940, p. 905).*

Intentions and motives may carry a political message or an ideology that may be encoded in texts as well as in images (Kress & Van Leeuwen, 2006, p. 2), and this may be framed either through what Mills (1940) termed as being different 'vocabularies of motives' or what Halliday (1985, p. 101) called 'grammar', which Kress & Van Leeuwen has termed the 'grammar of visual design' (Kress & Van Leeuwen, 2006, p. 2):

> *'[G]rammar [is a] set of rules one has to obey if one is to speak or write in "correct" , socially acceptable ways'.*

Visual symbols can through their exploitation of 'archetypal' icons disguise their ideological core and pursue an allegedly objective representation (Kress & Van Leeuwen, 2006; Kress, 2010; Mitchell, 1994, Höllerer et al., 2013). These archetypal icons can potentially invoke and bridge different rationalities simultaneously and pick up a variety of recipients at divergent locations familiar to them (Höllerer et al., 2013, p. 147, 163). These widely accepted manipulations of 'stilleben' pictures merge symbols with inherent messages consisting of different kinds of archetypes, which are put together in new constellations in order to tell a story or supply an existing textual story in corporate reporting.

To decode such vocabularies of motives and grammar of visual design (or images) in texts requires reflexive interpretation according to contemporary scholars of critical theory (e.g. Alvesson & Sköldberg, 2009; Alvesson & Kärreman, 2011). A way to decode images in texts may thus be approached by analysing typical patterns within the texts, whereas patterns in images may be detected through looking for 'archetypes'. The concept of 'archetypes' can be understood in a Jungian sense as typifications of certain objects or symbols (Jung, 1959; Neumann 1972).

> *"'Archetype'…tells us that…we are dealing with archaic – or I would say – primordial types, that is, with universal images that have existed since the remotest times." (Jung 1959/1990, translated by R. F. C. Hull, pp. 4-5).*

The idea behind this combination of theories of organisational culture and critical theory with the concepts of vocabulary of motives, grammar of images, and archetypes is to create a framework of looking for recognisable patterns in interviews, texts, and images in order to critically examine how a CSR reporting culture within an organisation is connected to the multiple cultures of the organisation. In the next section I explain how I have implemented these theories and concepts in the methodology of the paper.

METHODOLOGY

This paper analyses how water companies discursively display and talk about their enactment of CSR in their organisational everyday life and how they disclose this in their CSR reports. This part of the study took place from January till April 2013 as an ethnographic participant-observation study in a Danish medium-sized water company, where a group of 12 organisational members were creating its annual CSR report. In addition CSR reports and websites about CSR from 28 water companies divided into 7 companies from each nation of Denmark, the UK, the US and South Africa is studied. These companies were chosen to represent a maximum of variety (Flyvbjerg, 2006: 230) so that small, medium, and large companies (including multinationals) were present in the study. To find similarities and dissimilarities among a maximum variety of water companies enhances the probability that other companies within the same range will follow the same institutional pattern to be viable.

The choice of water companies in Denmark were made of the following basis: The Danish water company, in which I conducted the participant-observation study, granted me full access to the organisation, to interviews, as well as to the documents I needed for the research. The other Danish water companies were chosen because they too either gave me access to interviews, observations, or internal (not published) document collection. The choice of comparative water companies were chosen from nations that shared a similar institutional setup to the Danish companies, but had different market-economic contexts apart from the Danish context. For instance, the market-economic context in Danish water companies is that the market is simulated, but in practices monopolised characterised by being non-profit driven through the cost-recovery principle (Lauesen, 2011).

The Danish water sector has been formed from an inspiration of the UK water sector context[135]; whose market-economic context is for-profit driven with private shareholders. The market-

---

[135] (personal communication with the director of the Competition Authority in Denmark, August 2011)

economic context of the UK water companies has been inspired from the US context[136], and the choice of this nation gave the opportunity to compare the other water companies with much larger water companies such as multinationals like Suez Environment. Finally, the choice of water companies from South Africa was based on having a nation with a much different socio-economic history compared to the rest of the water companies might strengthen the outcome. The end of the Apartheid regime in early 1990s has impacted the way that South Africa has chosen to perceive its water market: South Africa has decided to provide water for the poorest areas in the nation free of charge, whereas other areas are regulated through the cost-recovery principle, and again a few water companies are allowed to make profit out of their water sales (see more on the http://www.dwaf.gov.za webpage).

To achieve as nuanced an analysis as possible I compared the discursive findings of these documents with the findings from the participant-observation study combined with interviews of the group of 12 employees making a CSR report in the Danish water company from January 2013 till April 2013.

ANALYSIS METHODOLOGY OF THE PARTICIPANT-OBSERVATION STUDY
I used critical discourse analysis suggested as a quadri-hermeneutic reflexive approach by Alvesson & Sköldberg (1994, 2009) trying to discover the ideological (or political) effects in producing and reproducing messages (Kress & Hodge, 1979; Kress, 1985) for multiple stakeholders in corporate texts. According to Alvesson and Sköldberg quadri-hermeneutic reflection means that the researcher is making 1) interpretations of 2) interpreting subjects combined with a critical counter interpretation of both the accounts of the 3) interpreted subjects and the 4) interpreting researcher herself as a way of creating multiple interpretations in an open-critical, dialectical way (Alvesson & Sköldberg, 1994, p 271; see also Bourdieu & Wacquant, 1992; Hine, 2000; Wodak & Meyer, 2009, p. 6; Alvesson & Kärreman, 2011). The quadri-hermeneutics can then be used to make the interconnectedness of 'things' visible (Fairclough, 1995, p. 747; cited from Wodak & Meyer, 2009, p. 7) including the tacit, silenced, motivational, and intentional 'things' (Mills, 1940) of the texts written by both the researched and the researcher.

The observation study is displayed as a vignette of how the group of 12 employees were constructing the company's CSR report. To protect the company and the employees and critically examine my own role in this setting, I have changed salient identifiers such as names, events,

[136] (personal communication with professor David Crowther, De Montfort University, UK, August 2013)

and other sensitive issues. The interview quotes as well as the observation study vignette serve the purpose of following the construction and meaning creation from this group creating the annual corporate social responsibility report and to show how the enactment of producing this kind of corporate text impacts the organisational culture(s) and how negotiation, editing, and re-editing are the core premise behind this construction (Czarniawska, 1997).

TEXTUAL COMMUNICATION

The texts of the CSR reports are examined by an open-critical, reflexive interpretation of the authoritative statements within the reports. The instrument used for this purpose is Spradley's (1979, 1980) ethno-semantic method as a backdrop for the reflexive method of the quadri-hermeneutic interpretation of authorship (Alvesson & Sköldberg, 1994). Spradley's ethno-semantic method provides options for utilizing the dialectical opportunities of open versus critical thoughts as well as analysing both on the micro and macro level (Kintsch & Van Dijk, 1978) through the dialectic relationship of the taxonomy and componential analysis. When working openmindedly with the text and its opposition in the contrast sets Spradley's methodology offers an opportunity for quadri-hermeneutic interpretations and critique of its authorships.

The CSR reports were read openly looking for statements that could enact a 'code' recognised in other reports as well. Key statements were then collected from those companies making statements in a specific code, which was then assembled with other codes in a spreadsheet. In order to reduce the amount of codes and multiplicity of statements, the next step was to look for a key text that could frame the many ways of expressing 'economic efficiency and effectiveness', for instance (Alvesson and Sköldberg, 1994). In one of the reports is found a text:

> "The Water Sector Act made significant inroads in everyday life in the Water Centre South in 2011. Both the price cap regulation and the standardised investment framework, which together–with the Act current wording–puts our operating expenses under pressure and challenges our sustainable investment." (VCS Denmark, 2011, p. 5, my translation).

Other reports are similar:

> "Under the industry's regulatory regime, the revenues raised from our customers do not fully meet the cash needs of the business to deliver ongoing investment." (Welsh Water, 2006/7, p. 17).

This type of quote finds resonance in several reports, albeit expressed differently. In Appendix 15: Table K, page 323, is shown how the analytical steps from creating a code to finding a domain is carried out. The above statements have enacted the code 'economic efficiency and effectiveness' and an overall edited key text representing the different wordings of the code: 'Regulation jeopardises our operation expenses and sustainable investments'. Next, the semantic relationship (Appendix 16: Table L, page 324) was used to derive a 'domain' (in Table K) as a category of meaning in which more codes could be assembled, in for instance: 'X (code) is a kind of Y (domain)'.

Neither statements nor domains are apolitical or objectives without contradictions (Deetz, 1992; Alvesson and Sköldberg, 1994). I have deliberately chosen to look for motives in my ethnographic analysis (Mills, 1940) – both explicit (text-induced) and implicit (silenced, alternative) motives – in order to capture the intentions of the integration perspective of the texts. These motives enable reflective interpretation at a deeper level and offer through their explicitness/implicitness an opportunity to contrast the printed reality of the texts, which may provide an understanding of why these texts are capable of affecting everyday life in organisations. Thus, I looked at the taxonomies (Appendix 17: Table M, page 325), i.e. the internal relationship that the domains explicitly revealed. Some domains had more than one internal relationship. Thus, the same kinds of domains may be listed several times during the entire analytical spreadsheet, which is made to list all kinds of possible interpretations.

I used Spradley's componential analysis to look for contrast sets looking both for eventual dichotomies in or ambiguities of motives, silenced motives, or keywords that might assemble which type of ideology might lie behind inherent in the domains. I used this type of analysis to frame a critical interpretation looking for possible political incentives (Deetz, 1992; Alvesson & Sköldberg, 1994; Van Dijk, 2006). In the example in Appendix 17: Table M I interpreted the domain of 'hybridization of motives' in two kinds of motives: 'utility maximization' motive expressing that the managers want to do a much possible with the available economy at hand, and the silenced and implicit idea that 'sustainability is costly', which can be interpreted from all three key texts within the code.

Finally, a theme was derived to bring about an interpretation of the incentives behind the motives expressed as a whole. I found that the initial code 'economic efficiency and effectiveness' expressed two themes: one based on purely economic motives of 'enrichment' and the other based on hybridizations of motives of both 'economy' and 'sustainability', which is interpreted

as 'legitimacy'. Throughout the analysis the multiple codes was assembled into fewer themes, which yielded the basis for my overall analysis of the texts and findings of the meaning systems of the CSR reports.

VISUAL COMMUNICATION

What I have noticed and been particularly interested in is why the apparently neglect of stakeholder voices in the texts instead were reflected as in the images, whose function then can be interpreted as bridging these textual deficiencies and thus also bridge the (potential) motive(s) behind this seemingly repeated framing and taken-for-granted way of composing CSR reports. Therefore, I have used the Jungian concept of 'archetypes' (Jung, 1959; Neumann 1972) to select certain objects or symbols that I find pervasive throughout the CSR reports. The archetypes are used as carriers of meaning in symbolic form in the CSR reports, and they are therefore at a first glance of a certain and limited amount. I collected 1345 corporate photographs from CSR reports and corporate websites about CSR.

The first and often displayed (in Appendix 18: Table N, page 326) kind of archetype in the photographs is 'human beings' typified in gender, race and age: Men, women, children, and youngsters. These appear as either employees representing the company, its customers, or various stakeholders from the community including young pupils and students, whom the company is in contact with and specifically showing their social commitment towards either according to financial donations or learning dissemination (Crowther & Gomez, 2002; Crowther, 2012; Lauesen, forthcoming). These archetypes are in this paper systematically numbered and counted having been recognised from their interactive activities. Employees are recognised from working with core activities of the water company such as with pipe construction, talking in a telephone, sitting in front of a computer, standing beside an activity or asset of the water company, their formal dress, or their appearance near signs and symbols such as a logo of the company. Customers are recognised from their interaction in homes, their interaction with a company employee, their informal dress code, or their appearance in family, school, or other assembly settings, where their dress codes distinguish them from that of the employees. These customers are further divided into three subcategories according to 'age' and 'function'; child (including youth), adults (grown ups), families (at least two consisting of a child and an adult in close and family-like setting) and students/pupils (recognised in school/educative settings). This choice is made due to their inductive and repetitive appearance of which many pictures occurred with these constellations.

Natural phenomena and geographical locations are called 'environment', which include pictures of the nature (including all kinds of landscapes), water (all kinds of appearances of water in their natural occurrence), and climate (including all kinds of subterranean phenomena such as the sky, clouds, the sun/sunshine or other kinds of whether or aerial phenomena)[137].

Technical phenomena are called 'constructions', which include all kinds of structures with various kinds of technology linked to the operations and the assets of the water company. Only a few special archetypal constructions are highlighted in subcategories such as water taps, wind turbines/solar cell panels, and fountains/constructed waterfalls.

Behavioural occurrences related to CSR are called 'behaviour', which include 'drinking water', 'corporate giving' (philanthropy), 'human diversity' as a special value in both hired employed staff and in customer relationships, and 'leisure/education' as a special subcategory of the 'corporate giving' back to the society.

Finally economic phenomena called 'economy' shown in payment for water services are counted in its typical appearance of money, bill, computer payment, signs with textual messages of 'saving water/money' or 'save energy' and finally pictures of a piggy bank.

Next, the findings of this study are presented, however, in reversed order: first comes the interpretation of the cross-geographical comparison of the 28 CSR reports, and next the presentation of the close observation study of the Danish water company. This is done because the latter complements and completes the analysis of the first, and furthermore the latter provides the overall answers the research question of this paper.

FINDINGS

TEXT ANALYSIS

The findings of the cross-geographical discourse analysis of texts in the water companies' CSR reports are displayed in Appendix 19: Table O, page 328. These findings show how the CSR culture generally is described in a unison, managerial, monocultural, and 'one-size-fits-all' perspective. This is what Martin (1992, 2002) calls the integration perspective. The tone is held overtly positive; celebrates the organisation's performance as 'efficient and effective'; and offers several promises supplemented either with key performance indexes or narratives of a continuously improving culture (Van Leeuwen, 2005; Crowther, 2012).

---

[137] Spivak (1973) framed another word called 'archetypal places', but here she was talking about places of functionality such as eating places, places to sleep, hunt, mate, etc. In this paper I talk about places with multiple functions, which means that these places are not chosen for their functionality alone, but also for their aesthetic value.

The themes consisting of motives identified in the texts of the CSR reports and websites of the 28 water companies was (in prioritised order: stronger to weaker theme):

- **Legitimacy**: CSR and sustainability are used as arguments for legitimating the companies as being their core business mission, which have been given to them by society. That is what they 'do' and what they 'are', they claim, when they deliver water and purify wastewater before letting it back to nature.

- **Economy**: investments in CSR and sustainability are claimed so costly that the economic regulation and the restrictions within are argued to be a hindrance for the companies to be as sustainable as they wish. Here, the companies are talking about environmental protection including mitigating the climate change and posing this as a paradox towards the sustainability of pricing and the economic basis for their business.

- **Minimizing economic utility maximization**: the regulator's aim is to balance and hence minimise the water companies' economic utility maximization whether it is for profit making (regarding the for-profit companies) or budget maximization (regarding the non-profit, cost-recovery companies)

- **Sovereignty**: all companies complain about their loss of sovereignty due to the regulation they are subsumed. They claim that their mission is so strong that they would be better themselves to decide what is good for society, the environment, and their customers.

- **Enrichment**: the for-profit companies directly complain that the regulation makes them earn less money and profit for their owners. The non-profit companies complain about their restricted budgets, which, if they could have set their own price on water, they would have had a much larger budget to operate with.

'Efficiency' is often used as a keyword in both the economic and the CSR/sustainability discourses within the reports. The presented stable, unified, and controlled CSR culture in the organisations is highlighted through the issues that these reports include as well as leave out of the text. Some reports include other stakeholder voices mainly in concert with the managerial, dominant account of culture. Other reports – especially in Denmark and the UK – hybridise a motive of 'economy' into that of 'sustainability' either by claiming for instance that the state's price cap regulation or hinders sustainable investments or supports the claim that 'efficiency' is possible both in improving the 'economy' and the 'sustainability' in 'doing more with less'. Few reports–especially from South Africa and the US–include critical stakeholder voices such as

independent statements of the authorities and whistleblower issues from anonymous stake-holders (typically employees).

The emphasis is on the management's 'sustainability' motive, which in the CSR reports is perceived as positive and legitimate. In contrast to a juxtaposition of, for instance, corporate financial performance reports, where the economic motive of 'enrichment' is highlighted as positive and legitimate, this motive is in most CSR reports de-emphasised. 'Economy' is in these CSR reports directly linked to investments in CSR and sustainability. This ambidexterity of motives may explain why confidence and trust in CSR reports receive such critical responses from the audience of readers.

VISUAL ANALYSIS[138]

The visual analysis of photographic images within the same CSR reports and websites is displayed in Appendix 20: Table P, page 335. This analysis shows an overall managerial attempt to compensate for the lack of stakeholder voices due to the representational deficits of the managerial account. Of the 1345 photographs 772 were found to belong to the archetypal group called 'human beings', 1207 to the group called 'environment', 806 to the group called 'constructions', 281 to the group called 'behaviour', and 'economy'[139]. The authors have through these images tried to create a visual polyphony of a multiplicity of stakeholders to show that the managers actually care for them, emphasising:

- **Happiness**: children, families, customers, employees, and managers with smiling faces.
- **Protection**: undistorted nature depicted in manipulated high-modality colours.
- **Expertise** (technical): control of service, maintenance and deliverance of water.
- **Diversity**: various races, gender and ages of employees and customers.

---

[138] **Notification: Copyright protected material**
When referring to corporate published material on the internet there are two concerns that this paper necessarily has to address; textual references and references to images, which are differently protected by copyrights. I follow the legal right of referring to texts from the internet, which typically must be referred to in institutionalized ways by linking to the publication in question in the style recommended by the publishing houses or by the media in which this text is published. A further complication, however, exist when displaying pictures that are in the ownership of third party and regulated with various different laws. In the US replication of pictures from the Internet can be done when no harm is done towards the picture; however 'harm' is defined very loosely and can be judged differently by different courthouses (Ginsburg, 2000). In the EU, however, the copyrights of photographs and images are stricter and more ambiguously regulated, and as a consequence researchers must obtain written permission each time an image made by another party is published (Engle, 2002; Hugenholz and Senftleben, 2011). Following, severe financial costs for the author may occur if he or she wants to show these pictures. Hence, in this paper no photograph is therefore depicted, but collected privately in case of others wanting to privately investigate them for free, and in this paper Internet links to the relevant pictures of the relevant company report is made so that the reader can search for an example of one of the typical pictures referred to.
[139] the photos are typified into more than one group of archetypes.

- **Sustainability**: children symbolised as the vulnerable future (i.e. the next generation)
- **Charity**: corporate giving to poor, disabled, elderly, female people and children from former colonised Third World countries relieves the inherited bad consciousness.
- **Responsibility**: management displayed in 'stilleben' pictures; formal (often male) dress codes symbolizing paternal responsibility as providers of products and financial livelihood.

The stark difference between the unison, managerial voice in the texts and the compensation for stakeholder repression through various, polyphonic, positive photographic images is found throughout all reports. What the photos de-emphasises are:

- **Sadness**: for instance of the negative effect of the climate changes created by the industrialised world.
- **Exploitation**: for instance of natural resources.
- **Homogeneity**: dominance of a white (and in South Africa a black), male constituency.
- **Incompetence**: the challenge of not being competent enough, lack of education.
- **Insecurity**: lack of knowledge about future impacts.
- **Threats**: from natural catastrophes initiated by human (industrial) impact.
- **Power**: managerial power and power asymmetry between the management and its stakeholders
- **Enrichment**: through hidden profit or budget maximization motives.

The positive, archetypal photos are used to supplement and compensate the texts to persuade the readers of the CSR reports of their sincere motives of stakeholder inclusion. When the images are analysed as a whole deconstructed from the texts, the grammar of the images (Kress & Van Leeuwen, 2006) tells an implicit cultural story based on spiritual values inherent from a western, modernised, and enlightened culture of Biblical ethics including love, care, forgiveness, charity, protection and work to obtain 'divinity' displayed as a natural Paradise on Earth as part of the sustainability motive of the organisation (see also Höllerer et al., 2013, for similar findings from Austrian CSR reports).

This visual analysis of the photographic images, however, does not succeed in delivering a multicultural perspective of the CSR culture of organisations in spite of the divinity of the symbolism their transfer. The detachment of text and images through the messages transferred of respectively 'efficiency' and 'divinity' of the images constitutes an incommensurability between

the textual promise of 'doing more with less' and the picturesque promise of creating a 'divine world' both covering and under-emphasising the economic motives crucial to the financial survival of the organisation. The sustainability motive, which is highlighted both in the format of the CSR reports and the intentions of it, becomes hard to dissect due to the above incommensurability, which makes the overall persuasion of the audience ambiguous (own publication, forthcoming).

Next, I examine which meanings these types of organisations put into and take out of the making of CSR reports, which is studied through the observation study of the group of twelve people constructing a CSR report in a Danish water company from January till the end of April 2013.

VIGNETTE

The group consisted of a middle manager, ten non-managerial members; one or two members from each of the different departments within the company, and me, the researcher. Each member of the group was given the role of coordinating data collection within their 'own' department with me as an overall coordinator of the group. The people in the CSR group were not used to working together although everybody knew each other as colleagues, which was interesting for me as an observer to see how things developed for the final creation of the CSR report.

To me, we were an uneasy bunch of people all with good intentions, but many of us had never worked closely together before, which made this group work very experimental in some senses. It was not without problems that we had to figure out the best way of muddling through different issues during the short timespan we had before the deadline of the report. One person told us that in his department they had faced problems of stress due to a local manager's sick leave, and that he thus could not guarantee his participation in the coordination meetings, which were scheduled each second week. I said that we could email or phone each other if there was any information that he needed or if I as overall coordinator needed specific things from him. Another person had a hard time understanding which kinds of data were really needed and why he was needed to provide these data. Others again occasionally had personal problems of their own to contend with, which meant that they could not participate in meetings, but somehow we managed to get along dividing the tasks among us in a fair way trying to avoid creating problems for ourselves and others as well as reaching the deadline in time.

As a coordinator I sometimes felt bad about not knowing if we were ultimately going to accomplish this task due to the unease within the group and the effect of other issues impinging on the

group from the outside. On the other hand, people were very concerned about each other and took over if one faced temporary problems. After the physical job of collecting data such as measurements of consumption of electricity, fuel, personnel data, and other typical data for the CSR report, the intense period of interpreting what these data were telling us about our company began. At this stage the top manager, who had overall responsibility for the report to the board and the owners of the company, participated strongly. In the last month after finishing data collecting, writing up the report, and looking for organisational stories and explanations for certain data or events, the top manager and some of his crew of managers wanted to be engaged in the overall interpretation of the data.

The stories within the CSR report were thus edited and re-edited several times in order to 'represent' both what the data were telling us, but also to consider the intent of the report for the organisation seen through the lens of the management team and the top manager responsible for it. No issues were covered up, but some data were interpreted rather differently from our initial group and management team, which meant that some negotiation was going on to come up with the 'right' (political) interpretation to be expressed in the text of the CSR report. It should also reflect what was written last year and which kinds of 'promises' had been made in the chronology of the CSR reports. Examples of these kinds of negotiations, editing and re-editing were:

> *"I do not like that you suggest using the word X in the report, because the board members might interpret this as an authoritative statement; as if someone is watching over us and coming to punish us if we do not comply. Use the word Y instead so that it reflects our intentionality – not something that we promise, but something we strive for." (Quoted from an informal meeting with a manager after the first draft of the CSR report, my translation).*

> *"It is a problem that our emission of X is so high! Can we display it in another way, because we cannot do more to reduce it because it depends on so many variables that are out of our control? Maybe you could show X as a relative variance instead and Y as an absolute variance here compared to the last four years, so we give ourselves an opportunity to reflect upon how we want to solve this problem in the future?" (Quoted from a second informal meeting with the same manager as above, my translation).*

"We have no explanations of why this measurement is worse in our department than last year. We don't know. Just put it nicely in the report and write that we will follow the development in the future." (Quoted from a short conversation with a project manager in the search for explanatory stories for the data, my translation).

When asking different managers and employees which meaning the CSR report had for them, different and fragmented answers arose:

"You know; if it hadn't been for these reports we would never had known which impact we really have upon society and the climate change, for instance. Since you wrote our first report I took it to the board arguing that we needed permission to do something about reduction of our climate impact. And you know – today we have convinced them that we need to invest in our own windmill to begin producing our own green energy. I could not have argued this before, because we did not have the data supporting this amendment. Now it is in progress and we are conducting an environmental investigation in order to find the best place for this windmill. We are also looking for other investors, but right now it is just us. But others may join in later. We are definitely going to try to get this windmill, because we cannot reduce our energy consumption more just by fine-tuning our apparatuses. The figures show this, as we've discussed recently. It is impossible. I am really pleased that we have come so far, and I am proud of our reaching this goal in order to become CO_2 neutral in a few years. That is what sustainability is about, isn't it?" (Quoted from a top manager just before publication of the CSR report, my translation).

"I never thought anybody minded reading our CSR report! Who would be interested, I thought? But now after having been part of creating this year's report it makes much more sense to me. And it makes me much better equipped to understand the impacts of what we are trying to accomplish in our everyday life. You know, before, the guys went on fine-tuning here and there and nobody else understood if it worked or not. Now we can see what works and what does not. At least sometimes we are able to explain why we now do things. Before, it was more by intuition. For instance, in our department we try to minimise our energy consumption by aligning the pressure in different areas of the town. At

the same time we have this obligation to provide a certain minimum pressure of water in the tubs. In some places it was way above the objective, and in other places too low. But now we see that our tuning has produced results, and we have a feeling that we can accomplish a lot more by paying more attention towards this, thanks to the numbers, interpretations of the data, and stories surrounding the data in the CSR report. So…..now I don't care if anybody else is reading it; I am, and I really think it makes me more proud of my work knowing that what I do makes a good impact." (Quoted from a conversation with a technical designer during our interpretation of data in the CSR report, my translation).

"In our department we are fed up with all this 'efficiency' talk, because it makes us sick and worn down that we have to run faster and faster. We cannot cope with it anymore. See – my colleague went off sick with spinal problems last month. We just want relief and be able to get on with our 'normal' job, now. But we have also learned a thing or two, because we had to share our colleague's difficult job while she was on sick leave, and we did this job in another way from the way she had done it, and it actually worked out quite well and took off the pressure from impacting on our bodies by using a truck we had in a smarter way. Now the problem is that when she returns she might want to change things back to where they were, and now we do not agree with that anymore. I hope she will listen to us – also in order not to fall back into sickness again, because we actually are doing things more 'efficiently' now in this new way although we have more work of her work to do while she is away. Hopefully she can see the benefit for herself, for her health and our health in continuing doing it in the new way and reducing the workload for all of us when she is back, if she can accept that we have made this change for her." (Quoted from a conversation with an operation technician in the midst of data collection, my translation).

INTERPRETATION

These extracts show how the CSR reporting had multiple effects upon the everyday work of the employees: some were good, some initiated changes, while others were less good, and again others making room for thinking in new ways. In this way the CSR reports has 'done something'

to the organisation, which have learned from it and some do not mind much if nobody else than those directly involved in it cares, because they do. For others it is important as a kind of 'face' towards society: the local politicians, the citizens or other, potential readers. But mainly the report serves in multiple ways as text for negotiation both internally of the organisation and externally towards the stakeholders, and vice versa.

From the observation study and the interviews we learned that small micro changes in actions occured each time the CSR report was written in terms of changing the way that the organisation and the individuals cowrited it, perceived it, and perceived themselves as a kind of collective, negotiated identity, and in technical terms of agency of 'what works and what doesn't'. This does not mean that everybody in the organisation has a unison, shared understanding of what their collective identity is, but the way the text of the CSR report reflects a negotiated nexus–an 'edited' and 're-edited' culture–and paves the way towards what makes sense to many and does minimum harm to others within the organisation and becomes one idea of the 'glue' (Weick, 1976) that makes the organisation stick together in the face of several other competing objectives and logics and serves as a kind of textualisation (Ricoeur, 1973) of who 'we' want to be.

A kind of 'directionality' in this form of 'textualisation' of the organisational culture into a published artefact exposing it to stakeholders, over whom the organisation does not have control, is part of what they risk getting typified into a characterization of either 'good' or 'bad' (Boje, 2008). The powerfulness of the 'textualisation' is that it is hard to erase what has once been written especially if it has been published. When a corporate report has been published in textual form, it is exposing the authors trying to 'represent' the organisation from behind in ways that can be interpreted and judged in many different ways by the reading audience (Crowther, 2012). This, the management has been very aware of. Exposure to critique is the vulnerability through publishing organisational texts, which easy becomes artefacts directly linked to an external perception of 'this is the culture of this organisation' never minding who is the author, how many authors are behind the report, and who has ultimately sponsored the text (Deetz, 1992).

In this sense 'culture' becomes 'political' both in the process of both writing up the texts and utilizing it afterwards. The texts are negotiated; an 'edited' reality, and 're-edited' into a static, non-dynamic document with the dangers this brings (Czarniawska, 1997). At the same time, the text is not a standalone document; it is a part of intertextuality referring to previous released texts and documents, press releases, and other related kinds of communication (Orr, 2003). The CSR report becomes a 'dynamic', ongoing document in an ongoing history of storytelling about

the organisation's collective identity. In many senses it may be decoupled from other parts of everyday life of organisations, which may be diverse and fragmented (Martin, 1992, 2002; Weick, 1995).

However, by allowing publication of the CSR report and its life being partly in a vacuum and partly in a dynamic space of micro changes and intertextual relation with other documents, this report–in spite of its rigidity, decoupled nature, and non-diversified expression of the multiplicity of organisational culture going on in organisational everyday life–expresses a political intentionality and motivation of 'showing face' to the environment. If the report is made too inadequate, it creates an impression of 'window-dressing' and 'greenwashing', which may immediately rebound on the organisation as negative stakeholder feedback. But if it is made rigorously, it may serve as a 'means' for continuity of a negotiated culture and policy making in constant flux.

It is important for organisations to improve their descriptions of their intentionality, political means and ends, multiple motives, and how they respond to such in an interaction with stakeholders, since the power of CSR reports are not only one-way. Artefacts such as these ask for (better, improved) interactions between the organisation and its stakeholders rather than to 'prove' a perfect world in harmony. The more CSR reports display 'artificial', overtly positive pictures, omit stakeholder voices, and lack or over-emphasise 'promises' to the society in which it operates, the more critique it will expose the organisation in question to, which hopefully will respond towards this stakeholder pressure eventually. On the other hand, the more aware the authors of the CSR reports become and learn about these effects that their textualised culture has on societal expectations, the more the organisation can choose to interact in a dialogue responding to demands, display critical voices, and develop its organisational culture in interaction with its (responsive) stakeholders and ultimately become more trustworthy.

T = Textualisation of organisational cultur in CSR-reports
E = Enactment of organisational culture in everyday life
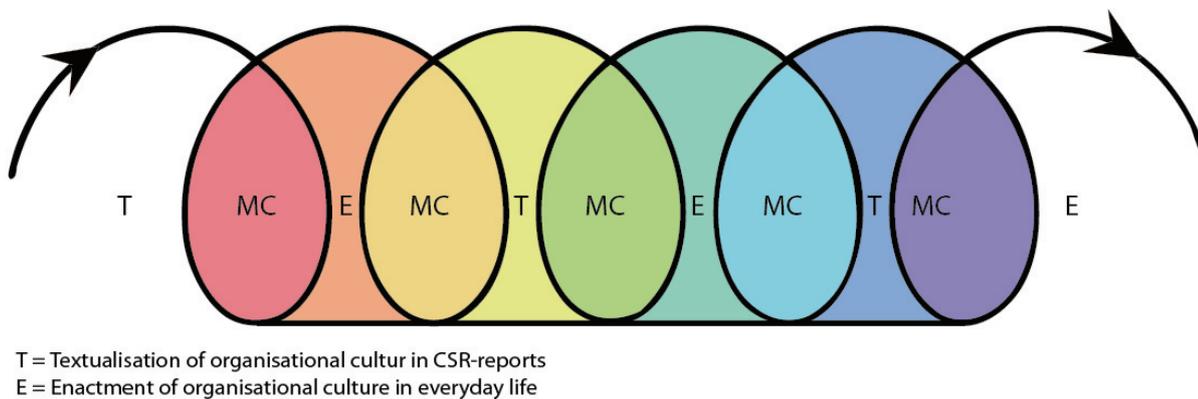
FIGURE 1: DYNAMIC OF TEXTUALISATION-ENACTMENT OF ORGANISATIONAL CULTURE

Figure 1 illustrates how the seemingly static 'textualisation' of the organisation's CSR reporting interacts dynamically with the ongoing multiplicity of organisational culture in its everyday life. Once the organisational culture has been 'textualised' into a description in a CSR report and perhaps has received diverse responses from internal and external stakeholders, it may change the way the organisation enacts its multiplicity of cultures as a micro change. Then in the next text this change may be described and 'textualised' in a slightly new way through trying to reflect on what has happened, who has responded to the former text or past events, and which promises has been made or been neglected. This again may impact the enacted organisational multiplicity of cultures in a slightly changed way. Along with this the organisation learns how other stakeholders have an impact upon it, which expectations they have, and continues reflexively to think about how the organisation can, should, and might respond upon its impacts, which constitutes what I call a 'feedback flux'. This 'feedback flux' continues as a process of the evolution of the organisation in slower or faster pace depending on the events taking place.

CONCLUSION

The above analysis and comparison of CSR reports and observed everyday life working with the construction of this demonstrates several ambiguities based on the incommensurability especially between the integrationist perspective within the reports' texts and the behaviour of the multiple organisational cultures. The CSR reports are written as if there exists an archetypal culture within the organisation, and since the coherence of both the textual and visual images supports the integrationist perspective and neglects other (conflicting) cultural perspectives, this message is expected to 'do' something[140] to the organisation. In the observation study, what the CSR reporting culture 'does' to the organisation and its inhabitants (Binder, 2007; Hallett, 2010;

---

[140] to 'do' nothing is also a behavior

Hallett & Ventresca, 2006) is to frame how they are supposed to work, which values they are to value, and what purposes they are to follow in the future, which may be described in the CSR report. In this way the CSR report (or the sponsored authorship behind it (Deetz, 1992)) tacitly 'assumes' that the organisation will act, interact, and perform as stated in the textualised representation of the CSR culture of the organisation in the reports.

Being political (Deetz, 1992) and partly decoupled from the multiplicity of cultures in the organisation this study suggests that the CSR reports persist as an institutional representation of 'a' typified 'reporting culture', which is accepted by sectorial peers, governmental regulators, intergovernmental bodies, and organisational fields in general (Berger & Luckman, 1967). Hence, derived from the dialectic relationship seen in the close observation study, it is suggested that CSR reports represent an institutionalised 'culture' of its own, partly decoupled from the multiplicity of cultures that exist in living organisations. Instead the CSR reports make one perceive the organisation as one entity and make stakeholders (including employees) assume that this is the way they are expected to behave, which again is a way of harmonizing multiple organisational cultures into one streamlined culture. This is not without implications, as the observation study shows, because the people in the organisation may react very differently to this harmonization of the organisational cultures.

The meaning that the CSR reporting culture have created for everyday life of organisations can be interpreted as constructed on behalf of elitist members of an organisational community celebrating the dominant aspects of their culture. This view offers identity and legitimacy for the members of the dominant, enhancing, and partly the orthogonal subcultures within the organisation (Martin & Siehl 1990). For counter cultures and critical stakeholders it may serve as a means too: By taking the literal text serious, these stakeholders can – if they possess enough power – either hold the organisation responsible of the text and the inherent promises it offers or use the text as a springboard for further negotiation suiting their own purposes.

Recognizing, that CSR reports is not only the stakeholders' window to an integrated, monocultural, and negotiated study of organisational everyday life, but are also means for stakeholders to hold managers accountable for their conduct, or as a means to enact a countercultural debate or critique of the so-called 'organisational culture', these texts necessarily becomes multicultural due to its publication and exposure for internal and external critique, future demands, and expectations. In this sense changing the view from 'content' to 'enactment' offers an opening for bridging interpretations of integration, differentiation, and fragmentation perspectives. In other

words, multiple cultural meanings, motives, and expectations may be enacted in the organisation through the corporate texts and the stakeholders' diverse reactions to them. In this way the meaning of corporate reports for organisational everyday life may not necessarily be negative for subcultures that do not agree with the reports, the immediate stories within it, and the consequences from them. Elaborated from Mill's terminology (1940) I suggest that this could be called the 'enactment of motives' behind the reports.

The 'enactment of motives' is what these corporate texts 'do' to the organisation; how they come to influence the enactment of organisational everyday life. The enactment of the motives that were explicitly found within the 28 CSR reports' texts and images showed how a hybridization of the multiplicity of cultures within the organisation in practice was attempted, but partly failed. Seen from a constructivist perspective this political document enacts a series of practices in the organisation as well as it enables a range of reactions and counter reactions from stakeholders as seen in the example of the vignette. As a consequence the document becomes negotiable in terms of which practices the organisation should follow or change. In spite of eventual critique of the format and content of the CSR reports, this 'enactment of motives' and its participation in ongoing controversies make it bridge multiple cultures in organisations.

To ask this institutionalised CSR reporting culture to gain more credibility and authenticity by recognizing that the organisation consist of a multiple cultures thereby allowing more pluralism or polyphonic stakeholder voices in the texts of CSR reports is a way of saying that CSR reports represent a 'truth' that can be perceived as 'false' by critics. To balance managerial motives with other stakeholder's motives may enhance the trustworthiness and credibility of the CSR reports by the reading audience. Similarly, the archetypal, photographic images supporting the above critically evaluated texts, could be more diverse, showing problems as well as the good intentions of the companies, and display a more balanced integration of the different motives, especially those that are de-emphasised in images of CSR reports.

This paper sees the CSR reports as cultural artefacts, which in their having a political and negotiable function can enable organisational change or micro changes, and in this sense these reports bridge multiple cultures in organisations by their enactment of motives both those within the CSR reports and of diverse stakeholders reacting upon the report.

PAPER #7

Mitigating the Climate change in Exercising Sustainable Project Management in Engineering: Case studies from Scandinavia.

LINNE MARIE LAUESEN, 2013

(Prepared for review in the journal *Leadership and Management in Engineering*, American Society of Civil Engineers (ASCE). This journal does not use abstracts)

After having worked 10 years as a project manager in the Danish water sector I was given support to study PhD in corporate social responsibility in the water sector in cooperation with the Scandinavian Society of Trenchless Technology (SSTT), Vand & Affald from Svendborg, and the Copenhagen Business School. This paper reveals a study of CO_2 emissions from two different pipeline installation practices: traditional trenching (excavation) and trenchless technologies (No Dig). Seven comparative case studies were established in Scandinavia in collaboration with SSTT: two projects in both Norway and Sweden, and three projects in Denmark. The research questions guiding this study were:

1) What is the climate impact from excavation and No Dig methods respectively in pipeline installation projects?

2) What can we learn about sustainable project management from these case studies?

The findings reveal prospects for sustainable project management in the field of engineering, and the outcome has lead to a proposed model for sustainable project management available for businesses interested in working with leadership and sustainability. First, a short review is made about what sustainability and corporate social responsibility are in theory and practice, and afterwards the methodology of the study is presented followed by the findings and propositions.

SUSTAINABILITY / CORPORATE SOCIAL RESPONSIBILITY

The terms 'sustainability' and 'corporate social responsibility' (CSR) are often used interchangeably in the vast literature as well as in business practice[141]. I will delineate the main issues and instruments and finally focus on the international and intergovernmental recommendations from the United Nations Global Compact (UNGC) and the Organisations for Economic

---

[141] For a contemporary overview see Lauesen (forthcoming).

Co-operation and Development (OECD) Guidelines for Multinational Companies and their practical implications.

The academic literature of sustainability and CSR has roots back to the 1950s (e.g. Lovelock et al., 1974; Moira-Leite & Padgett, 2011). A provoking article in the New York Times written by Milton Friedman (1970) and named *"The Social Responsibility of Business is to Increase its Profits"* initiated an acrimonious debate as to what was meant by CSR.

However, almost a decade later, Archie B. Carroll was among the first to provide a CSR model with a more generally accepted definition: *"The social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organisations at a given point in time"* (Carroll, 1979, p. 500). This definition of CSR has survived in the academic literature more or less until today and also corresponds with the intergovernmental definitions we see in the UNGC and OECD Guidelines.

During the 1980s the influence of R. Edward Freeman's (1984) stakeholder theory coloured new developments of CSR concepts (Moura-Leite & Padgett, 2011). Freeman's definition of stake-holders as *"any group or individual who can affect or is affected by the achievement of the organisation's objectives"* (Freeman, 1984, p. 46) recognised the growing importance for business ethics codes as a part of CSR and stakeholder management in general.

From the 1990s the strategic management approach to CSR alongside the stakeholder approach gained strength and resilience from its recognition by the UN, the OECD, the World Bank and the Internal labour Organisation (ILO) (Moura-Leite and Padgett, 2011). In accord with this approach, Donna J. Wood revisited the Corporate Social Performance (CSP) model established by Carroll (1979). She showed that business' social responsiveness to institutionalised CSR consisted of environmental assessment, stakeholder management, and issues management, whereas CSP constituted the social impacts, programmes, and policies made by business (Wood, 1991, p. 691). The idea of 'sustainability' was inherited within the framework of these new categories although it as an academic field led its life in parallel to the CSR movement.

Alongside new findings and ideas within the sustainability literature developed, they were immediately adopted in the above framing of CSR as a 'cause', which CSR models had to aim to protect (e.g. Frederick 1998). For instance, the Gaia Hypothesis offered by James Lovelock and Lynn Margulis (1974) claimed that the biosphere of the planet Earth formed a complex interacting system as a whole organism, where the biosphere has a regulatory effect (homeostasis) on

the Earth's environment in a limited capacity (Lovelock, 2006). This hypothesis says that nature will and can adapt to certain changes in order to sustain itself. However, this has been contested by the rainforest reduction, depletion of natural resources and biodiversity, and the addition of greenhouse gases to the atmosphere, which Lovelock argues is the planet's natural reaction to human impact. The Brundtland Report (1989) recognised that these delimiting tendencies were getting out of control and defined sustainable development as *"development that meets the needs of the present without compromising the ability of future generations to meet their own needs"* (Brundtland Report, 1989, p. 43).

Moving from a vague definition of CSR to an incorporation of business ethics, stakeholder theory, strategic management and performance, and sustainability, the Millennium with its IT boom exploded with academic titles about CSR and sustainability (Lauesen, forthcoming). From this initiation the United Nation Global Compact (Annan, 1999) and OECD Guidelines (Gordon, 2001) began together with the ILO[142] to frame their intergovernmental understandings of what CSR and sustainability were meant to comprise both politically and for business practice.

The OECD Guidelines for Multinational Enterprises have a history dating back to 1976. However it was not until 2001, where the UN defined how they perceived CSR in their Global Compact, that the OECD adopted these principles into the Guidelines. The UN Global Compact defines CSR as specific principles covering human rights, labour, environment, sustainable behaviour, and anti-corruption. The debates in intergovernmental policy making as well in the academic literature concerning business practices to do with CSR and sustainability were very concerned about the rising problems they saw. Sweatshop activities including the use of child labour in the supply chain factories of multinational companies; women's rights violations; and the major environmental disasters such as the oil spills and exploitations in Third World countries during the 1990s came on the agenda.

These scandals initiated a harsh critique of specific multinational companies. Many of them, however, responded and changed their conduct and adopted CSR and sustainability principles, which they tried to implement in the periphery states in which they operated as a kind of reputation recovery operation to stop customers fleeing. The debate is still going on in the first decade of the Millennium as to whether multinationals have succeeded in enacting CSR and sustainable practices in a proper manner. Critics say that CSR and sustainability are being misused by com-

---

[142] International Labour Organization

panies only for reputation management–'greenwashing' and 'window-dressing'–and have not gained the prominence and excellence suggested by their ethical intentions. On the other hand, we see many good examples of even small companies actually doing good things for society, who manage to combine social, environmental, and financial sustainability (e.g. Haigh & Hoffman, 2012) in a time where the financial crisis is still affecting the lives of people and business all around the world.

The aim of this paper is to investigate the effects of a water company and its building contractors' efforts in creating sustainable project management. I reveal both the difficulties and the successes and come to the conclusion that both things constitute a model for how engineers can succeed in sustainable project management by considering the aspects based upon concrete findings from our study.

METHODOLOGY

A range of members of SSTT including developers, entrepreneurs, and constructors volunteered to participate in case studies with the aim of learning how to become part of a sustainable future. A spirit of *"if we can show how to conduct our business socially, responsibly, and sustainably, there is no end of advantage for our triple-bottom lines"* (i.e. economic, social, and environmental outcome). The cases in the project were already established and in their beginning phase, which diminished the costs of establishing new and unplanned projects in the field.

To eliminate the risks of failure of the investigation, data consisted of few, but crucial indicators, which I found manageable for the data collectors, who were also the project managers of the case study projects. These indicators included:

- Pipe material, dimension and length
- Production method (description)
- Installation method (description)
- Fuel consumption (all kinds)
- Material consumption (all kinds)
- Transportation (kilometres)
- Total man-hours used

Two small projects from Norway soon provided these data, and a project from Sweden followed afterwards. These data were the results from trenchless technologies and comparisons with traditional excavation from earlier projects. In Denmark two new projects were established. The first

had three parallel pipeline installations done by two trenchless technologies and one by traditional excavation respectively. The second compared two different trenchless technologies. In the latter it was not possible to gather data from traditional excavation, because a local contractor, who did not participate in our investigation, wasin charge of this.

The project managers had instructed their constructors how to fill in the schemas and rigorously note every drop of fuel and material spent and waste produced. The constructors should differentiate whether they were working on the trenching part or on which one of the trenchless parts in order not to mix the data up.

After having received all the data my calculation of the CO_2 impact from the data began. In Europe the polymer sector had sponsored a report comparing different polymer materials for pipes and revealing data from scientific tests carried out by academic researchers. However, the concrete sector refused to provide any specific data and referred to local consultancy reports. I decided, however, to use independent research-based data of concrete materials in order to be able to calculate the CO_2 impact from our Scandinavian study.

In the seven case studies the following premises guided the comparability and reliability of the data:

- The pipeline installations comprised respectively traditional trenching (excavation) and trenchless technologies (No Dig) as comparable methods in areas of geological conditions of soil materials (not rock). The geographical context was urban areas, and the timeframe of the projects was from 2011 - 2013.

- The case studies were chosen to represent as broad a range as possible according to the range of pipe sizes (from ø90 mm to ø1600 mm) and represented both composite and concrete pipe materials. It was not possible to follow a project using ductile pipes or projects established in rock materials. However, these types of pipe materials and installations are also relatively rare in Scandinavia due to the cost of rock bursting and installation of ductile pipes. Our cases thus represent typical No Dig versus excavation projects in Scandinavia.

- The data collection consisted of volumes of fuel, materials used, waste produced, man-hours and economy spent, and in one of the cases a citizen survey in the respective areas

of the project were carried out. The raw data were as free of estimates and as possible and collected in as standardised formats and schemas as possible provided by the researcher of the project. The project managers in charge of the projects collected the data from their work, and the researcher conducted qualitative interviews with the citizens.

- Data from the production of pipe materials, installation of pipelines, and transport of materials after collection were theoretically calculated into CO_2 emissions for comparison between No Dig and excavation techniques. In order to compare different pipe sizes all results were calculated into kilogramme (kg) CO_2 per inner volume cubicmetres (m^3). Thereby it was possible to compare how much emission it took to produce 1 m^3 of inner pipe volume independent of pipe size and material. This calculation used conversion factors found in the literature, which is referred to in the endnotes of the paper[143].

---

[143] Conversion factors used to calculate the CO_2 emission from energy and material production:
- Fuel (kg CO_2/liter):
  - Diesel: 2.8535
  - Petrol: 2.2423
  - Oil: 2.5443
  - Source: Defra/DECC 2012 (direct emission factors)
- Electricity (kg CO_2/kWh):
  -              0.416
  - Source: SEF Svendborg 2012 – conservatively used factor in all cases since a local CO_2-factor were not possible to get. This factor may be lower abroad since in Denmark a high level of energy from wind turbines are included, and in Norway and Sweden hydro works providing energy from water turbines are also common as low emission electricity generators.
- Water/wastewater (kg CO_2/liter):
  -              0.0005308
  - Source: Vand & Affald, Svendborg 2012 – a conservatively used factor is used in all cases since a local CO_2-factor was not possible to get.
- Sand/gravel (kg CO_2/tonnes):
  -              3.98
  - Source: UK Quarry Products Association (QPA 2008), referred in 'Sustainable Aggregates – CO_2 emission factor study 2010', ARRB Group, Australia, retrieved June 6th 2013 at http://www.sustainableaggregates.com.au/docs/SASA_C02_Emission_Factor_Study.pdf
- Crushed stones/concrete (kg CO_2/tonnes):
  -              4.02
  - Source: Same as above.
- Asphalt (kg CO_2/tonnes):
  -              179
  - Source: Report from the Danish consultancy company COWI to the Danish Railway Authorities BaneDanmark 2011: "CO2 opgørelse for opgradering, elektrificering og drift af jernbane mellem Ringsted og Holeby", retrieved June 6th 2013 at: http://www.bane.dk/db/filarkiv/9132/H1_TB_CO2%20opg%F8relse.pdf (in Danish only).
- Concrete, in-situ, (kg CO_2/tonnes):
  -              147
  - Source: National Ready Mixed Concrete Association, USA: "NRMCA Publication Number 2PCO2: Concrete CO_2 Fact Sheet. February 2012", retrieved June 6th 2013 at:

- As the results are calculated as descriptive statistics they do not explain statistical variance between arbitrary samples, but variance between different samples grouped in a No Dig cluster and an excavation cluster. If it is possible to see a specific difference in CO_2 emission from the cluster of trenched methods (excavation) compared to the cluster trenchless methods (No Dig) all else being equal, then it is possible to talk about a tendency (Flyvbjerg, 2006). Although the cases are unique and their variety represents the range of differences expected in the field based upon maximum variety, it makes us capable of analytically generalising our findings (Flyvbjerg, 2006).

- Interviews, taped meetings, email correspondence with stakeholders, and field notes were conducted and respondents' names were made anonymous by the researcher in the interests of the trustworthiness and reliability of the quality of this kind of empirical material. Stakeholders interviewed were neighbours and owners living in the area of the pipe installations, while interviews, taped meetings, email correspondence, and field notes in relation to this part of the PhD were conducted with top managers, middle managers, project managers, constructors, consultants, suppliers, and branch organisations. Papers, where these qualitative data are presented in more detail, are shown in the reference list (see own publications).

---

http://www.nrmca.org/sustainability/CONCRETE%20CO2%20FACT%20SHEET%20FEB%202012.pdf
- Steel (kg CO_2/tonnes):
  - 1.78
  - Source: Report from the Danish consultancy company COWI to the Danish Railway Authorities BaneDanmark 2011, see link above.
- Polymer pipes (kg CO_2/kg material):
  - Different estimated CO_2 emission factors are extrapolated from: TEPPFA - The European Plastic Pipes and Fittings Association's LCA-analysis: Production and installation of diverse polymer pipes. Factors used only for production and installation. See http://teppfa.eu/sustainability-a-environment/-epd.html
- CIPP-hoses (kg CO_2/kg material):
  - The CO_2 emission factors are rare to find measured or calculated by Scandinavian CIPP manufacturers. Data from one large company were provided, which were used conservatively in all cases and extrapolated from because of the wall thickness of similar products. The different factors provided are part of this company's ownership and cannot be publicised in this paper due to confidentiality and possible misuse of this information by competitors.

I have divided the results into three categories in order to see whether one phase of the project had more impact upon CO_2 emissions than others:

1. Production of pipe materials phase
2. Installation phase
3. Total phase: Production, installation and transportation.

The materials and their contribution to the CO_2 emission are shown in Figure 1. We see a pattern of different CO_2 contributions where the largest impact from pipe material is seen in the

FIGURE 1: TRADED AND TYPICALLY USED PIPE MATERIALS AND SIZES IN WATER AND SEWER PROJECTS IN SCANDINAVIA

small pipes. For instance polyethylene (PE) pipes for water mains have in small sizes a relatively larger wall and protection shield in order to prevent influx of contaminants, which makes their CO_2 emission relatively high in sizes ø90-110 mm. We also see that PVC has a relatively higher emission than other composite materials. Concrete pipes are in Scandinavia typically not used below ø500 mm although they are traded down to ø300 mm. However, in terms of kg CO_2/m^3 they follow the pattern that the larger the volume, the lower the emission per produced inner pipe volume.

In Figure 2 the different case studies are divided into the three phases. We see that the production of pipe material is slightly more contributory to the CO_2 emission than the installation part of the project, and especially in projects that are excavated the contribution of materials peaks compared to the No Dig projects in the nearby area and nearby pipe dimensions.

The total sum of production of pipe materials, installation, and transport is shown as the accumulation curve above the others. After this, data from the total phase were used; production,
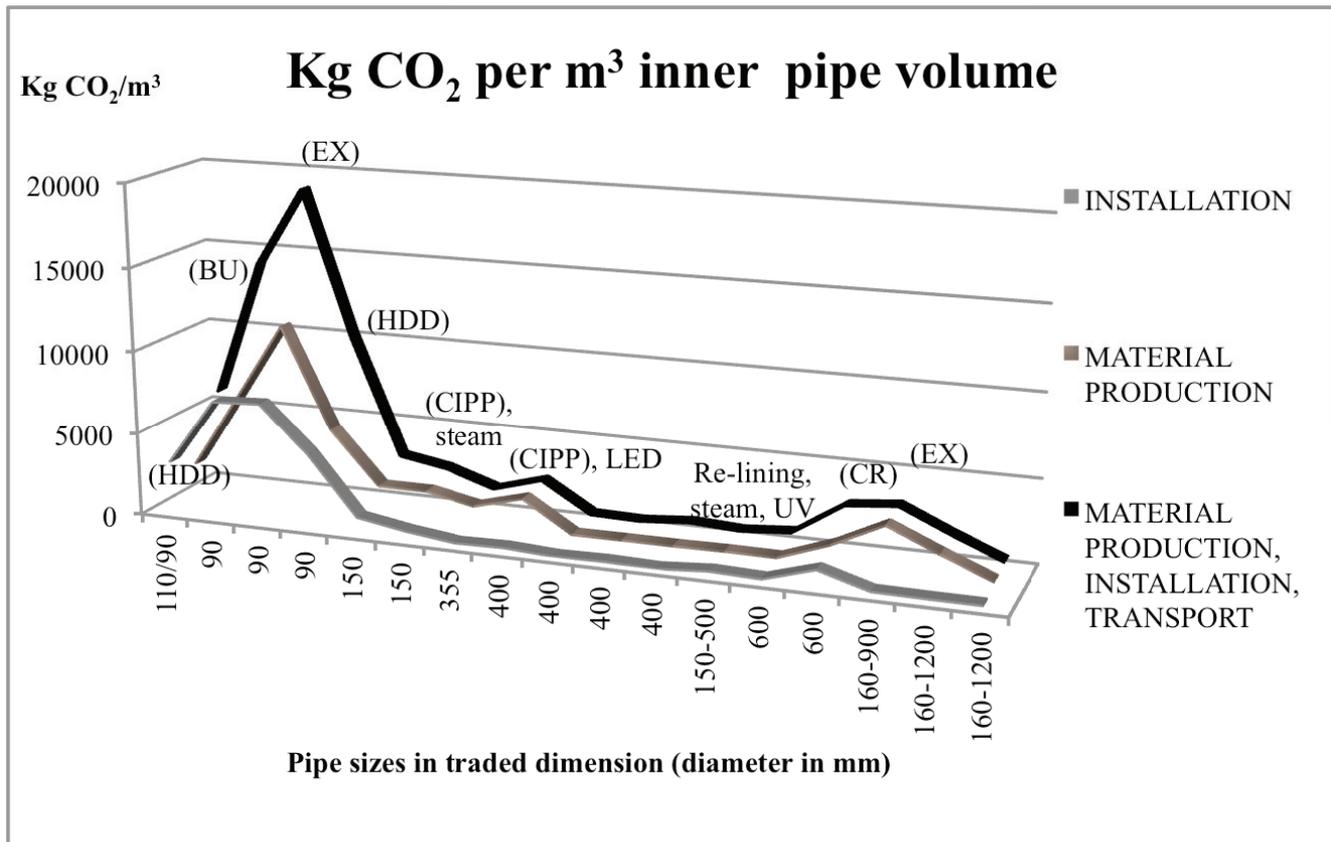
FIGURE 2: CO₂ EMISSION FROM MATERIAL PRODUCTION, INSTALLATION AND TRANSPORT
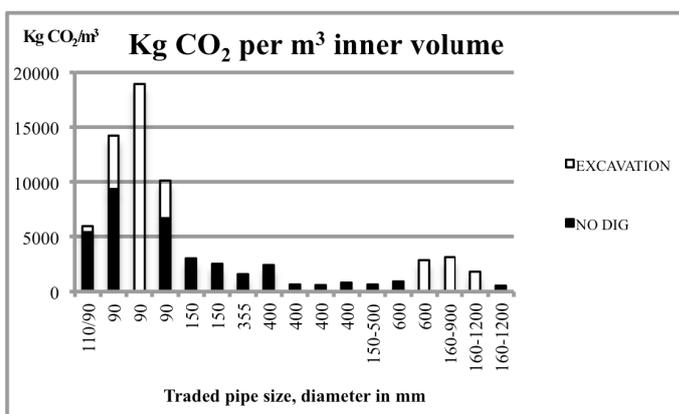
FIGURE 3: SAMPLES SPLIT IN EXCAVATION AND NO DIG

installation, and transportation, and all data were following separated into strictly excavation and strictly No Dig in order to find a reliable mean difference between these two installation techniques. See Figure 3.

Various No Dig methods partly involve excavation, for instance when a main pipe is to be connected to a branch. This
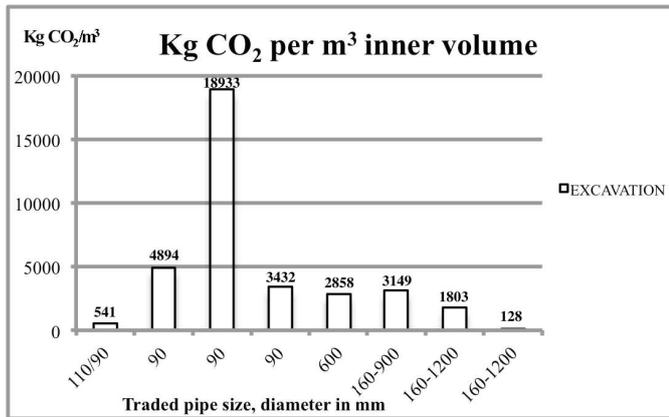
FIGURE 4: CO$_2$ EMISSION FROM EXCAVATION
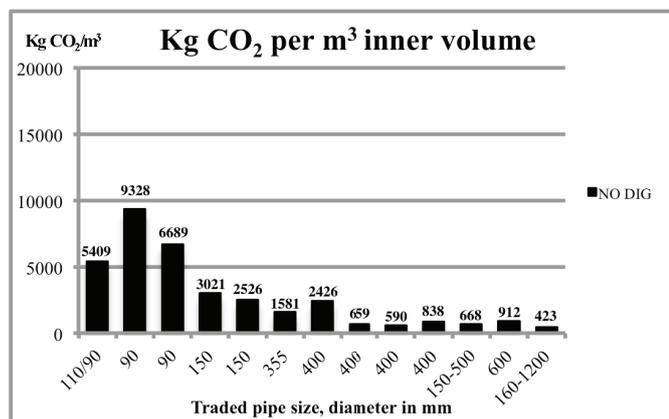
FIGURE 5: CO$_2$ EMISSION FROM NO DIG

is typical for Horizontal Directional Drilling (HDD), pipe bursting (BU), pipe cracking (CR), but it is more rarely seen in Cured In Place Pipe (CIPP) or other types of relining of an existing pipe. Thus, the excavation part of these projects are measured separately in order to find the difference, and afterwards discussed in the findings of how these mixed methods affect the various projects. First, all cases including their various subcases are aligned according to pipe sizes and each case is divided into how much is No Dig and how much excavation. Those projects marked in white (Figure 4) are excavation without any No Dig involved. Those in black (Figure 5) are No Dig with no excavation involved, typically CIPP and relin-

ing methods. Those with mixed white and black are No Dig methods partly involving excavation such as pipe bursting and pipe cracking.

The next step involved splitting the No Dig from excavation. To derive the result in terms of a rule of thumb, that decision makers can use in deciding whether they should use No Dig or excavation when considering CO$_2$ emissions and impact upon the climate, I suggest, due to the skewedness of the distribution, to compare the medians of each method (Weiers, 2010). The

	Excavation	No Dig
Mean (kg CO$_2$/m^3)	4.467	2.698
Median (kg CO$_2$/m^3)	3.004	1.581
Mean relation	Excavation = 1.66 No Dig	
Median relation	**Excavation = 1.90 No Dig**	

TABLE 1: CO$_2$ RELATIONSHIP BETWEEN EXCAVATION AND NO DIG

results in Table 1 shows both the mean and the median.

I suggest as a rule of thumb that the difference between using No Dig and excavation in terms of CO$_2$ emission in kg CO$_2$ per m^3 inner pipe volume can be regarded as:

Excavation / No Dig ≈ 2

Excavation provides a median emission that is twice as high as No Dig ranging from the largest difference of 4.71 in comparing pure excavation (Fig. 3, no. 15, pooled ø160-900 mm) with pure No Dig (CIPP) (Fig. 3, no. 12, pooled ø150-500 mm)[144] to 0.30 in mixed No Dig-excavation methods (Fig. 3, no. 17, pooled ø160-1200 mm)[145]. The largest emissions were seen in the small dimensions, where No Dig (HDD) in ø90/110 mm (Fig. 3, no. 1) showed 5,950 kg CO_2/m^3 versus excavation of ø90 mm (Fig. 3, no. 3) 18,933 kg CO_2/m^3 with a difference of factor 3.18.

From the qualitative material consisting of interviews, documents, and observation studies we learned that managing projects in a sustainable and socially responsible way takes a certain energy to implement:

> *Project manager: "The hardest thing for me was to persuade the contractors that they should do this extra data collection and that it would benefit their companies as well as ours. They did what I asked them to because they are paid to, but I guess they thought it was rather ridiculous and only extra work for them". (Interview D, June 2012, my translation).*

This quote is an example of why it had been necessary to engage all the workers including those in the supply chain such as the constructors, in collecting data and behaving in a certain way, which the developers found appropriate. However, when asking a contractor, they often do not see the problem, because they too had an interest in participating in becoming a sustainable company themselves:

> *Constructor: "We would like more developers to ask us to perform their projects in more sustainable ways. They pay us to work either to be cheap and crude or to be the showcase for sustainable behaviour. It is very simple. We would not win any tenders if we claimed that we would only work in this or that way. It HAS to come from the developers to set the sustainability agenda!" (Interview J, January 2012, my translation).*

> *Citizen: "Did someone tell the workers to be so nice to us residents all the time they were working in our area? I wondered why they were so extraordinary respectful and helpful with everything so that they did not bother us at all even though they worked with these enormous machines etc. They moved around as*

---

[144] These samples are from the same case study where data is pooled over a year from an urban area of approx. 250,000 inhabitants.
[145] The No Dig and excavation part of the pooled sample was separable in clusters.

soon as they saw a car approaching making way for it and came to us with all kinds of valuable information. Someone must have told them to!" (Interview no. 8, January 2012, my translation).

Constructor: "We always try to be helpful and kind towards the citizens and residents in the neighbourhood of our different road works. If we are not, they complain and ruin our work, and it destroys our reputation and our entire working climate. So no matter what the developers say, we ALWAYS, I would claim, act politely and helpfully towards citizens! Or else, we are out of the market!" (Interview J, January 2012, my translation).

These quotes reflect that the responsibility of being sustainable has to come from the developers, or those who control the moneybox. However, it also reveals that constructors do not always want just to make money the cheapest way, but to be able to brand themselves as being a sustainable and socially responsible company through their behaviour.

From the findings referred to both the difficulties and opportunities for management practice to enact corporate social responsibility and sustainability in pipe rehabilitation projects we learned that to manage such objectives takes a certain amount of leadership, encouragement, motivation, and hard work to fulfil the vision and mission of becoming a fully sustainable and socially responsible company in totality, as displayed below in Figure 6. The case studies showed what could be called the 'reverse Armstrong quote' (Armstrong, July 21, 1969, NASA, Houston): what is one small step for the sustainability of mankind, takes one giant leap for a company.

CONCLUSIONS AND RECOMMENDATIONS

We are all aware of the grand discussions of how to become sustainable and socially responsible companies. However, few have invited us inside to observe the work it takes to practise this vision of being socially responsible and sustainable corporations. From this study we have learned that for managers in the water sector working with pipe rehabilitation, it takes much leadership as well as much work before it is possible to claim to be sustainable or to be practising corporate social responsibility in all aspects of business conduct. The findings suggesting a rule of thumb based on the the difference in CO_2 emission between excavation and No Dig revealed that trenchless technologies are half as low in CO_2 emission as traditional trenching methods. These findings are based upon cooperation with the SSTT members in these projects, and from this I suggest a model of how to conduct sustainable project management as seen in Figure 6.
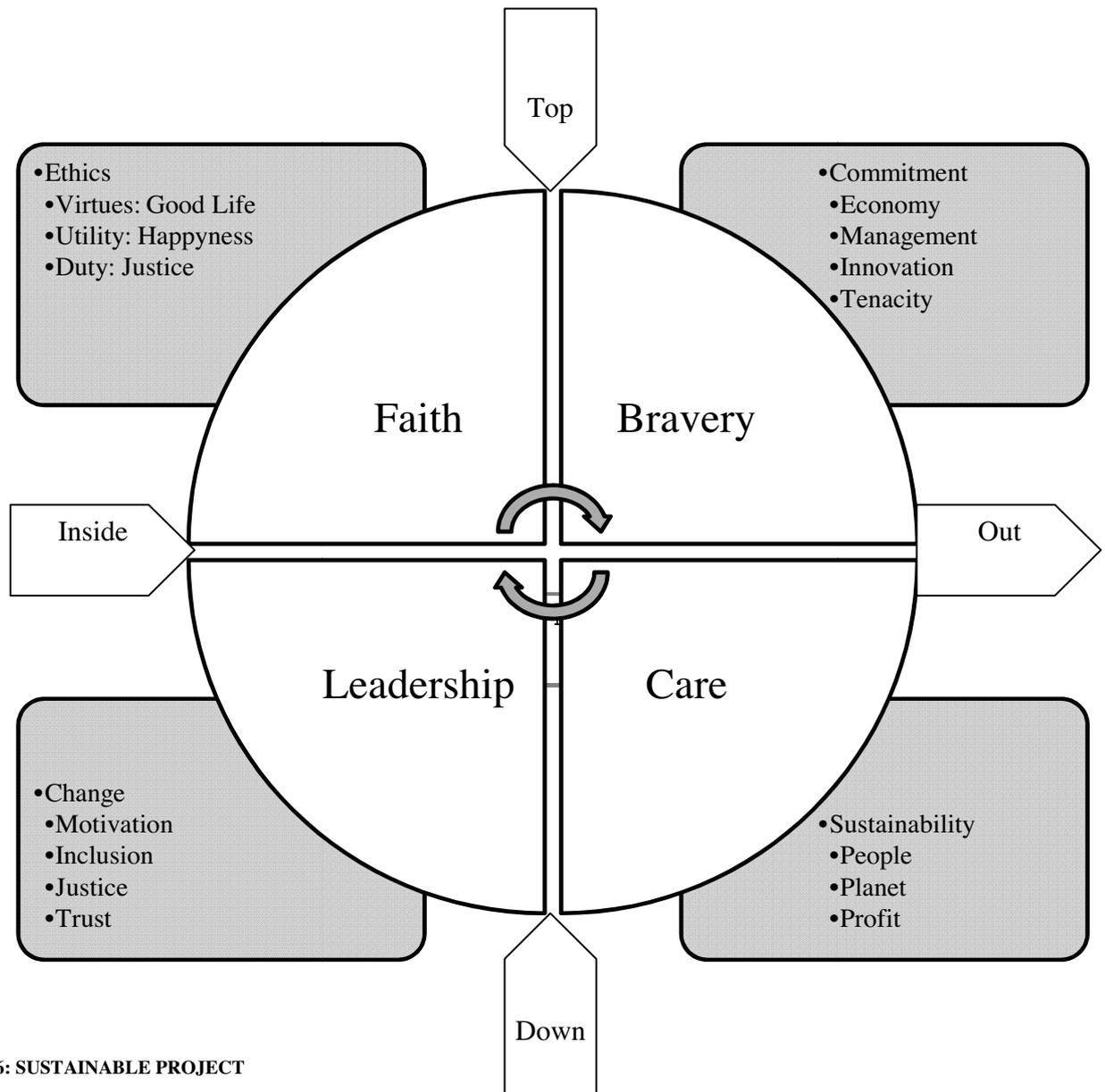
FIGURE 6: SUSTAINABLE PROJECT

The proposed model in Figure 6 expresses a need for leadership to manage sustainable projects that encapsulates *faith* in ethics related to the business and its stakeholders; *bravery* in commitment to the overall purpose of business conduct; *care* for sustainability as a 'cause'; and *leadership* in managing sustainable projects in sustainable ways related to the actual project in question. Each of the four core issues is explained in the paragraphs below.

Faith in ethical values is concerned with moral issues. Although the three kinds of ethics; virtue ethics; utility ethics; and duty ethics; are fundamentally different in philosophical mindset, they all share a common denominator of morality, saying that man should create a good life for all in a just and happy way (e.g. Kant, 1787/1999; about Aristotle's virtue ethics, see Hursthouse,

1999; about utility ethics and Bentham & Mill, see Hall, 1949). In this model it makes no difference which ethical standpoint is taken towards having faith. The fundamental issue is that having faith in ethical matters and applying this to the conduct of the business 'doing good' for all stakeholders and their environments and serving justice in a fair and equal manner is what it takes to be able to engage in CSR and sustainability, because the reverse–bad conduct and injustice–is a vice which is much easier and much cheaper. In this sense faith becomes linked to sustainability as an end.

Bravery is a personal trait as a means that is necessary to implement the faith in the business ethics mentioned before. However, bravery does not come automatically in the business world; it is in need of economic support in order to have something to exchange in purchasing a good; it is in need of management as a kind of human capital of diverse skills in planning, administrating, controlling, and problem solving in order to establish the change needed; and it often needs innovation in order to reduce the costs and be efficient and effective to achieve the task in hand in a world of limited resources (e.g. Mintzberg, 1982, 1987, 2003).

Care is another personal trait necessary in connection with the ethical faith and the bravery needed to execute it. In this sense care is the direction to which the faith and bravery is addressed; towards sustainability as a higher purpose and end in the care for people, planet and profit (Lovelock & Margulis, 1974; Brundtland, 1989; Aras & Crowther, 2009). The balance of these three objectives within the very idea of sustainability is part of the new revival of the sustainability approach, where economic goals are not separated from environmental and human goals (see Freeman & Velamuri, 2008 about the fallacy of the 'separation thesis' between these phenomena).

Leadership is a final means toward the end, which through motivation, inclusion, justice and trust (see Hofstede, 1980; Phillai et al., 1999; Krafft et al., 2004) offers a possibility for an entire organisation to share the bravery to the behind a task or project. The 'lonely, brave rider' seldom accomplishes complicated goals alone, and this is where leadership has its great opportunity to act as an appropriate means. In this sense it is necessary to understand why management is not sufficient and thereby to understand the difference between 'management' and 'leadership' (Kotter, 1990). Management is instrumental and administrative involving planning, organising, controlling, and problem solving in order to create consistency and order (Kotter, 1990, p. 4). Leadership, on the other hand, produces movement, change and establishes direction, alignment

of people, and is motivating and inspiring (Kotter, 1990, pp. 4-5). The one cannot live without the other.

The *inside-out* axis shows how this model in order to succeed must be implemented at the very core of the organisation and sustained in the last instance by everyone in the entire organisational environment around a project. In other words; anyone who has an impact upon the project must live up to the model and its visions in order for the project to be socially responsible and sustainable and fulfil its ultimate ideal.

The *top-down* axis shows how this model in order to succeed must be supported from the top of the organisation to the bottom, meaning that if the vision is not taken up in the entire organisation, even one weak link can make the vision crumble.

The eventual success of the projects examined in this paper was only due to the faith, commitment, care and leadership managed as an inside-out manner by the organisations, which had these ideas anchored from the top management to the field workers. The rate of the success may be discussed from various perspectives. Knowing the costs and benefits revealed in this paper, I do not claim that the projects were managed to be fully sustainable and socially responsible in every small instance of its multiple processes. I only recommend a way to proceed with such an idea and some tools usable for sustainable project management.

PAPER #8

The role of materials and material practices in institutional logics

LINNE MARIE LAUESEN, 2013

ABSTRACT

This paper is a result of a three-year study of institutional logics in the water sector and it's grounding in material practices. It is based upon a cross-geographical case study of 28 water companies from Denmark, the United Kingdom, the United States, and South Africa from 2011 - 2013. It contains reference to a qualitative analysis of 50 interviews and meetings with managers and regulators of Danish water companies and an archival study from 2000 - 2013 of water companies from the above nations.

The paper identifies how a logic based on corporate social responsibility in the water companies both competes and coexists with a logic based on new public management ideas from their regulators. It also shows how the institutional logics inherent in these logics are grounded in the materials and material practices in these companies and their regulators.

Materials are found to be symbolic carriers of ideas and physical manifestations of value in institutional logics. Material practices within institutional logics are found to be the creation and/or manifestation of ideas and values into materials and objects and the reciprocal exchange or symbolic exhibition of them in social interaction.

Keywords: Case study, corporate social responsibility, institutional analysis, institutional logics, public administration and organisations

INTRODUCTION

The well-known concept of institutional logics coined by Friedland & Alford (1991) in *Bringing society back in: Symbols, practices and institutional contradictions* in the so-called 'orange book' edited by Walter W. Powell and Paul J. DiMaggio was initially called 'The Logic of Institutions' and based upon the following idea:

> *"Each of the most important institutional orders of contemporary Western societies has a central logic – a set of material practices and symbolic construc-*

---

[146] also known as "version 1" according to SAGE, see http://www.sagepub.com/journalsPermissions.nav under "**Authors Re-using Their Own Work**" at the bottom of the page.

tions- which constitutes its organizing principles and which is available to or-
ganisations and individuals to elaborate." (Friedland & Alford, 1991, p. 248).

Friedland & Alford defined institutions as *"supraorganisational patterns of human activity by which individuals and organisations produce and reproduce their material subsistence and organize time and space"* (Friedland & Alford, 1991, p. 243) for which they proposed five major categories of institutional logics (IL)[147] respectively: that of capitalism, the state, democracy, the family, and religion/science. Organising, they proposed, is mediated by these central logics, for instance to accumulate the commodification of human activity by the IL of capitalism; to rationalise and regulate human activity by the IL of the state; to participation in popular control over human activity by the IL of democracy; to motivate human activity into community and loyalty towards its members by the IL of family; and to symbolically construct the reality of human activity by the IL of religion/science.

These suggestions remained uncommented upon for almost a decade until Thornton & Ocasio (2008) took up the thread (Lounsbury & Boxenbaum, 2013) and defined 'institutional logics' as:

"The social constructed, historical patterns of cultural symbols and material practices, including assumptions, values, and beliefs, by which individuals and organisations provide meaning to their daily activity, organize time and space, and reproduce their lives and experiences." (Thornton et al., 2012, p. 2).

Thornton et al. (2012) wanted to make this idea into an institutional metatheoretical framework that could be used for the institutional analysis of the interrelationships between institutions, organisations, and individuals in a social system. The theoretical premises were the duality between agency and structure, historical contingency, material, and symbolic institutions prone to multilevel analysis (Thornton et al., 2012, p. 6). They addressed the claim initiated by DiMaggio (1988, p. 4) of the deficits of neoinstitutional theory in which he called for interest, agency, and institutional entrepreneurship all to be considered, since neoinstitutional theory so far had not focused on human interest and agency. Since DiMaggio's critique, scholars within neoinstitutional theory have initiated the emergence of new developments of agency-based (post-) neoinstitutional theories such as Institutional Entrepreneurship, Institutional Work, and Institutional Logics (Friedland & Alford, 1991; Thornton et al., 1999, 2005, 2008, 2012; Lawrence & Suddaby, 2006; Battilana et al., 2009).

---

[147] from here on I will occasionally when appropriate distinguish between institutional logics by writing the abbreviation (IL) and other logic by spelling them out such as "the logic of..."

Thornton et al. (2012, p. 6) framed the Institutional Logics' Perspective as a response and reaction to institutional isomorphism (DiMaggio & Powell, 1983), where agency is constrained by the institutional macrostructures in which the organisations were placed. This made other scholars claim that agents were seen as 'institutional dopes' (Campbell, 2007). In the Institutional Logics' Perspective human and organisational interests, values and assumptions alongside the Carnegie School theories of attention were primary (Thornton, 2004) alongside its recognition of the former structural macro-view and the idea of institutional entrepreneurs. Thornton et al. (2012) wanted this perspective to frame a broad field of institutional and organisational theory in order to merge different macro- and microviews to show *"how action depends on how individuals and organisations are situated within and influenced by the spheres of different institutional orders"* (Thornton et al., 2012, p. 10).

The Institutional Logics' Perspective is thus trying to explain different institutional and organisational phenomena within one new distinct perspective. Through Thornton et al.'s interpretation of Friedland & Alford's (1991) initial ideas they try to balance on a knife edge embracing everything and being distinctive as well. Rejecting the idea from institutional isomorphism (Powell & DiMaggio, 1983) that cognitive psychology such as habits, scripts, and schemas can explain human and organisational behaviour and agency as incompetent, Thornton et al. (2012, p. 41-42) invited theories of power and strategy, the struggle between different organisational cultures, theories of decision making, interests, attention, negotiation, exchange, and vocabularies of motives (Mills, 1940) also to be part of the multiple explanations for institutional complexities (e.g. Simon, 1947; March & Simon, 1958; Cyert & March, 1963; Cohen, March, & Olsen, 1972; Gioia & Chittipeddi, 1991; March & Olsen 1984, 1996; Weick, 1976, 1995; Weick & Sutcliffe, 2001; Thornton et al., 2012, p. 93). It is not surprising that this multifaceted perspective of institutional logics has received certain criticisms for its ambitiousness in collecting a new metaframe of different institutional, psychological, and organisational theories into one perspective that might seem ambiguous to some scholars.

Thornton et al.'s theory of Institutional Logics' Perspective has been criticised for determining agency *a priori*, which for instance Binder (2007) claims is not the case, because multiple logics are combined in complexities serving the needs and motives of the inhabitants of the institutions in question. Another critique comes from Friedland (2013), who claims that Thornton et al.'s (2012) perspective has been stuffed with too much 'substance'. Substances cannot be reduced to arbitrary properties nor to materiality but are kinds of states with which one has instrumental or

ownership relations, and which are *"enacted through material practices organized around objects, through things and bodies, and the words by which they are named and constituted"* (Friedland, 2013, p. 34). This means that humans can do something with objects and things through the state of ownership and easily transfigure substances into things and objects, which are easier to conceive than abstract notions (Friedland, 2013, pp. 34-35).

Friedland saw the modern state and its figures of power, divinity, and love dovetailing symbolically in practice (Alford & Friedland, 1985, p. 432; cited in Friedland, 2013, p. 26). Therefore he and Alford attributed institutional logics to power, vocabularies of motives and beliefs, and the processes by which these interests were conditioned by those logics as an institutional specificity (Friedland & Alford, 1985).

Friedland was occupied with how institutional logics could be reframed as cross-institutional virtues, which were replicated towards other like domains, as for example non-religious states, bureaucracies, market states etc. to understand how the domain of religion had deceived the domain of nationalism and policy making in state bureaucracies and democracies (Friedland, 2013, p. 27). *Bringing Society Back In* (Friedland & Alford, 1991) was aimed at the *"reduction of the social to the individual and organisational decisions"* and to pair them with a non-totalising understanding of the social in tensions of independent and contradictory, heterogenic institutional fields (Friedland, 2013, p. 27).

Friedland wanted to show that *"all institutions had metaphysical foundation beyond sense and reason"*; that a trans-institutional understanding of instrumental rationality was misconceived; and that the formations of both subjects and objects are co-implicated. Institutions can thus be seen through the transcendent illumination of a kind of (quasi-) religion, which has its own 'gods', 'enlightenment', 'illuminations', 'enchantments' and 'values' that the subjects adhering to them 'love'. Institutional logics are thus the means for understanding the agents in certain social orders and how they have come to love its rationalities and worship (or celebrate) the inherent 'gods' behind these orders whether it is the market, bureaucracy, democracy, religion or other such domains. Their values such as 'salvation' to religion, 'aesthetics' to the arts, 'power' to politics, 'property' to capitalism, and 'knowledge' to science is a logical, teleological consistency exercising 'power over man'. The cultural content is a *"substantive value with a 'determinant content' which derives its authority from the will of those who value it, known through the particular discourse and practices through which it and its constituting conflict with other values is effected"* (Friedland, 2013, p. 28).

What anchors the value into the institutional logic is then explained by the aforementioned 'substances' (Friedland, 2013, p. 34). Institutional logics thus presume institutional meaningfulness as well as individual or organisational interests and power as interdependent, but constitutional features unlike Thornton et al.'s (2012) perception that it posits *"different interpretations of how to use power"* (Friedland, 2013, p. 35). In this way Friedland emphasises that power is relational, which is constituted in the institutional logic rather than being a matter of behaviour or cognition.

Thus, institutional logics are not blindly steering human agency but binding values, material practices, and observable objects through the substances inherited by them, since institutional logics are *"practical forms of value rationality"* (Friedland, 2013, p. 36). The 'substances' bridge and classify actionable objects, and they bind normative morality and ethics *"as a transcendental value, which specifies what ought to be desired"* throughout each social order enabling and forming agents, who either can voluntarily accept or reject it. The substances bridge this voluntary agency with contingent structure through their institutional logics (Friedland, 2013, p. 38).

Friedland implicitly argues for not making institutional logics into a kind of model as if these logics work as institutions themselves and in the old macroperspective sense control human agency or divide it into different institutional spheres or 'pillars'. Rather they should be seen as value binding substances in which human agency can voluntarily can jump back and forth as it suits them. Friedland's ideational critique of the Institutional Logics' Perspective thus leaves an open question of how to link material practices into these value binding substances. This role of the material practices has been under-researched and is thus an emergent field within the Institutional Logics' Perspective (Jones et al., 2013, p. 51), which this paper seeks to address.

As one of the few, Jones et al. (2013) found that the material dimension of institutional logics has mainly been interpreted as practices and structures, but rarely as physical objects of study and which roles agents attach to materials and how they form their material practices around them. Scholars should not *"shy away from trying to specify how material underpin practices"* (Jones et al., 2013, p. 65) and how they instantiate the ideas or symbolic forms of the objects, how they change, and impact role relations and changes of practices and in that way how material may connect ideation and practices (Jones et al., 2013, p. 66). This paper follows Jones et al.'s request and consults cultural theories in order to find ways of defining materials and mate-

rial practices in order afterwards to test this according to the substances as seen through the Institutional Logics' Perspective.

THE ROLE OF MATERIALS AND MATERIAL PRACTICES IN INSTITUTIONAL LOGICS

The literature of cultural theory offers some suggestions as to how materials such as physical objects and material practices such as the use of these materials have been framed in earlier studies. Tylor (1871) was among the first to delineate a culture through defining its subject matter through the progressive analysis of the material of observation (Kroeber and Kluckholm, 1952; Stocking, 1966, p. 868). Later, the Polish-English anthropologist Malinowski (1922) in his study of the Kula Ring in Papua, New Guinea and its exchange of gifts, the role of materials was explicitly described as reflecting cultural values (Ziegler, 1990; Jones et al., 2013, p. 68). Through explaining how economic and social exchange were linked together in establishing the social order in tribal societies primery for commercial trade, Malinowski initiated the viability of materiality and value in cultural studies (Ziegler, 1990, p. 142).

At the same time, the German economist and sociologist Weber (1922/1978)[148] developed his theory of bureaucracy and described the notion of 'red tape' (regulation) in bureaucracy through his theorisation of 'value' as 'orderly rationality' and as an ideal way to organise a working culture. Weber framed bureaucracy by the metaphor 'the iron cage' meaning rigid boundaries such as hierarchies, management by rules, organisation by functionality, and impersonal treatment of every individual in an equal way. What we could call materials and material practices, Weber called 'artefacts', which should be understood in terms of the meaning which their production has for human action either as a means or an end (Weber, 1921/1922; in Roth & Wittich, 1978, p. 7). This resonates with Malinowski's observations of gift giving as a social exchange (or trade) in rural tribal areas ultimately upholding human basic needs of life in material as well as extra-material consumerism and welfare.

The early Chicago School pragmatists (e.g. Park, Thomas, Burgess, and their students) studied urban ethnography in exotic, odd milieus among the deviant, the criminal, the homeless, the gangs, and the opium addicts, but also in powerful bureaucracies such as medical professionals, school teachers, policemen, and business men among others (Van Maanen, 1988). These scholars were looking for facts and meanings of human activity, which they found related to the so-

---

[148] although Weber has not been regarded as a scholar of cultural studies

cial structures of regulation or community succession,[149] and concrete physical environmental factors such as buildings, vegetation, availability and accessibility of food, and other materials for exchange such as money acquired either through work or crime (Clements, 1916; Thomas & Znaniecki, 1918; Park, 1915; Park, Burgess, & McKenzie, 1925).

Later, scholars of social psychology and ethnography found in the 1970s-80s that materiality in the form of texts[150], art, music, and games had the intrinsic purpose of transmitting ideational values to an audience or group members of a community (e.g. Blumer, 1969; Becker & Geer, 1970; Goffman, 1974; Glaser & Strauss, 1967; Geertz, 1973; Spradley, 1979, 1980; Clifford, 1988; Van Maanen, 1988; Fine, 1995). The value of materials according to symbolic interactionism is seen on the basis of the meanings that things have for human actions in relation to them (Blumer, 1969, p. 2). Human beings interpret these things and modify these meanings through the process of social interaction (Blumer, 1969, p. 2, 4). This is similar to Schein's concept of 'organisational culture' in which materials and material practices can been understood as carriers of meaning, a way of transmission of ideas and values between people through cultural artefacts (Schein, 1985; 1990, p. 111; 2012). Based upon this short review of cultural theories and how materials and material practices are perceived here, I propose a definition of these and how they can be perceived as manifested in institutional logics:

> **Materials and objects are symbolic carriers of ideas and physical manifestations of value in institutional logics.**

PROPOSITION 1: THE ROLE OF MATERIALS AND OBJECTS IN INSTITUTIONAL LOGICS

Materials and objects are in Proposition 1 perceived physically and tangibly and as symbolic carriers of ideas refer to the intangible meanings people impose on them. The physical manifestation of value inherited in materials and objects refers to their functional use such as water, that can physically be used for drinking, sailing or swimming in, or trees that represent the physical properties of producing oxygen and can be used to make furniture or fire. Materials and objects may have various and different symbolic and physical meanings. However, they often symbolise

---

[149] e.g. institutions like the family, school and church, policing, business, and political institutions, as well as groups of gang members controlling the flow of money and stimulant drugs in a certain concrete and bounded area from other competing groups

[150] oral or written histories, tales, urban legends and rumours

direct meanings regarding human as well as organisational life generally, because they create the physical conditions for this.

> **Material practices in institutional logics consist of the creation and/or manifestation of ideas and values into materials and objects and the reciprocal exchange or symbolic exhibition of them in social interaction.**

PROPOSITION 2: THE ROLE OF MATERIAL PRACTICES IN INSTITUTIONAL LOGICS

Material practices, on the other hand, refer in Proposition 2 to the human agency and interaction of which material and objects are used as means and ends (Weber, 1921/1922; in Roth & Wittich, 1978; Blumer, 1969) whether they are physically produced and exchanged or symbolically exposed to an audience as artefacts (Malinowski, 1922; Schein, 1990). Material practices only refer to one overarching process of production and two different outcomes; exchange or exhibition. They are thereby strictly related to organisations and institutions and their purpose in society is to produce ideas and value in symbolic and physical form.

Because it may be argued that, for instance, the production of knowledge or services are not physical nor material objects, I recognise that intangible products such as these may be hard to understand in terms of materials and objects. However, often in the production of knowledge and services, materials and objects are used to facilitate these ends (e.g. Woolgar & Latour, 1986; Bogenschneider & Corbett, 2010) such as computers, paper, machines, human voices, or hands, and in this indirect understanding the production of non-tangible ends, materials and objects do enter the processes and end up in the institutional logics as well.

The manifestation of values and meaning into materials and material practices can be studied by integrating an analysis of cultural artefacts, interviews, and observation studies in organisations, as Schein argued. However, for material practices to be considered as part of a logic, it is necessary that these patterns of material practices are to a certain degree dominant in the form of shared values and beliefs, which are symbolised through the material practices as manifestations in order to make meaning out of everyday life. In this way the logics are collective and shared at least with someone else and they are not just going on inside these collective people's heads to be termed a 'logic'; they also have to be enacted into cultural manifestations that carry a symbolic measure that this is what these people understand when they talk about it. It is always im-

portant to remember that a logic is not the same as a 'true story' or evidence that this is 'really what is going on' in an institution.

To evaluate the role of materials and material practices in institutional logics it is important to recall Friedland & Alford's (1991, p. 248) wording that institutional logics are *"a set of material practices and symbolic constructions, which constitute the* [institutional orders'] *organizing principles and which is available to organisations and individuals to elaborate"*. Unlike Thornton et al.'s (2012, p. 2) reflexion that these principles are used specifically to *"organize time and space and reproduce* [individuals' and organisations'] *lives and experiences"*, Friedland & Alford never put these restrictions upon their definitions of institutional logics, but left them open to individuals and organisations from which to elaborate new logics.

In the next section I will provide the methodology for the analysis of my empirical material to test the initial validity of my propositions using case studies from the water sector.

METHODOLOGY

This paper's empirical material is derived from a cross-geographical qualitative study (Kvale & Brinkmann, 2009; Denzin & Lincoln, 2011) of 28 water companies located in Denmark, the United Kingdom, the United States, and South Africa. Seven companies were chosen in each nation with the aim of reaching as broad a sample as possible that was practically feasible. Thus, companies from small, medium, and large, and also multinationals are investigated in each nation in order to reach analytical generalisation through maximum variety (Flyvbjerg, 2006). The nations, in which the water companies are located, are chosen according to a similar principle of maximum variety in terms of their different national contexts, but are unified in terms of adherence to corporate social responsibility investments companies all subsumed under the intergovernmental concept of New Public Management (Mathiasen, 1996).

However, due to the spread of geographic context, the way the empirical material has been provided differs. In Denmark I had access to participant observations (Spradley, 1980) in three of the seven companies, and conducted 50 taped and transcribed interviews in all seven companies (Spradley, 1979). Whereas in the UK, the US, and South Africa, where I did not have access nor funding or time to do an ethnographic investigation, I chose to collect archival documents from 2000 - 2013 that were richly displayed on company and regulators' websites (Olsen, 2003). Since all the empirical material is impossible to display in this paper, I have continuously

throughout the findings referred to my former in-depth papers published in academic journals should readers want a deeper insight in the concrete cases referred to.

The water companies' logic of CSR and their regulators' logic of NPM is displayed in a constructed hybrid table of suggested institutional logics by respectively Friedland & Alford (1991) and Thornton et al. (2012). However, this hybrid constellation may only be credited to myself and is not derived from either of the authors mentioned. However, the content of this table is directly derived from both authors' referred works and should be evaluated in that context.

FINDINGS

The logic of corporate social responsibility (CSR) plays a crucial role especially in the Danish water sector as a competing logic from the logic of New Public Management (NPM) of 'efficiency and effectiveness', 'doing more with less' (Osborne & Gaebler, 1992) and overall political incentives to minimise the expenses of companies using public funds.

Appendix 21: Table Q, page 338, resembles Friedland & Alford's (1991) and Thornton et al.'s (2012) institutional logics[151]. Some fields are filled in with suggestions for Thornton et al.'s IL of respectively profession and corporation based on the empirical findings in this paper[152].

The logic of CSR is displayed as black-framed fields in Appendix 21: Table Q bridging almost all the ILs, whereas the logic of NPM goes through the vertical ILs of the market and the state respectively.

We see a pattern of how these two logics both compete (Lauesen, 2011) and coexist at the same time. The competition between the state regulators' logic of NPM versus the water companies' logic of CSR is displayed in the black dotted circles compared with the black chess-fields (CSR) under the categories of respectively 'rituals', 'values', 'basis of affiliation', 'basis of obligation', 'basis of loyalty/legitimacy', and 'identity' (Lauesen, 2011, forthcoming (a) + (b)).

The logic of CSR is perceived to coexist with the logic of NPM where they overlap. Typically these overlaps emerge where both the regulator and the water companies shares the IL of capitalism (the market) or where they share the IL of the state (bureaucracy).

---

[151] as interpreted by Thornton et al. 2012

[152] These fields were not necessarily left blank intentionally by Thornton et al.; they made an attempt to interpret Friedland & Alford's (1991) paper, categorizing the text into different strata, and following from this changed these categories and formed their own. Thus – in order to make the merged institutional logics more holistic, I have chosen to fill in these 'grey fields' with reference to my own findings in order to provide an analytical basis for how and how the logic of CSR traverses the institutional logics.

RITUALS

Thornton et al. (2012) do not mention 'rituals' as part of their proposed IL of respectively the profession and the corporation. However, in order to juxtapose their ideas with those of Friedland & Alford's (1991), I have made some suggestions of rituals in these IL based upon my findings from water companies. The ritual within the IL of corporation it is suggested is similar to the IL of capitalism in which the corporation works, namely the 'signing of a contract' between the employer and the employee. In the Danish water sector (Lauesen, 2011) the 'contractual signing' between the municipality as owner of the water company and the management of the company typically takes place as a celebration at the annual general meeting, where the rules of operation are renegotiated once a year. This 'general meeting' is thus suggested to be a ritual of the IL of profession, because it is where the shareholders and other representatives of the water companies are mandated to vote about the companies' business plans and suggest changes to them. It is at this type of meeting that the board members of a water company are (re)appointed[153].

The 'ritual' of the state regulator's IL of state is 'issuance of budgets and plans', and in Denmark, it is the issuing of the Danish water sector's budgets and plans as a part of their regulating role. This IL competes with the water companies' IL of capitalism, profession, and corporation, i.e. their feelings of a right to autonomy. The logic of CSR is manifested according to the IL of profession through the 'general meeting', and although the provision decided at this annual ritual is done autonomously, the dominance of the regulator's logic of NPM is apparent since the regulation determines what is and what is not legally possible (Lauesen, 2011, forthcoming (a)). The material practices underlying this ritual besides the physical 'signing a contract' are also the material outcome in the form of spending money:

---

[153] In Denmark every fourth year a municipality election for the city council takes place, and new politicians may come to represent the citizens of the municipality on the board of the water company. The citizens of the municipality are typically the consumers and customers of water companies' services and are represented by the politicians they have elected themselves coming to the board, the customers somehow implicitly being the owners of the company.

Manager: "I think that we have spent more than 1 million Danish Kroner in wages and besides that we have spent around 0.5 million on mandatory consultancy [auditor expenses]. So I think that the billion that the Competition Authority claims that the water companies have to save annually is already spent on bureaucracy. If I was just told to save 20 percent on consumer prices or expenditure I could have used the same amount of time [and money] to solve this problem during this very same year." (Interview A, March 2011, my translation).

VALUES

The value of the IL of corporation it is suggested is almost similar to the IL of capitalism, but instead of 'commodification of human activity' it is suggested that how 'to organise human activity into productivity' takes its place in order to fulfil the IL of capitalism. The value of the profession is thus suggested to be the 'pooling of professional knowledge', which is necessary for both the IL of profession and corporation consisting of professional employees (Lauesen, 2012, forthcoming (b)). Danish water companies negotiate through their logic of CSR with multiple stakeholders with very different logics in order to live up to their constitutional obligations of serving the public in the broadest sense based on their owner's IL of democracy (community) and its value of 'community pressure for popular control over human activity' (Lauesen, 2012). These values are similarly found in the institutional logic of religion of how to morally conduct its activities in respect of other stakeholders (e.g. Meyer et al., 2013; Lauesen, forthcoming (c)).

The value of the state regulator's IL of the state is 'rationalisation and regulation of human activity'. Neither of the aforementioned institutional logics conflict with the logic of CSR nor with the logic of NPM, because these two institutions are located in different institutional spheres. From my interviews I understood the water companies' need for creating symbols to construct their logic of CSR and how that conflicted with the regulator's need to rationalise and regulate in terms of his logic of NPM. These two objectives do not match mainly because the logic of NPM is based on the myth of 'doing more with less'[154]. However, this objective does not necessarily conflict with the logic of CSR. In some cases it is possible to do things better both for society at large and for the company in question by doing things more smartly and investing in for instance energy reducing technologies or green energy products and perhaps saving money in the long run:

---

[154] creation of more value with less money

A former officer in the Ministry of the Environment: "We were always very careful about writing that you can save a billion per year [by making the water sector more efficient], but that is not the same as saying that water prices will decline! It will only get cheaper than it would have been otherwise! We get more out of the same money! Or out of the money allocated." (Interview B, October 2011, my translation).

The difference and conflict occurs because the mainly held belief among managers of water companies is that to enact CSR they must invest more money here and now in order to achieve better quality and potential savings in the long run. The material practices bound to these values are exemplified in the quotes below as reductions in emissions due to the investments in technologies to mitigate climate change:

Project manager: "The low-hanging fruits are already picked. The first 25 percent of reduction of CO_2 emission was easy to do by buying smart technologies. Now, the next 5 percent we need to do this year is not that easy. I don't think we will make it this year." (Interview D, November 2012, my translation).

BASICS OF AFFILIATION

The basis of affiliation of respectively Thornton et al.'s IL of profession and corporation is suggested to be the 'membership' of each institution[155] (Lauesen, 2011). The basis of affiliation for the logic of CSR crosses the boundaries of four different institutional logics. First, the IL of capitalism since CSR is voluntary and market driven[156], which furthermore suggests the IL of the state. Citizens have a right to be heard, which is part of the IL of democracy, and they are often symbolised as a 'nuclear family' - an ideal consumer particularly displayed in pictures in corporate reports and webpages (Lauesen, forthcoming (a) + (c)).

The basis of affiliation of the state regulator's IL of the state is similar to 'legal and bureaucratic hierarchies'. The IL of capitalism, which is shared among the water companies and their regulator, is here divided in two competing logics, since the water companies' interest is that the 'market is free and unbounded' whereas the regulator's logic according to the actual situation is that the market can only be simulated. When a natural monopoly operates in a market without real competition, it is not free and unbounded.

---

[155] for instance of 'profession unions' and of 'corporations' through the employment and contract signing between employer and employee
[156] although in the UK some legal, mandatory, environmental sustainability plans are conducted by the water companies and evaluated by the state regulator (ref paper #3)

The logic of CSR cut across the water companies' IL of capitalism seeing the market as free and unbounded and the IL of the state seen as 'legal and bureaucratic hierarchies' in all other instances than the IL of capitalism. The water companies in Denmark claim that this is taken care of through the cost-recovery principle, since they cannot make profits, through the IL of democracy where they exercise 'citizen participation', and through the IL of the 'family' in the company working as a service provider for a 'community of individuals'. The logic of CSR largely frames the agreement between the regulator and the water companies' logics apart from the regulation of the market. See the examples below in interview quotes about the material practices of earning money:

Manager: "Originally, the idea was that the regulators should not interfere in the environmental and service objectives, which in turn were decided at the appropriate places, and it could be in a municipality or the Board [of the water company] or the State [e.g. the Ministry of Environment]. Thus the regulators should not bother but take this on board. The idea was <u>not</u> that we should cut down on our environmental and service investments. [The manager is reading from the text of the Water Sector Act, which he has right in front of him]: 'The law will help to ensure a healthy water supply with a sound environmental quality, which takes account of the security of supply and nature andis operated in an efficient manner that is transparent to the consumer'. As it works now the administration of the law goes against every single word in this text!" (Interview B, October 2011, my translation).

Regulator: "Water is indeed a natural monopoly, and the politicians have [in Denmark] refused to fully privatise it and make it profitable. Our groundwater must be a shared good and not given over to profit making. But the cost recovery principle alone is not enough as a control." (Interview G, August 2011, my translation).

Former officer in the Ministry of the Environment: "It was the Competition Authority [the regulator] itself, which launched the Competition Report in 2003. As I recall, it was not company segregation, which was the 'mantra'; the focus was on efficiency and effectiveness so if every company was as good as the best, what could we then save on financially? For example, the Technology Fund, to which water companies can apply for money for CSR related invest-

ments; the Ministry of Finance would NEVER accept that we said that now we offer 20 million to this fund, but the consequence is that the water prices should rise some insignificant amount - but in principle – such a rise would contradict the former government's policy about tax and duty freezes. The only way you could get this fund through would be by taking the money from efficiency improvements!" (Interview B, October 2011, my translation).

BASICS OF OBLIGATION

The basis of obligation of the IL of democracy is suggested as resembling the logic of the state: to 'convert issues to political consensus'. This is very relevant for the Danish water companies, which are hybrids of private and public organisations determined by the political consensus of the City Hall (Lauesen, 2011; forthcoming (a), (b), and (c)). Political consensus about various CSR issues is, not only in Denmark, but also in the UK, the US, and in South Africa respectively, driving water companies to invest in certain CSR related issues, which are demanded and politically derived, especially concerning the pending issue of mitigating climate change.

Whether these political demands come from municipal climate plans as seen in Denmark, the regulator's economic incentives for UK water companies to get deductions in the price cap by investing in green energy[157], or the non-economic regulator of the environment as is the Environmental Protection Agency in the US, whose Sustainability Plan[158] has been adopted by several water companies for mere image management, the political demands are at least discursively found in CSR reporting and translated into real investments, which is explicitly found in Denmark (Lauesen, forthcoming (c)).

However, some CSR investments may also be unsuccessful especially for water companies in Denmark due to obstacles because of state regulation and the price cap calculations, i.e. the maximum price allowable for water. Some Danish water companies point out how their material practices in investments in afforestation were not credited deductions in their price cap. However, they have all chosen to continue this investment, because they were not close to the upper price limit. On the other hand, they fear that future investments in CSR-related issues will be obscured by economic regulation that will not match societal and environmental investments (Lauesen, forthcoming (a)).

---

[157] see www.ofwat.gov.uk/sustainability/
[158] see http://www.epa.gov/sustainability/

The basis of obligation for the water companies' IL of profession is suggested to be to 'convert knowledge into field practice'. For the IL of corporation it is suggested to be to convert 'labour into products and services'. Case studies of material practices such as pipeline installations have shown how much leadership it takes for project managers to engage multiple workers and other stakeholders in completing projects designed to improve the reduction of CO_2 (Lauesen, forthcoming (d)).

To 'convert knowledge into field practice' requires a special focus on how the company through its actions can become more sustainable by enlisting all members of the organisation for this purpose. This work, alongside the former discussion of the regulation of the price caps, is an example of how the logic of CSR is linked not only to field practices but to four different institutional logics: the IL of capitalism converting human activity (service) into a material, monetary price; the IL of religion in terms of considering moral issues in material terms such as creating clean water delivery and non-polluted environments; and the IL of profession as professional expertise, which is needed to convert these principles into the IL of corporation to form labour practices, products, and services from it.

The basis of obligation for the state regulator's IL of the state is to 'convert diverse individual issues into consensus'. The conflict between this IL the water companies' is similar to a typical conflict of equality versus individual concerns, which is best illustrated through an example:

> *Regulator: "Some 320 water companies have to be treated individually. The political expectation was that our evaluations of them would be highly uniform and rigorous decisions would be taken, based on an assessment of a principle. They had an expectation that it would be very much the same and it has to be proven that this is not here! Environmentally these companies are VERY different! And that is probably one of the biggest challenges we have seen in relation to environmental and service objectives, which is a unique factor in the price cap to be calculated! Municipalities have the right to decide their very own objectives through their water and wastewater plans. There are as many goals as there are municipalities. We cannot handle so many environmental and service objectives. We can ONLY handle the uniform objectives! And it is the politicians who must add rules for us to accept environmental and service objectives. Before that happens, we cannot regulate them. Virtually none have been ap-*

proved because we did not know what to approve, so the water companies are obviously very unhappy with this." (Interview G, August 2011, my translation).

BASIS OF LOYALTY/LEGITIMACY

The basis of loyalty/legitimacy differs from nation to nation (Lauesen, forthcoming (a) and (c)) as to whether the water company is owned by private stockholders (the IL of capitalism through loyalty to a 'share price') or by the local community (the IL of democracy (community) through loyalty to 'unity of will/belief in trust and reciprocity'). In both instances CSR is legitimated further by the IL of profession, i.e. loyalty to the personal expertise of the employees, and by the IL of corporation, i.e. loyalty to the market position of the company. Despite these material economic incentives, water companies[159] compete for legitimacy and positive reputations among their stakeholders. In Denmark this is especially clear according to how managers refer to their own company's CSR accomplishments and how they either criticise or praise what other companies have achieved:

> *Manager: "We use this GRI [Global Initiative Reporting] thing, and something else in our certification system [ISO 14001, 50001, 22000 and OHSAS 18001], and now we have developed a project of a new integrated, holistic management system trying to look ALL the way around sustainability in all corners of our company. We begin with 240 indicators that give a description of the entire company! It's awesome! If you look around at my colleagues and see what they do with CSR, then you will say: Jesus, that is a LONG path for them to travel! Many haven't even started of thinking about sustainability yet! In fact, I think it is only X company, and a few others who have even started thinking about it [reporting upon their impact upon society and sustainability], and if you see X's report; You will think Jesus, is that really all? But what Y is doing is a pioneering job! They have moved into what we call 'dimension 3' [including the supply chain in their reporting]. We are not that ambitious yet. We think it is more than enough to report upon our own impact inside our own 'fence'." (Interview B, October 2011, my translation).*

The basis of loyalty/legitimacy for the state regulator's IL of the state is democratic participation. The core difference between the logic of NPM and the logic of CSR is here reversed compared to the former basis of obligation. The state bureaucracy (the regulators) forms its loyalty

---

[159] from Denmark, the UK, the US and South Africa

and legitimacy based on political decisions[160], which are translated into law and regulation. The water companies (especially in Denmark) do the same, but not towards the same politicians elected, since they are owned by the local municipality and loyal to the local politicians of the city, which again have different views as to which obligations each water company should meet. In this sense the communities, which both parties are loyal to, are different[161] (Lauesen, forthcoming (b)).

AUTHORITY

The authority to run a water company is granted by its owners and authorities according to four different institutional logics: capitalism, the state, democracy, and the corporation. It is the 'shareholders' and 'bureaucracies' in the state or local government authorities, who will secure the 'community values and ideology' respectively of society at large and the 'board of directors' of the company, who have certain and vital independent rights to manage the water company in question. The authority within water companies according to the logic of CSR follows the three trajectories: the economic, legal, and ethical concerns (see Schwartz & Carroll, 2003). However, in Denmark due to the cost-recovery principle it is not allowed for water companies to spend consumers' money on the external funding of projects irrelevant to the core area of the business: to deliver drinking water and transport and purify wastewater.

The economy for all water companies (and their boards) despite material economic purposes– whether they are based on profit making or non-profit making–is relevant for efficiency making (Lauesen, forthcoming (a) and (c)). However, in the cost-recovery companies, the focus is not to create as much surplus as possible, but to get as much for the money in hand or raise the price cap as much as possible in order to have as much economic freedom as possible. In the NPM literature it is also called 'budget maximisation' (Christensen & Lægreid, 2011). For the regulators the reverse–lowering the price cap for the sake of the costs of the citizens in society–is the purpose. This is where the logic of CSR and the logic of NPM collide. Business ethics requires all parties to secure the 'community values and ideology' of society at large: the purpose thus is different. The water companies' logic of CSR is to legitimise themselves as 'doing good' for society in terms of using different material practices for environmental protection and the mitigation of climate change, whereas for the regulators the logic of NPM is based on the ethics of

---

[160] which are ideally grounded in democratic participation by citizen voters in parliament elections and with subsequent political consensus
[161] the regulators are loyal to the broader society (that of the state) and the water companies are loyal to the local society (that of the municipality)

societal concerns for the citizens' expenditure. A good example is a small story to show how these ideas are referred to through material practices (Lauesen, 2012):

A local negotiation took place between the managers of a project and both municipal and state environmental authorities in order to resolve the problem of installing a pipeline of 3 metre in diameter under a protected wood, that was estimated to be more than 300 years old. The constructer hired by the water company wanted to install the pipeline by cutting down parts of the forest and replanting it afterwards, because this was the cheapest solution.

First, the managers of the water company tried to convince its environmental authorities that this was the only possible solution to solve the environmental problem of handling continuous sewage overflow in a suburb of the city. This problem had been salient for more than 40 years, and the problem had been intensified because of increased stormy weather due to the climate change in the area.

The authorities were not pleased with this solution, but obeyed the political statement by the City Council that this solution was the only possible. Then an NGO complained about the authorities granting the permission to cut parts of the forest down. To avoid further proceedings before the Tribunal, the prolongation of the project, and the increased downtime costs for the developer (the water company) to the constructor due to their contract, the water company chose to redesign the project into a tunnelling project, which made the entire project costs rise from 166 million DKK to approximately 185 million DKK. This new and more expensive, but forest protecting solution went into the City Board and was accepted in order to please more stakeholders and especially the concerned authorities and the NGOs. (Archival document collection from 2003-2008 from Company B).

IDENTITY

The identity of water companies is closely connected to the logic of CSR, which is attached to the IL of democracy through 'emotional connections and satisfactions' by doing good for society and the IL of profession through the 'quality of craft and personal (or company) reputation' linked to the legitimacy of ethics and morality converted into material practices. The Danish

water companies are being refashioned in a departure from the old municipality identity with the IL of the state (bureaucracy) and moving with quasi-privatisation towards the IL of capitalism (market) and the IL of corporation (Lauesen, 2011). These former public officials had not forgotten their former IL of the state (bureaucracy), but now it had moved more into the IL of the profession, where the social responsibility towards the citizens, they still served, was more or less decided and evaluated by peers in the water companies. The local authorities of a Danish water company explains this shift (Lauesen, forthcoming (b)):

> *Municipal authority officer: "Many are confused about our new roles. Before citizens and professionals could just call certain people in the supply section, but they are not allowed to contact them anymore; they should contact us in the local authority. I too have had to find my own role in the authority anew from nowhere. ALL knowledge has been transferred to the new water company. And that is hard for me to cope with. We had to figure out everything from scratch! But it has also been difficult for the water company's people to find their new role. Because you were used to answer all kinds of questions from the citizens, and now they have to realise that the authoritative role is not theirs anymore! They need to let it go! After the first 2 years it is now becoming much, much better. But we have also had our quarrels and I have had to say to my former colleagues: 'You cannot comment on your projects to the citizens! You have to refer to me and only me!' And then they excuse themselves and say: 'But I just wanna .... and I can ...' etc. Yes. And it's not because they cannot help the citizens out there, but they typically forget some things now that they are not authorities anymore! They forget that there is something more that should have been said! So there I had to .... yes, to be a little on edge sometimes. But I think that this barrier is over now. We have all found our new roles by collaborating really closely. And that is really good." (Interview I, March 2012, my translation).*

The identity of the water companies' through their logic of CSR is also related to the IL of religion through the execution of 'compassion and charity', which is part of the Christian, Protestant idea of 'love your neighbour as yourself' (see Lauesen, forthcoming (c)). The identity of the state regulator's IL of the state is 'social and economic class', i. e. the Weberian idea that everybody in society should be treated equally regardless of social and economic class (Weber,

1922/1978). The identity of the water companies versus their regulators and authorities have split their roles, since in the water companies' IL of corporation the 'equality' is directed towards the members of the organisation and their personal expertise, quality of craft, and personal and company reputation.

However, the logic of CSR is also located in the IL of democracy, which goes beyond the company itself and into the realm of society at large to bond with stakeholders in emotional connection and (mutual) satisfaction. This, however, should not conflict with the identity of the regulator ultimately. It only does so because of the differences in *foci* of the logic of NPM versus the logic of CSR. Since the regulators identify themselves through material practices related to 'economic equality' and the water companies through material practices of 'environmental equality', these two logics conflict due to the differences in material practices.

> *Regulator: "We are 20 people to handle over 320 water companies. In the UK - OFWAT – they are 200 people to regulate approximately 6 water companies - large private companies that are allowed to make profit on water! So OFFWAT has much more resources but also a much tougher regulation if you ask me. There, we can talk about a real market! Whether we are there in 5 years, which I do not think will happen, but I can certainly see the benefits of a fully privatised water sector. These water companies can do something that our companies cannot do today. For instance in the municipality of X – in a report from the Danish Industry – this municipality has saved a lot of money by allowing private companies to run parts of the water services. I would hope for more of this in Denmark. But as I said, we require max 5 percent in efficiency making at this time. And the things that come from economies of scale should not punish other smaller companies. That is built into the system! But I think we will see much more of mergers and collaborations between companies, and this is indeed a good way of efficiency making. However, to translate environmental efforts into economic terms is VERY difficult! It is also why it is such a BIG problem that requires something to be done about the Water Sector Law! For example, if a water company collaborates with 4 others to share a catchment area – this efficiency making should be shared among them as well as environmental parameters and deductions. This will not be as easy as it is today! Not at all. It is not easily transferable to the economy and into the individual price*

caps! The system is certainly not perfect yet!" (Interview G, August 2011, my translation).

NORMS

The norms upheld by water companies in their logic of CSR are those of the IL of capitalism as market driven 'self-interest' either for profit making or budget maximisation. This is especially true in cases of companies driven by the cost-recovery principle (e.g. in Denmark and partly in South Africa), but this logic is also seen among the privatised water companies combined with the IL of the state through 'citizenship (of the company) in the nation'. We find an example of how the norms of the water companies' logic of CSR are based in the IL of capitalism driven by 'self-interests' (Lauesen, forthcoming (a)). Managers of Danish water companies have been deeply engaged in policymaking through a collective discourse provided by their branch organisations, whose material practices were to bring their complaints to court hoping for changes to be made in order for the water companies to receive financial rewards in the form of monetary price cap deductions for their environmental investments:

> *"[The Price Cap] constrains our environmental and sustainability duties to manage and secure a fresh and healthy water resource for future generations!" (Interview B March 2011, my translation).*

All complaints were denied by the regulators due to their IL of 'citizenship in the nation' and political incentives of 'equality' and 'enhancement of welfare' at the lowest possible cost for the citizens. In the same IL, the norms of 'citizenship of the nation' held by the Danish water companies prioritise 'citizenship' into their material practices of protecting the environment, because climate change has made a huge impact on their business. This is costly to mitigate, and these costs are to be collected from the customers eventually. This is a similar issue in other nations, that have a more privatised water sector, for instance in the UK (Lauesen, forthcoming (c)):

> *"Under the industry's regulatory regime, the revenues raised from our customers do not fully meet the cash needs of the business to deliver ongoing investment" (Welsh Water, CSR report 2006/7, p. 17).*

The norm of the state regulator's IL of the state is 'citizenship in nation'. This IL competes with the water companies' IL of capitalism. However, the logic of CSR in the water companies crosses over into their IL of capitalism through the norm of 'selfinterest' by creating a business case out of CSR, and at the same time the IL of the state and its norm 'citizenship in the nation'

is used by them to do good for society at large. Where the logic of CSR competes with the logic of NPM is in the regulator's responses to the water companies' IL of capitalism in their powerful regulation of the 'interest of the bureaucracy'. Due to the monopoly status of the water companies especially in Denmark, the regulators fear that their economic incentives for political promises will not be successful unless the bureaucracy, which obviously contradicts the voluntariness of the idea of CSR and contradicts the creation of a business case out of CSR ultimately, controls it.

The business case for CSR would in this highly regulated water sector depend upon how good a chance the water companies have to spend their savings on efficiency making regarding other material investments. In the meantime (see the end of the study) this issue has been renegotiated in Denmark, and water companies are now being allowed to reinvest their saved operational expenditure from climate related investment projects in further CSR investments in new climate related projects (VandNyt, June 12, 2013[162]). This opportunity has not been possible to discuss in this study because of the lack of evidence of the outcome of it, which we haven't seen yet, but it is a promise that could bring the competing logics of CSR and NPM into coexistence.

ATTENTION

The attention is directed towards the IL of capitalism in the 'status in the market' for market driven water companies in direct competition with other water companies. For water companies, that are cost-recovery driven, the attention is directed towards the IL of corporation as a 'status in the industrial sector hierarchy' with which they are indirectly in competition through national benchmarking and price caps. Both for-profit and cost-recovery companies have at the same time directed their attention towards the IL of the state in terms of the 'status of interest groups' or stakeholders, that can impact or are impacted generally by the companies taking the role given to them by the state to distribute a natural material good for everybody in society. The water companies' attentions are directed to their statuses in the market and the industrial sector respectively (Lauesen, forthcoming (a)). One manager of a small Danish water company says:

> *Manager: "It's utopian to think that we as a single company without having our entire recharge area within the municipality borders can do anything worthwhile alone. There's no point in protecting groundwater recharge in a third of*

---

[162] see http://www.kfst.dk/nyt-nyhedsbrev/vandnyt/vandnyt-medfinansiering-af-klimatilpasningsprojekter-i-2014-indsendelse-af-opl-den-ekstraordinaere-ansoegningsrunde-for-prisloftet-for-2013-medfinansiering-af-klimatilpasningsproj-tidsfrist-for-ansoegning-om-huslejeomk-som-saerligt-forhold/ (in Danish). Retrieved June 28th 2013.

the area, if it is contaminated with pesticides in the other two thirds. We'll have to seek new alliances. Then, we could compete and benchmark within municipal boundaries when the water reached the distribution network." (Interview C, April 2011, my translation).

Project managers of Danish water companies negotiate with multiple stakeholders, prioritising those, who possess most legitimacy, urgency, and power at a given point in time and space (Mitchell et al., 1997; Wartick & Wood, 1998; Lauesen, 2011, forthcoming (a) + (c)). Typically these salient stakeholders are authorities and landowners of different kinds related to a construction project, but the point is that any kind of stakeholder can become the most salient according to the severity of the issues they have as claims on the water companies (Lauesen, 2012; Cohen et al., 1972). Similarly we found that Danish managers compete for legitimacy and loyalty with their industrial peers in terms of enacting CSR. The attention of the regulators is similarly the 'status of interest groups', and in this respect they often coexist with attention for the water companies'.

STRATEGY

The strategy of water companies regardless of type is directed to the IL of capitalism: to increase efficiency and (eventually) profit (or budget). At the same time it is also directed towards the IL of the state to 'increase the community good' to all citizens in society, regarding which the material distribution of water is a crucial part. In order to manage these obligations, their IL of profession through 'personal (or company) reputation' is at play also to avoid (further) regulation from the state as to how the water companies manage this task provided by the state. This combination of the logic of NPM connected to or underlying the logic of CSR is manifested in various texts of water companies, and especially in their CSR reports, (Lauesen, forthcoming (a) + (c)).

The keyword 'efficiency' is used in both the economic and sustainability discourses within the water companies' CSR reports from Denmark, the UK, the US and South Africa (Lauesen, forthcoming (a) + (c)). Some reports, however–especially in Denmark and the UK–hybridise a motive of economy into a motive of sustainability either by claiming, for instance, that the state's price cap regulation hinders sustainable investments or supporting the claim that efficiency is possible both in improving the economy and the sustainability of the company by 'doing more with less'.

The emphasis in CSR reporting is concentrated on the management's sustainability motive, which in this report format is perceived as positive and legitimate. In contrast to a juxtaposition of for instance corporate financial performance reports of the same water companies, the economic motive is highlighted as positive and legitimate. However, the economy motive is de-emphasised in most CSR reports. In spite of this apparent divide between the logic of NPM and the logic of CSR both logics are present in the everyday life of the water companies. Although economy is de-emphasised in CSR reporting, it does not mean that this is not at play when these companies enact their logic of CSR in their material practices. Economy is intertwined in managerial decision making regarding which CSR-related decisions to take. The strategy of the regulator's is to 'increase the community good' to all citizens in society, through the material distribution of water at a reasonable price, and in this respect the logic of NPM coexists with the logic of CSR so long as it is negotiated taken into consideration the water companies' other obligations such as their environmental obligations.

INFORMAL CONTROL

The informal control mechanisms are in the water sector generally provided by the IL of capitalism through 'industry analysts' that are typically assembled in branch organisations, creating and having a 'voice' for the entire sector in question, for instance against (further) regulation of the freedom of the companies to act in the market. Locally, for all in the water sector, the IL of the state is also at play as 'backroom politics', which is vital for the single organisation as well as for the entire sector in terms of municipal or state regulation, which water companies try to influence. The Danish branch organisations of the water companies negotiate with the state regulator in order to dampen the economic pressure upon their members (Lauesen, 2011). The IL of democracy is played out through the 'visibility of actions' done as material symbolisation of social responsibility, which is also important for the customers and other stakeholders in the water companies as a kind of legitimising informal control. Special professional 'heroes' within the IL of 'professions' are 'celebrated in the community' if a company takes a certain step to invest in CSR-related investments such as materials such as wind turbines, solar cells, an electric car park, or other such 'green-tech' commodities. This kind of invisible competition serves too as a kind of legitimising informal control of who is 'good' and who is 'less good'. An example of how this informal control is executed is seen in the following quote:

> *Manager: "We've bought those Toyota Prius – an entire carpark of them. If you*
> *look with cradle to cradle lenses at the production of these cars it becomes very*

much more stressful for the Earth than if you had bought a small diesel car.
Because they have so many "exciting" metals and rubbish components, which
are shipped from "Tierra del Fuego" or "Alaska" and all sorts of far away
places - all the way to Japan, where they are assembling the cars, and out
comes a product that is relatively energy efficient in daily operations, but the
story before was slightly more complex. That's what we were told by our col-
leagues in the sector when we bought our car park!" (Interview B, October
2011, my translation).

The informal control of the regulator is also 'backroom politics', however, in the respect that the regulators authorising the water companies, engage in backroom politics that may compete with the interests of the water companies and their striving for autonomy.

ECONOMIC SYSTEM

The economic system is symbolised by the ILs of capitalism, the state, and corporation framed in terms of concepts such as 'the market', 'welfare', and 'managerial capitalism' as coexisting ILs on the symbolic level, but competing on the concrete level of the hard regulation of prices based on the idea that 'water should ideally be free'. No water company would ever say that they work to increase the price of water for consumers. On the other hand every water company confirms that CSR investments are expensive here and now, and although they do invest in them for the sake of the long-term effects of mitigating climate change and deadly viruses such as HIV, they still complain about the costs of these investments especially in relation to the regulators' economic constraints. If the ideal that 'water should be free' were the overarching logic for all water companies, they would not have much problem with their regulators, which is what they aim to secure through price cap mechanisms.

At the same time there are multiple other concerns related to the logic of CSR in the water companies, and most of them are related to their intensified and long-term investments. Danish water companies have among the highest price levels of water, but the lowest leakage percentage. This means that the pipeline network is good in terms of how little it leaks (Lauesen, forthcoming (a)). The Danish water companies have for several decades invested multiple sums in updating their pipeline network in order to secure the cleanest water for consumers in relation to health and environmental issues (Lauesen, forthcoming (c)). This means that the regulator's logic of NPM that 'water should be free' and the material economic practices related to this

ideal are not in harmony but compete with material practices around the logic of CSR, which states that water should be as uncontaminated and healthy as possible.

ROOT METAPHORS

Several root metaphors are combined in the logic of CSR involving the ILs of capitalism, the state, democracy, profession, and corporation, such as 'transactions on the market', 'redistribution mechanisms' of a natural good to the public (common boundary), 'networks of professionals' influencing each other, the 'corporation as a hierarchy' structured more or less 'organically' in order to meet the demands of the market, or 'regulation' in order to survive as organisation and market agent based on the premise that they distribute a relatively clean and 'green' product compared to other industries (Lauesen, 2012). A clear tendency in these root metaphors is the balancing of the aforementioned ideal of the logic of NPM as free and plentiful water distribution with the ideal of the logic of CSR in creating healthy water and purification of (waste)water.

CONCLUSION

In the above juxtaposition of the institutional logics underlying respectively the water companies' logic of CSR and their regulator's logic of NPM[163] I have through the above examples tried to show how these ideas and their inherent competition and coexistence are grounded in materials and material practices and the consequences these practices have on society. The above studies show how materials and objects are carriers of symbols of ideas and in themselves are physical manifestations of values intrinsic to different institutional logics. It also shows how material practices consist of the creation and/or manifestation of ideas and values into materials and objects and their reciprocal exchange or symbolic exhibition in social interaction is grounded in different institutional logics whether they compete or coexist with other stakeholders' logics. The study of the role of materials and material practices within institutional logics, however, needs many more in-depth studies from different institutions to evaluate the validity of Proposition 1 and Proposition 2. Historical and longitudinal studies are recommended to test these propositions in sectors other than the water sector to see if the generalisation of these propositions is possible. However, this in-depth study of the water sector reveals concrete suggestions for underpinning how materials and material practices are inherent and grounded in institutional logics and how they may compete and coexist with the institutional logics of their regulator.

---

[163] derived from New Public Management literature (e.g. Christensen & Lægreid, 2011)

APPENDIX 1: TABLE A

ID	Title interviewee, participant	Organisation type	Area	Country code	Date	Type	Description	Duration, recording	Duration, interview, meeting	Duration, hours,	Media
A	Managing Director	Water Company	Fyn	DK	10/03/11	Interview	Transcribed	58 min, 11 sec	10.00 - 11.30 + lunch	1.5	Dictaphone (Iphone)
A	Project Chief	Water Company	Fyn	DK	10/03/11	Interview	Transcribed	58 min, 11 sec	10.00 - 11.30 + lunch	1.5	Dictaphone (Iphone)
B	Managing Director	Water Company	Fyn	DK	08/03/11	Interview	Minute after		8.00-9.30	1.5	Notes
B	Chief of Finance	Water Company	Fyn	DK	08/03/11	Interview	Minute after		8.00-9.30	1.5	Notes
C	CEO	Water Company	Sjælland	DK	13/04/11	Interview	Transcribed	1 hour 22 min	10.00-12.00	2	Dictaphone (Iphone)
C	Managing Director	Water Company	Sjælland	DK	13/04/11	Interview	Transcribed	1 hour 22 min	10.00-12.00	2	Dictaphone (Iphone)
D	Managing Director	Water Company	Jylland	DK	04/04/11	Interview	Minute after		12.00-13.30	1.5	Notes
B	Project Manager	Water Company	Fyn	DK	19/05/	Interview	Transcribed	25 min, 42 sec	10.00-11.00	1	Dictaphone

289

				11						(Iphone)
B	Project Manager	Water Company	Fyn	DK	19/05/11	Interview	Transcribed	42 min, 17 sec	11.00-12.00	1	Dictaphone (Iphone)
B	Project Manager	Water Company	Fyn	DK	27/05/11	Interview	Transcribed	29 min, 29 sec	13.00-14.00	1	Dictaphone (Iphone)
B	Operation Manager	Water Company	Fyn	DK	27/05/11	Interview*	Transcribed	11 min, 35 sec	10.00-11.30	1.5	Dictaphone (Iphone) + notes
F	Project Manager	Water Company	Sjælland	DK	19/08/11	Interview	Transcribed	1 hour, 25 min, 26 sec	10.00-13.00 incl. lunch	3	Dictaphone (Iphone)
F	Project Manager	Water Company	Sjælland	DK	19/08/11	Interview	Transcribed	1 hour, 25 min, 26 sec	10.00-13.00 incl. lunch	3	Dictaphone (Iphone)
G	Vice Managing Director	State Authority	Sjælland	DK	29/08/11	Interview*	Transcribed	19 min, 59 sec	15.30-16.30	1	Dictaphone (Iphone) + notes
D	Project Manager	Water Company	Jylland	DK	21/09/11	Observation/ meeting	Minute after		12.00-14.00	2	Notes
D	Project Manager	Water Company	Jylland	DK	21/09/11	Observation/ mee-	Minute after		12.00-14.00	2	Notes

	Role	Company	Region	Country	Date	Type	Transcription	Duration	Time	No.	Recording
						ting					
D	Project Manager	Water Company	Jylland	DK	21/09/11	Observation/ meeting	Minute after		12.00-14.00	2	Notes
D	Project Manager	Water Company	Jylland	DK	21/09/11	Observation/ meeting	Minute after		11.00-12.00+14.00-15.00	2	Notes
D	Project Manager	Water Company	Jylland	DK	21/09/11	Observation/ meeting	Minute after		11.00-12.00+14.00-15.00	2	Notes
E	Consultant	Consultancy	Jylland	DK	21/09/11	Observation/ meeting	Minute after		12.00-14.00	2	Notes
B	Operation Manager	Water Company	Fyn	DK	30/09/11	Observation/ meeting	Partly transcribed	1 hour, 20 min	11.00-12.30 + lunch	1.5	Dictaphone (Sony)
B	Electrician	Water Company	Fyn	DK	30/09/11	Observation/ meeting	Partly transcribed	1 hour, 48 min	2 hours incl. lunch	2	Dictaphone (Sony)
B	Laboratory Tech-	Water Company	Fyn	DK	30/09/	Observati-	Partly	1 hour, 48 min	2 hours incl. lunch	2	Dictaphone

	nician				11	on/ mee-ting	transcribed			2	(Sony)
B	Consultant	Consultancy	Sjæl-land	DK	30/09/11	Observati-on/ mee-ting	Partly transcribed	1 hour, 48 min	2 hours incl. lunch	2	Dictaphone (Sony)
A	Managing Direc-tor	Water Company	Fyn	DK	27/10/11	Interview	Transcribed	3 hours	11.00-14.00 incl. lunch	3	Dictaphone (Sony)
A	Project Chief	Water Company	Fyn	DK	27/10/11	Interview	Transcribed	2 hours	11.00-12.30 + lunch	2	Dictaphone (Sony)
H	Head of Division	Local Authority	Sjæl-land	DK	08/11/11	Interview	Transcribed	41 min, 53 sec	1 hour incl lunch	1	Dictaphone (Sony)
B	Managing Direc-tor	Water Company	Fyn	DK	04/11/11	Observati-on/ mee-ting	Minute after		10.00-11.00	1	Notes
B	Project Manager	Water Company	Fyn	DK	01/12/11	Interview	Transcribed	42 min, 1 sec	45 min	45 min	Dictaphone (Sony)
B	Chief of Finance	Water Company	Fyn	DK	13/12/11	Observati-on/ mee-ting	Notes		9.00-10.00	1	Notes
B	Project Manager	Water Company	Fyn	DK	17/02/	Interview	Transcribed	43 min, 9 sec	45 min		Dictaphone

					12					(Sony)
I	Public Officer	Local Authority	Fyn	DK	01/03/12	Interview	Transcribed	53 min, 44 sec	1 hour	1	Dictaphone (Sony)
I	Head of Division	Local Authority	Fyn	DK	01/03/12	Interview	Transcribed	32 min, 6 sec	ca. 30 min	30 min	Dictaphone (Sony)
A	Project Manager	Water Company	Fyn	DK	08/03/12	Interview	Transcribed	56 min, 25 sec	1 hour	1	Dictaphone (Sony)
A	Project Manager	Water Company	Fyn	DK	08/03/12	Interview	Transcribed	1 hour, 3 min	1 hour	1	Dictaphone (Sony)
J	SSTT-representative	Constructor	Jylland	DK	25/01/12	Observation/ meeting	Transcribed	3 hours, 26 min, 17 sec	4 hours	4	Dictaphone (Sony)
J	SSTT-representative	Constructor	Sjælland	DK	25/01/12	Observation/ meeting	Transcribed	3 hours, 26 min, 17 sec	4 hours	4	Dictaphone (Sony)
J	SSTT-representative	Constructor	Sverige	SE	25/01/12	Observation/ meeting	Transcribed	3 hours, 26 min, 17 sec	4 hours	4	Dictaphone (Sony)
J	SSTT-representative	Developer/Local Authority	Norge	NO	25/01/12	Observation/ meeting	Transcribed	3 hours, 26 min, 17 sec	4 hours	4	Dictaphone (Sony)

						ting					
J	SSTT-representative	Constructor	Sverige	SE	25/01/12	Observation/meeting	Transcribed	3 hours, 26 min, 17 sec	4 hours	4	Dictaphone (Sony)
K	Communication Assistant	Water Company	Sjælland	DK	22/05/12	Observation/meeting	Notes		1 hour 40 min	1 hour, 40 min	Notes
D	Project Chief	Water Company	Jylland	DK	01/06/12	Observation/meeting	Transcribed	51 min, 28 sec	1 hour	1	Dictaphone (Sony)
D	Project Chief	Water Company	Jylland	DK	01/06/12	Observation/meeting	Transcribed	51 min, 28 sec	1 hour	1	Dictaphone (Sony)
D	Project Manager	Water Company	Jylland	DK	01/06/12	Observation/meeting	Transcribed	51 min, 28 sec	1 hour	1	Dictaphone (Sony)
D	Project Manager	Water Company	Jylland	DK	01/06/12	Observation/meeting	Transcribed	51 min, 28 sec	1 hour	1	Dictaphone (Sony)
D	Project Manager	Water Company	Jylland	DK	06/06/12	Observation/meeting	Transcribed	1 hour, 25 min, 14	1,5 hour	1.5	Dictaphone

ID	Role	Company	Region	Country	Date	Type	Transcription	Duration	Length	No.	Medium
					12	on/ meeting		sec			(Sony)
M	Project Manager	Water Company	Sjælland	DK	06/06/12	Observation/meeting	Transcribed	1 hour, 25 min, 14 sec	1,5 hour	1.5	Dictaphone (Sony)
N	Project Manager	Constructor	Sjælland	DK	06/06/12	Observation/meeting	Transcribed	1 hour, 25 min, 14 sec	1,5 hour	1.5	Dictaphone (Sony)
L	Managing Director	Electricity Company	Fyn	DK	04-09/11/11	Email-interview	Text in email				Email
D	Project Chief	Water Company	Jylland	DK	09/11/12	Observation/meeting	Minute after	4 min - opt. afbrudt	1 hour	1	Notes
D	Project Manager	Water Company	Jylland	DK	09/11/12	Observation/meeting	Minute after	4 min - opt. afbrudt	1 hour	1	Notes
D	Project Manager	Water Company	Jylland	DK	09/11/12	Observation/meeting	Minute after	4 min - opt. afbrudt	1 hour	1	Notes

D	Project Manager	Water Company	Jylland	DK	09/11/12	Observation/meeting	Minute after	4 min - opt. afbrudt	1 hour	1	Notes
A	Managing Director	Water Company	Fyn	DK	16/04/13	Observation/meeting	Diary notes		9.00-10.00	1	Notes
Total								**28 hours, 20 min recording**		**47 hours meeting**	**(some interviews were text-noted)**
1	Citizen of the City of Aarhus	P_K_N_K	Jylland	DK				6 min, 20 sec			
2	Citizen of the City of Aarhus	A	Jylland	DK				12 min, 29 sec			
3	Citizen of the City of Aarhus	G_C	Jylland	DK				14 min, 1 sec			
4	Citizen of the City of Aarhus	K_L	Jylland	DK				4 min, 48 sec			
5	Citizen of the City of Aarhus	L_J	Jylland	DK				25 min, 49 sec			

		of Aarhus							
6	Citizen of the City of Aarhus	L_H_C_H	Jylland	DK			25 min, 38 sec		
7	Citizen of the City of Aarhus	M_L_J	Jylland	DK			18 min, 27 sec		
8	Citizen of the City of Aarhus	N_V	Jylland	DK			37 min, 23 sec		
9	Citizen of the City of Aarhus	O_E	Jylland	DK			11 min, 13 sec		
10	Citizen of the City of Aarhus	P_A	Jylland	DK			5 min, 13 sec		
11	Citizen of the City of Aarhus	S_A_N_R	Jylland	DK			16 min, 36 sec		
12	Citizen of the City of Aarhus	A_G	Jylland	DK			4 min, 30 sec		
13	Citizen of the City of Aarhus	B_B_S	Jylland	DK			3 min, 12 sec		
14	Citizen of the City of Aarhus	C_A	Jylland	DK			8 min, 57 sec		

15	Citizen of the City of Aarhus	H_H	Jylland	DK		2 min, 3 sec
16	Citizen of the City of Aarhus	J_O	Jylland	DK		14 min, 16 sec
17	Citizen of the City of Aarhus	K_P	Jylland	DK		7 min 56 sec
18	Citizen of the City of Aarhus	K_K	Jylland	DK		7 min, 48 sec
19	Citizen of the City of Aarhus	P_V_K	Jylland	DK		8 min, 32 sec
20	Citizen of the City of Aarhus	T_T	Jylland	DK		27 min, 15 sec
21	Citizen of the City of Aarhus	T_G	Jylland	DK		11 min, 13 sec
22	Citizen of the City of Aarhus	H_B_A_B	Jylland	DK		3 min, 52 sec
23	Citizen of the City of Aarhus	P_P	Jylland	DK		8 min, 47 sec
24	Citizen of the City of Aarhus	G_R	Jylland	DK		3 min, 1 sec

					Did not want to participate					4 hours, 49 min, 19 sec
	of Aarhus									
25	Citizen of the City of Aarhus	Anonymous	Jylland	DK	Did not want to participate					4 hours, 49 min, 19 sec
26	Citizen of the City of Aarhus	Anonymous	Jylland	DK	Did not want to participate					
27	Citizen of the City of Aarhus	Anonymous	Jylland	DK	Did not want to participate					
To ta l					**4 hours, 49 min, 19 sec recording**					**4 hours, 49 min, 19 sec**
S U M					**33 hours, 9 min, 21 sec recording**					**51 hours, 49 min, 19 sec**

TABLE A: TAPED/TRANSCRIBED INTERVIEWS AND OBSERVATION MEETINGS DURING THE PHD STUDY.

299

APPENDIX 2: TABLE B

CSR terms	Denmark[164]	United Kingdom[165]	United States[166]	South Africa[167]
Sustainability in freshwater delivery	Preservation of the groundwater aquifers for making them sustainable for future generations.	Create a sustainable cycle that allows us to meet our needs for water and sewerage today while enabling future generations to meet their own needs.	Finding solutions to maintain adequate levels of water supplies for communities	Mitigate drought and strive for a secure, safe, and sufficient water supply for all people.
Sustainable waste water handling	Use the best and least energy consuming technology to transport and treat wastewater.		Increase pumping efficiency to minimise the carbon footprint. Reuse treated wastewater for irrigation etc.	Reduce spills and pollution from wastewater to preserve water bodies and human health.
Sustainable drainage/sewerage	Use a combination of storm water basins and natural drainage of rainwater	Use natural drainage from rainwater separated from sewerage.	Engage in policy making for removal of the "price cap" that hinders private investment in municipal infrastructure.	Expand drainage as well as the water distribution system to cover more areas and supply more people in South Africa.
Sustainable sludge handling	Biogas production and ecological use of sludge as fertilizer on farmlands	Safe, reliable, efficient and affordable sludge service including recycling and	Reuse sludge for fertilising farmlands.	Not explicitly stated.

[164] Source: Interviews conducted by the author with managers of water companies in Denmark March 2011 – February 2012. CSR and annual reports (in Danish) from Københavns Energi (http://www.ke.dk/portal/page/portal/Miljoe_klima/Det_goer_vi/Miljoet_p%C3%A5_dagsordnen/Miljoeberetning?page=823), Aarhus Vand (http://aarhusvand.dk/Global/Om%20os/%C3%85rsrapport/AarhusVand_%C3%85rsrapport2011-web.pdf), VCS Denmark (http://www.vandcenter.dk/Viden/Publikationer.aspx, Ansvarlighedsrapport 2011), Roskilde Forsyning (http://roskilde-forsyning.dk/media/169542/rosforscsr_ver03_web.pdf) and Vand and Affald, Svendborg (http://vandogaffald.dk/om-os/planer-og-gr%C3%B8nne-regnskaber, Grønt regnskab 2011 (3 reports)). All retrieved August 2012.
[165] OFWAT (http://ofwat.gov.uk/sustainability/) and from CSR and annual reports from Thames Water (http://www.thameswater.co.uk/about-us/9568.htm), Severn Trent Water (http://www.stwater.co.uk/upload/pdf/ST_CR_summary_2010.pdf), http://www.dwrcymru.com/_library/leaflets_publications_english/our_sustainable_future/our_sustainable_future.pdf) and Wessex Water (http://www.wessexwater.co.uk/sustainability/sustainability/default.aspx), retrieved August 2012.
[166] EPA (2012) FY Strategic Plan (http://water.epa.gov/aboutow/goals_objectives/goals.cfm) and CSR and annual reports from United Water (http://www.unitedwater.com/eBooks/DI_Report_2011/DI_report_2011.html), American Water (http://amwater.com/corporate-responsibility/corporate-responsibility reporting/index.html), and Aqua America (http://ir.aquaamerica.com/ , Sustainability Report). All retrieved August 2012.
[167] DWA (2012) Blue Drop Report, DWA (2011) Green Drop Report, http://www.dwaf.gov.za/Documents/RSP.aspx, retrieved August 2012. Also derived from Annual reports from Rand Water (http://www.randwater.co.za/Annual%20Reports/Forms/AllItems.aspx, Annual Report 2011), Umgeni Water (http://www.umgeni.co.za/governance/ar.asp, Annual Report 2010/11), Johannesburg Water (http://www.johannesburgwater.co.za/ , Final Approved Annual Report (City Jan 2012)), Bloem Water (http://www.bloemwater.co.za/annual_reports.html, 2010/2011 Annual Report) and Amatola Water (http://www.amatolawater.co.za/about-us/introduction, Annual Report 2011). All retrieved August 2012

CSR terms	Denmark[164]	United Kingdom[165]	United States[166]	South Africa[167]
		disposal service		
Climate change	Reduce emissions from greenhouse gases, produce green energy, and adapt to climate change.	Mitigate the effect of climate change and adapt to climate change. Enhance low-carbon solutions in investments.	Adapt to climate change and minimise gas emissions.	Invest in low-energy technologies to mitigate climate change, and make plans for drought management.
Human Rights and Occupational health	Health security in the working environment; become an attractive workplace; and provide education and employee benefits.	Create a good work-life balance, reward employees, provide education, provide flexibility, and promote diversity in employment.	Our people thrive because they understand the importance of their work, and the impact they have on the everyday life for millions of people.	Human rights and occupational health are vital to enhance job creation and education for the local, black population. Enhance female employment.
Consumer protection	Provide the best and most secure product for the consumers at a fair price. Reduce leakages to below 10 percent.	Deliver safe, reliable, high-quality water and sewerage services at a fair price. Reduce leakages to below 35 percent.	Work with communities to meet water needs. Ensure high standards of water quality at a fair price. Reduce leakages.	Collaborate with local customers, stakeholders, and communities in the decision-making processes, and meet basic human needs, promote equitable access to water, and facilitate social and economic development.
CSR in the supply chain	Support green and sustainable purchasing.	(Not specified)	(Not specified)	Promote local stakeholders by the Broad-Based Black Economy.
Enhancing Nature capacity	Afforestation, wetland creation, and agricultural agreements for ecological farming.	Enhance natural environment and biodiversity in afforestation, wetlands etc.	Invest and engage in biodiversity and stewardship projects.	Support local communities in nature conservation and water management.
Impact upon land areas	Reduce impact upon land and urban areas as much as possible. Reduce disturbance of traffic.	Support wildlife and biodiversity preservation; use biodiversity risk mapping tools in businesses' decision making.	Invest and engage in biodiversity and stewardship projects.	Support local communities in nature conservation and water management.
Charity	Support local communities in nature conservation and education. One large company supports water management in third world countries.	Support local community and international funds for better water management, conservation of nature and biodiver-sity and education.	Support local community in nature conservation and water management.	Support local community in nature conservation and water management.

CSR terms	Denmark[164]	United Kingdom[165]	United States[166]	South Africa[167]
Economy	Non-profit monopolies with a state regulated price cap system.	For-profit monopolies with a state regulated price cap system.	For-profit mixed monopoly and free market as well as tariff regulation varying across states[168].	Prevent corruption, preserve regulation of the cost-recovery principle, and reduce costs. Free basic water programme

TABLE B: CSR DEFINITIONS ACROSS COMPARED NATIONS

---

[168] (Beecher 2009)

APPENDIX 3: TABLE C

Nation	Company	Water production (M m3/yr)	Water Price 2012 ($ / €)	CSR policy on website	CSR report on website	Year of report	Energy (kWh/m3)	Renewable energy (%)	Water leakages (%)	Consumer satisfaction (%)	Employee satisfaction (%)	Pollution incidents	Emission, fossile energy (T CO2/yr)	Emission, green energy (T CO2/yr)	Percentage fossil emission (%)	Sludge handling (B/F)	Reuse of water measured	Reuse of waste measured	Occupational health, incidents	Charity, community investments (M €)	CSR-program/certificate/index	CSR Case studies	Human rights	Biodiversity, afforestation etc	Water quality	Employee empowerment	Employee diversity (Q/M)	Stakeholder engagement	Supply chain CSR demands	Defeat corruption	Stormwater overflow (mio. m3)
Denmark	Københavns Energi	53	**6.72 / 5.23	✓	✓	2011	0,400	✓✗	8%	✗	75%	✗	✓✗	✗	✗	✗	✓	✓	21	✓	✓	✓	⊕	✗	✓	✓	30%/70%	✓	✓	✓	✗
	Aarhus Vand	15	**6.86 / 5.34	✓	✓	2011	✗	✗	7%	✗	✗	✗	11.025	3.100	100%	✗	✗	✗	13	✓	✓	✓	⊕	✓	✓	✓	✗	✓	✓	✓	0,470
	VCS Denmark	11	**6.17 / 4.80	✓	✓✗	2011	1,620	56%	6%	86%	✓✗	10	8.900	✗	65%	BF	99%	✓	14	✓	✓	✓	⊕	✓	✓	✓	39/150	✓	✓	✓	3,600
	Nordvand, Gentofte	10	**6.44 / 5.01	✓	✓	2011	✗	✗	✗	✗	✓✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	⊕	✗	✓	✗	✗	✗	✗	✓	✗
	Roskilde Forsyning	3	**7.58 / 5.90	✓	✗	2011	✗	✗	12%	✗	✗	✗	3.800	✗	100%	✗	✗	✓	✗	✗	✗	✓	⊕	✓	✓	✓	✗	✓	✗	✗	✗
	Vand & Affald, Svendborg	2	**7.44 / 5.80	✓	✓	2011	3,000	0,02%	14%	98%	✓✗	✗	3.540	0	100%	BF	✓	✗	0	✗	✓	✓	⊕	✗	✓	✓	✗	✗	✗	✗	✗
	NK Forsyning, Næstved	2	**8.04 / 6.26	✓	✗	None	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗
The United Kingdom	Thames Water	950	***4.72 / 3.67	✓	✓	2009/10	1,331	15%	25%	87%	✗	7	645.193	112.025	83%	BF	✓	✓	0,6%	3,2	✓	✓	⊕	✓	✓	✓	✓	✓	✗	✗	✗
	Severn Trent Water	657	***5.94 / 4.62	✓	✓	2009/10	✓✗	✓✗	26%	?	74%	✓✗	590.000	✗	100%	BF	✗	✓	✗	2	✓	✓	⊕	✓	✓	✓	✗	✓	✗	✗	✗
	Yorkshire Water	475	***5.74 / 4.47	✓	✓	2012	✗	✓✗	19%	77%	✗	23	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	⊕	✓	✓	✓	✗	✗	✗	✗	✗
	Welsh Water	329	***6.50 / 5.06	✓	✓	2006/7	✗	?	23%	85%	✓✗	4	280.000	✗	100%	F	✗	✗	42	?	?	✓	⊕	✓	✓	✓	✗	✓	✗	✗	✗
	Wessex Water	126	**7.09 / 5.52	✓	✓	2011	2,032	17%	25%	98%	✗	4	162.000	24.000	85%	BF	✗	✗	14	?	?	?	⊕	✓	✓	✓	✗	✓	✗	✗	✗
	Portmouth Water	66	****	✓	✓	2012	****	✗	17%	✗	✗	✗	✗	✗	✗	✗	✗	✗	9	✓	✓	✓	⊕	✓	✓	✗	✗	✗	✗	✗	✗
	Sutton & E. Surrey Water	58	****	✓	✓	2012	1,000	✗	45%	77%	68%	1	30.667	✗	100%	✗	✗	✗	0	✓	✗	✓	✓	✓	✗	✓	✗	✓	✗	✗	✗
	United Water (Pennsylvania)	2,487	**2.25 / 1.75	✓	✓	2011	✓✗	✓✗	✓✗	85%	✗	✗	✓✗	✓✗	✗	F	✓✗	✓✗	✓✗	1,6	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗
	American Water	1,934	**2.40 / 1.87	✓	✓	2010	✗	?	4%	✓✗	✗	✓	800.655	✗	100%	✗	✓✗	✗	4	0,16	✓	✓	✓	✓	✗	✓	✓	✓	✓	✗	✗
The United States	California Water Service G. (Westlake city)	456	**1.20 / 0.93	✓	✓	2011	✗	✗	✗	96%	✗	✗	✗	✗	✗	✗	✗	✗	✗	?	✗	✓	✗	✓	✓	✓	✗	✓	✗	✗	✗
	Denver Water, Colorado	264	**1.34 / 1.04	✓	✓	2010	0,045	483%	✓✗	✗	✗	✗	✓✗	✓✗	✗	✗	✓✗	✗	✓✗	✓	✗	✓	✗	✓	✓	✓	✓	✓	✗	✗	✗
	Aqua America (Pennsylvania)	182	**3.18 / 2.48	✓	✓	2012	0,632	✓✗	✗	✗	✓✗	✓✗	72.300	✓✗	100%	F	✓	✓	✗	✓	?	✓	✗	✓	✓	✓	✗	✓	✗	✗	✗
	El Paso Water U., Texas	117	**1.77 / 1.38	✓	✗	2012	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓✗
	Owensboro Municipal U.	16	**1.41 / 1.10	✗	✗	2012	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗
South Africa	Rand Water	1,495	****0.55 / 0.43	✓	✓	2010/11	1,249	✗	30%	83%	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗
	Johannesburg Water	473	****0.97 / 0.75	✓	✓	2012	✗	✗	✓✗	✗	64%	✓✗	✗	✗	✗	BF	✗	✗	✗	✗	?	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗
	Umgeni Water	415	****0.44 / 0.34	✓	✗	2010/11	0,402	✗	?	✗	?	1	165.208	✗	100%	?	✓	✓	✗	0,17	✓	✓	?	✗	✓	✓	✗	✓	✓	✓	✗
	Lepelle Northern Water	95	****0.45 / 0.35	✓	✗	2011	✗	✗	5%	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	✓	✗	✗	✓	✓	?	✗
	Bloem Water	94	****0.43 / 0.33	✓	✓	2010/11	✗	✗	15%	✓	65%	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗
	Amatola Water	30	****0.65 / 0.51	✓	✓	2010/11	0,867	✗	8%	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗
	Pelladrift Water	4	****0.32 / 0.25	✗	✗	2012	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗

All registered numbers are found of each company's website, converted into the units of the table, and rounded off to nearest whole number for easy comparison. All numbers are for both water production and wastewater handling.

✓ = yes, ✗ = no or not reported, ✓✗ = reported, but not convertable to the units in the table

⊕ = stated in national legislation

B = Biogas production, F = Fertilizer on farmlands

Includes wastewater treatment plants energy consumption

*Price conversion made September 28th 2012 at www.valutakurser.dk. The price is for both portable water and wastewater inclusive state tax but exclusive VAT

** Price per m3 from website. Where price per m3 is not given, the rate for approx. 66 m3 consumption is calculated (180 l/day * 365 days)

*** Price per m3 from leaflet found from Severn Trent Water http://www.stwater.co.uk/category/56 accessed 28th September 2012

**** Only displayed price for water. Wastewater charged from other company. Price is not comparable because no information available from wastewater charges per m3.

***** From South Africa National Treasury Meeting Minute April 12 2012. Prices before raise.

TABLE C: CSR POLICIES AND REPORTING STYLES ACROSS NATIONS

APPENDIX 4: TABLE D

New Public Management	Denmark[169]	The UK[170]	The US[171]	South Africa[172]
Year of NPM reform	2009	1991 (1989)	1987	1997
Rationale	Realise a saving potential estimated in 2003[173] at 185 mio. US $ per year by creating a simulated competitive quasi-market. Segregate income from municipality tax and spending.	Privatised during the 1980s in the Thatcher government in line with other public utilities and infrastructural assets to save money. The regulation came in late 80s after the first failure of privatisation[174].	Privatised during the 1980s in the Reagan presidency in line with other public utilities in order to save money. Regulation is strengthened but still fragmented[175]	Privatised after the apartheid regime and regulated by the government because of price setting and environmental targets as well as human relations targets.
Privatisation	Quasi-privatised, natural monopoly. No free choice of deliverer.	Privatised, no official monopoly, but free choice of deliverer (de facto through pricing – the network has typically still one owner)	Privatised, no official monopoly, but free choice of deliverer (de facto through pricing – see under "The UK")	Privatised in practice but not a free choice because of the division of companies into market regions.
Managerialism	Municipality owned, limited companies.	Privately owned limited companies.	A combination of privately owned limited companies and municipal and state ownership.	Privately owned limited companies.
Budgets and accounting	Yes. Demanded from the owners and the state authority	Yes. Demanded from the stockholders and the state authority	Yes. Demanded from the stockholders or the public owners	Yes. Demanded from the stockholders and the state authority
Benchmarking / Key Perfor-	Only regulated and bench-	Regulated and benchmarked on	Fragmented regulation and	Regulated through the cost-

---

[169] See details in Lauesen 2011.

[170] Source: www.ofwat.gov.uk Retrieved August 2012.

[171] Source: Center of Sustainable Systems. University of Michigan. 2011.
Second source: Osborne 1993.

[172] See McDonald and Pape 2002

[173] Competition Authority 2003

[174] See details in Lauesen 2011.

[175] (Beecher 2009)

mance Indexes	marked on pricing. KPI on performance is done privately in the branch organisation DANVA	pricing primarily. CSR is benchmarked qualitatively as a demand from the state authority OFWAT	benchmarking. States decide who and how the regulation is to be carried out. EPA guidelines.	recovery principle. KPI and regulation are executed by the state authority DWA.
Price caps	Yes	Yes	Partly	Yes
CSR / Sustainability	No state regulation. Only CSR reporting is demanded from the largest companies. Voluntary CSR is promoted in the water sector itself through branch organisation(s)	State regulation of CSR and sustainability promoted by OFWAT. All companies have a CSR/sustainability policy and certain reported plans to OFWAT. CSR reports are only required from the largest companies.	Stockholders and CSR-indexed private companies provide CSR/ sustainability policies and reports.	Stockholders and CSR-indexed private companies provide CSR/ sustainability policies and reports.

TABLE D: NEW PUBLIC MANAGEMENT HISTORY AND STYLE

APPENDIX 5: TABLE E

Interview date	Quote from managers of Danish water companies
March 2011	"The Competition Board refused to approve our investments in afforestation around our well fields. They say that urban forestry provides recreation for citizens and is not an economic investment in groundwater protection alone."
March 2011	"We cannot put targets like environmental protection and climate mitigation in our reporting for the benchmarking, because the environmental parameters are not based or transferred into economic targets, which is the format we have had to fill in according to the benchmarking."
March 2011	"We cannot decide ourselves to spend more money in environmental friendly sludge treatment such as biogas production. According to the Water Sector Act the municipal authority has to make these kinds of decisions for us."
March 2011	"It will also make some utilities speculate in doing no maintenance of their existing assets, and simply to wait till they wear down and demand new installation works. This will lift the Price cap and is justifiable pursuant the Depreciation Rules."
March 2011	"In the UK the water utilities have been very reluctant in preserving their ground water or in investing in environmental protection for the very same reasons. You cannot depreciate these investments. What happened? They chose exclusive technology investments! It can be depreciated suiting the price cap system."
March 2011	"It makes sense for us to separate water utilities from the municipal administration and create local companies to simulate a market. It makes no sense to impose a new bureaucracy of regulations over these companies when the desire of reduce bureaucracy through privatisation is replaced with even more bureaucracy that binds companies' hands and feets with only one purpose: To save money!"
April 2011	"We have spent a lot of money on afforestation, which we did not get any credit for - it does not bother me as much as it bothers the others. Right now the economists expect economic numbers. Environmental and service targets are not defined yet in the legislation, and there are plenty of things that belong to this - it'll come, I'm sure."
April 2011	"It's utopian to think that we as a single company without having our entire recharge area within the municipality borders can do anything worthwhile alone. There's no point in protecting groundwater recharge in a third of the area, if it is contaminated with pesticides in the other two thirds. We'll have to seek new collaborations. Then, we could compete and benchmark within municipal boundaries when the water reached the distribution network."

Interview date	Quote from managers of Danish water companies
April 2011	*"None of the water companies had any environmental targets imposed in the Price Cap."*
	Reponses from the Competition Authority
Competition Authority 2003, Ch. 4.5	*"When the privatisation in the UK resulted in higher prices for the consumers, it was largely a backlog of investments in the acquired plants and increased demands from the EU"*
August 2011	*"The service and environmental objectives in the Water Sector Act are causing all our problems! The Municipalities have a right to impose any service and environmental objective they like in their water and wastewater plans – say 300 different objectives – and in the Water Sector Act, the definitions of service and environmental objectives are actually not defined! We as the regulator can't handle that! We can only handle uniform goals! So it's has to be clarified by the Ministry of Environment in the future."*

TABLE E: EXCERPT FROM INTERVIEWS WITH DANISH WATER COMPANIES AND AUTHORITIES

APPENDIX 6: TABLE F

TABLE F: INSTITUTIONAL LOGICS. SOURCE: THORNTON ET AL., 2005. COLUMN (E) IS MY FINDINGS OF HYBRIDISED LOGICS.

Key characteristics	(A) Market	(B) Corporation	(C) Profession	(D) State	(E) Quasimarket
1) Economic system	Investor capitalism	Managerial capitalism	Personal capitalism	Welfare capitalism	Investor (A1) and welfare capitalism (D1)
2) Theories	Agency	Managerial	Neoinstitutional	Resource dependence	Agency (A2), Managerial (B2), Neoinstitutional (C2), Resource Dependence (D2)
3) Symbolic analogy	Market as transaction	Hierarchy as corporation	Profession as relational network	State as redistribution mechanism	Market as transaction (A3)
4) Sources of identity	Faceless	Bureaucratic roles; quantity of production	Personal reputation and quality of innovation	Social class and political ideology	Organisational reputation and quality of innovation (C4)
5) Sources of legitimacy	Share price	Market position of firm	Personal expertise	Democratic participation	Organisational expertise (C5) and market position of firm (B5)
6) Sources of authority	Shareholder activism	Board of Directors; management	Professional association	Bureaucratic domination and political parties	Share price (A5), Board of directors (B6), Bureaucratic regulation (D6)
7) Basis of norms	Self-interest	Employment in firm	Membership in guild	Citizenship in nation	Self-interest (A7), citizenship in distribu-

Key characteristics	(A) Market	(B) Corporation	(C) Profession	(D) State	(E) Quasimarket
					tion area (D7)
8) Basis of attention	Status position in market	Status position in industry	Status position in network	Status position of interest group	Status position in market (A8) and industry (B8)
9) Basis of strategy	Increase efficiency of transactions	Increase size and diversification of firm	Increase personal reputation and quality of craft	Increase community good	Increase efficiency of transaction (A9) and public good (D9)
10) Learning mechanisms	Competition prices	Competition, training and routines; subunit of firm	Cooperation apprenticing relational network	Popular opinion leadership	Competition prices (A10), training and routines (B10)
11) Informal control mechanisms	Industry analysts	Organisation culture	Celebrity professional	Backroom politics	Industry analysts (A11), celebrity professional (C11) and backroom politics (D11)
12) Formal control mechanisms	Enforcement of regulation	Board and management authority	Internal and external peer review	Enforcement of legislation	Enforcement of regulation (A12) and legislation (D12) and Board (B12)
13) Ownership forms	Public	Public	Private	Public	Public (A13)(B13)(D13)
14) Organisational form	Market place	M-form organisation	Network organisation	Legal bureaucracy	Market place (A14), M-form corporations (B14) and legal bureaucracy

Key characteristics	(A) Market	(B) Corporation	(C) Profession	(D) State	(E) Quasimarket
					(D14)
15) Logic of exchange	Immediate best bargain	Personal career advancement	Indebtedness and reciprocity	Political power	Immediate best (REGULATED) bargain (A15)
16) Logic of investment	Capital committed to capital markets	Capital commited to the corporation	Capital commited to nexus of relationships	Capital committed to public policy	Capital committed to capital markets (A15), corporations (B15) and public policy (D15)
17) Reward system*	Financial income	Competitive advantages (status)	Career promotion/ advantages (status)	Financial income through taxes.	Financial income (A17) and competitive advantages (B17)

*Row (17) is added to Thornton et al.'s model as an explanatory part, which is incorporated indirectly in the original model, for instance in row (8), but not explicitly shown as decontextualised.

Corporate Social Responsibility

Economy, environment, human and labour rights (DK, UK, US and SA)		Coercive isomorphism ('Implicit')
Environment (UK, US, SA): Biodiversity and climate changes	Human (UK, SA): Diversity, in-clusion, (SA): HIV/AIDS, black economy	Normative isomorphism ('Implicit'/ 'Explicit')
Environment (US, DK): Sustainability	Community (UK, US): Charity	Mimetic isomorphism ('Explicit')
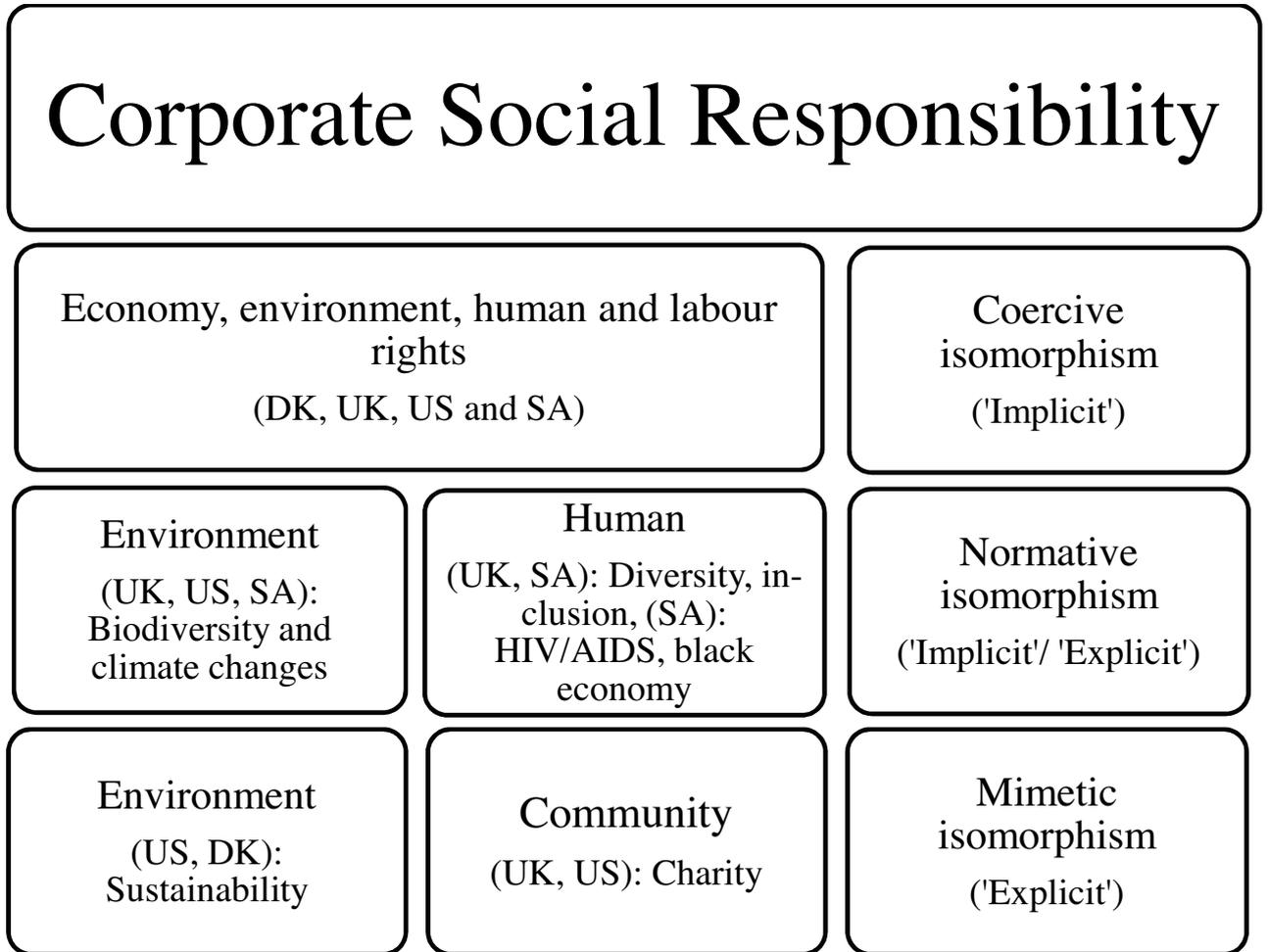
FIGURE A: CORPORATE SOCIAL RESPONSIBILITY AND INSTITUTIONAL ISOMORPHISM

APPENDIX 8: TABLE G

Company syno-nym	Managers	Production (m³ water)	Authorities
Company A	1 Top manager 2 Middle manager 3 Project managers	11,000,000	1 state authority*[176]
Company B	1 Top manager 2 Middle managers 5 Project managers	2,100,000	1 state authority* 2 local authorities
Company C	2 Top managers	2,400,000	1 state authority* 1 local authority
Company D	1 Top manager 2 Middle managers 3 Project managers	15,000,000	1 state authority*
Company E	2 Project managers	10,000,000	1 state authority*
Company F	1 Middle manager 1 Project manager	51,000,000	1 state authority*
Company G	2 Communication managers	3,000,000	1 state authority*

TABLE G: QUALITATIVE INTERVIEWS AMONG MANAGERS AND STAKEHOLDERS

IN THE DANISH WATER SECTOR.

* The state authority is the same for all companies.

---

[176] Some of the stakeholders are repeats and marked with * to indicate that it is the same in all cases. For instance the state authority was generally the same for all Danish water companies. The two different constructors are also repeats, having most of the companies as customers.

APPENDIX 9: TABLE H

Code	Key sentence	Semantic relationship	Domain	Taxonomy	Component	Theme
(X)	(example)	(X is a …. of Y)	(Y)	(internal relationship)	(contrast-set)	
Economy, efficiency and effectiveness	"We are punished for our environmental investments"	is a **result** of	**Distrust**	Disempowerment	Autonomisation	**Trust breakdown**
				Economic exclusiveness	Environmental neglect	
	"Our board can only decide upon service targets now"	is a **reason** for	**Paradox**	Regulation/benchmarking	Punishment, "sick system"	**Trust recovery**
		is a **kind** of	**Trust recovery**		Constraints affects quality	
		is a **way** to	**Behaviourise**	Sound strategy/low cost		
Behaviourising	"The Price Cap invites a buy-and-throw-away conduct"	is a **result** of	**Utility maximisation**	Buy and throw away	'Cheat' to comply/survive	**Trust breakdown**
Legitimacy loss	"Our identity has suffered a break because our autonomy is constrained"	is an **attribute** of	**Identity crisis**	Client relationship	Decoupling	**Trust breakdown**
		is a **result** of / is a **reason** for	**Distrust Resistance**	Disempowerment Suboptimisation	Compliancy / 'cheating' Decoupling	
Regain legitimacy	"Complaints will hopefully change the legislation eventually."	is a **result** of	**Learning facilitation and improvement**	Failures make us improve	Complaints teach others	**Trust recovery**
				Learning together improves	Knowledge must be shared	
Customer satisfactory	"We can prove customer satisfaction with the price and quality of water"	is an **attribute** of	**Identity**	Public trustworthyness	Customers should decide	**Trust building**
		is a **kind** of	**Trust**	Social responsibility	Constructed interpretation	

Code	Key sentence	Semantic relationship	Domain	Taxonomy	Component	Theme
Complaint	"Money cannot be spent on recreational purposes/CSR"	is a **part** of	**Resistance**	Price cap as a straitjacket	Fight for the environment	**Trust breakdown**
	"Environmental targets are not defined in the Act"	is an **attribute** of	**Resistance**	Saving public expenditure	Quality cost money	
		is a **part** of	**System incongruences**	E/E* conflict in law text	Knowledge incompetence	
Distrust / trust breakdown	"A shift in confidence has happened. The state does not trust us as companies nor in our municipalities at all."	is a **part** of	**Conflict**	Shift in confidence	Proof and documentation	**Trust breakdown**
		is a **part** of	**NPM system**	Environmental drivers	Economic regulators	
		is a **result** of	**Regulation**	Selfregulating regulators	Regulators are interpretors	
Paradox	"Environmental objectives need to be 'economified'. There is no definition of environmental and service objectives in the law text."	is a **reason** for	**Conflict**	E/E translation problem	Regulation and decoupling	**Trust breakdown**
		is a **result** of	**Distrust**	Need of common language	Contradicting E/E logics	
		is a **result** of	**NPM system**	Benchmarking "punishes"	We take the punishment	
		is a **result** of	**Economic system logic**	Lack of envir. definitions	Investments non-depriciable	
Power asymmetry	"The state administration is very powerful. They and the local authority do not understand what we do."	is a **result** of	**Distrust**	Recentralisation	Disempowerment	**Trust breakdown**
		is a **result** of	**Knowledge incompetence**	In-decisiveness	Third-partymediation	
		is a **part** of	**Conflict**	Company will control	Local authority will control	
Compliance	"We comply with the law"	is a **kind** of	**Collaboration**	Personal relationships	We can't win the fight	**Trust recovery**
	"We complain through the institutional court system"	is a **part** of	**Legitimacy**	Compliance gains trust	Decoupling	**Trust building**

Code	Key sentence	Semantic relationship	Domain	Taxonomy	Component	Theme
Competence incongruence	"The authorities have no professional competences to understand what we do, how we think, and how we work"	is a **reason** for	**Conflict**	Information is powerful	Power asymmetry	**Trust breakdown**
		is a **reason** for	**Distrust**	Lack of understanding	Power conflict	
		is a **kind** of	**Language barrier**	Economic logic	Environmental logic	
Competence enhancement	"When we learn together, our roles become more clear."	is a **way** to	**Solve conflict**	Knowledge mediates	Personal relationships	**Trust recovery**
		is a **way** to	**Cooperate**	Clear roles mediates	Hear the same things	
Inconsistency	"Split the money boxes"	is a **part** of	**System rationale**	Mix of interests avoided	Principal-Agent relations	**Trust recovery**
	"Speculation of monetary interests should be avoided"	is a **result** of	**Interests / behaviourising**	Economic speculations	Utility maximisation	**Trust breakdown**
Conflict of interests	"They have no interest in working with us."	is a **reason** for	**No collaboration**	Interests are conflicting	Role as a "police officer"	**Trust breakdown**
		is a **result** of	**Power resistance**	Speculation in deductions	Political tax stop incentive	**Trust recovery**
Information	"They do not inform us."	is a **way** to	**Disempower**	Information is powerful	Disempowerment of others	**Trust breakdown**
	"Information is crucial."	is a **way** to	**Trust building**	Knowers should tell	Knowledge sharing is trust	**Trust building**
Demands	"They do not collaborate; only demand a lot from us."	is a **way** to	**Control**	Demanding is to rule	Information is powerful	**Trust breakdown**
				Some demands are fair	Informing is to share	**Trust recovery**
Collaboration	"Our collaboration has come to senses. It works well now."	is a **way** to	**Gain trust**	Knowledge sharing	Compromising	**Trust recovery**
New Public Management	"Many sectors have experienced the same kind of reform; electricity, telecom, gas, transportation."	is a **result** of	**Historical, global movement to regain trust**	Separation of money boxes enhance public trust	Path dependency of a trajectory diffused by the OECD	**Trust recovery**

Code	Key sentence	Semantic relationship	Domain	Taxonomy	Component	Theme
Arms length principle	"Separation of municipalities and companies means that we do not know each other."	is a **part** of	**New Public Management system**	Splitting a too close relationship btw. P/A	Splitting the money boxes and misuse of funding	**Trust recovery**
Recognised incongruences	"We cut away 4/5 part of the efficiency potential to make up for system flaws."	is a **result** of	**Economic system logic**	System incongruences causes a lot of trouble	System incongruences must be changed by politicians	**Trust recovery**
Knowledge sharing	"Different professions need to understand each other and each other's priorities"	is a **sequence** in	**Trust building**	Good dialogue btw. regulator and sector	Collaboration to get rid of incongruences in system	**Trust recovery**
Exemptions	"1:1 deductions are withdrawn from benchmarking."	is a **result** of	**Complaints** / **Negotiations**	Regulator has lifted some of the burden of the sector	Environmental targets must be new to get exemptions	**Trust recovery**
Language	"It is important to demystify our language to make others understand."	is an **attribute** in	**Knowledge enhancement**	Skilled must teach others	Demystification of language	**Trust building**
Quality	"You have to deliver a service of high quality."	is a **way** to	**Trust building**	Good quality gain trust	Social responsibility is trust	**Trust building**
Law	"We need law changes for groundwater security."	is a **mean** to	**Institutionalise trust**	Law foster equality	Law can mediate trust	**Trust recovery**
Engagement	"To engage with small communities is important"	is a **way** to	**Trust building**	Local engagement	Community engagement	**Trust building**
Multiple logics	"Environmental and economic issues have always been in conflict"	is a **part** of	**Language universe(s)**	Clean water, citizen, environmental, and climate concerns	Economic, technical, biological, and geological concerns	**Trust building**
Responsibility	"We try to engage with all relevant stakeholders from the beginning of a project."	is a **kind** of	**Trust building**	Mutual engagement with multiple communities and professions	Balancing distancing and collaboration by engage-ment and role acceptance	**Trust recovery**

TABLE H: ETHNOGRAPHIC DOMAIN, TAXONOMY, COMPONENT AND THEME ANALYSIS   *** E/E = ECONOMY / ENVIRONMENT**   **** P/A = PRINCIPAL AND AGENT**

APPENDIX 10: TABLE I

Interviewees	Vignette	Conflict with
Water company, top managers (4/4)	The state authorities and legislation force us to prefer economy to environmental and other social concerns. They do not trust us. They have totally removed trust in us as managers and in our municipalities for being able to set goal for us and control us.	State authority
Water company, top managers (4/4)	We have had some initial problems with the city council politicians in the beginning. They did not understand that they should not make city politics in our board. They have to work for us when they are there. They understand their role better now. They can make politics in the City Hall afterwards.	Local city politicians
Water company, middle manager (3/4)	The state does not understand how important our services are to be conducted in the most social responsible way to ensure that we can deliver fresh water for future generations to come. They can't just cut the prices and then think that the quality will be the same.	State authority
Water company, middle manager (1/4)	It is very difficult to incorporate social responsibility in our tenders. The law prohibits competition in environmental targets, for instance.	State authority
Water company, project manager (8/12)	The local authorities do not understand how we work with technical solutions in the interests of the environment, the citizens and the working environment for our operational colleagues. They do not trust us.	Local authority
Local authority (3/3)	The managers of the water companies do not consider environmental concerns enough. They do not understand how they impact on nature with their technical solutions. They do not fully understand our concerns and obligations to preserve nature and the environment.	Water company
Local authority (3/3)	We do not have enough knowledge capacity in our office to be able to understand how the technicians work and which technical solutions are the best for the environment. Since the Reform all technical expertise went to the water companies. It takes a lot of time to build up the competencies necessary to do a proper job regulating the water companies.	Local authority
Local authority (3/3)	We do not have the technical competencies to understand and respond properly to the solutions the technicians within the water company suggest. When we were separated from our former colleagues, the best skilled persons went to work for the public water company. We have none or very few left that know about it. We have to learn it all over.	Water company and local authority

Interviewees	Vignette	Conflict with
State authority (1/1)	The water sector was not regulated before. They lived their own life and could set the price of water delivery etc. as they liked. If the local politicians wanted a low price for the citizens, they postponed investments in the infrastructure, which suffers from proper maintenance in many small towns.	Municipalities before, now the water companies
State authority (1/1)	The municipalities took advantage of the income from water sales and used it for other means, which were not appropriate. Now we regulate the water companies to be economically responsible to the citizens. It is hard to incorporate environmental objectives because it is impossible to set a price on the value of nature etc.	Municipalities before, now the water companies

TABLE I: COMPONENTIAL ANALYSIS OF 'CONFLICTS'. THE NUMBERS IN PARENTHESIS REFER TO HOW MANY CONFIRMED THE VIGNETTES OUT OF THE TOTAL RESPONDENTS.

APPENDIX 11: TABLE J

Trust	Operator	Regulator
Trust breakdown	**Distrusts the regulator**	**Distrusts the operator**
Institutional logic	'Environment'	'Economy'
Instrument	CSR	Regulation
Dichotomy	Voluntary	Control
Motive	Independence	Compliance
Trust building	**Align motives**	**Align motives**
Engagement	Collaboration	Distance
Mean	Direct knowledge sharing in face-to-face interactions	Objective knowledge sharing by mediators
End	Voluntary space	Regulatory space
Trust recovery (institutionalised)	**CSR promoted and rewarded by regulation**	**Regulation coexists with voluntary CSR**

TABEL J: FROM TRUST BREAKDOWN TO TRUST RECOVERY

APPENDIX 12: FIGURE B
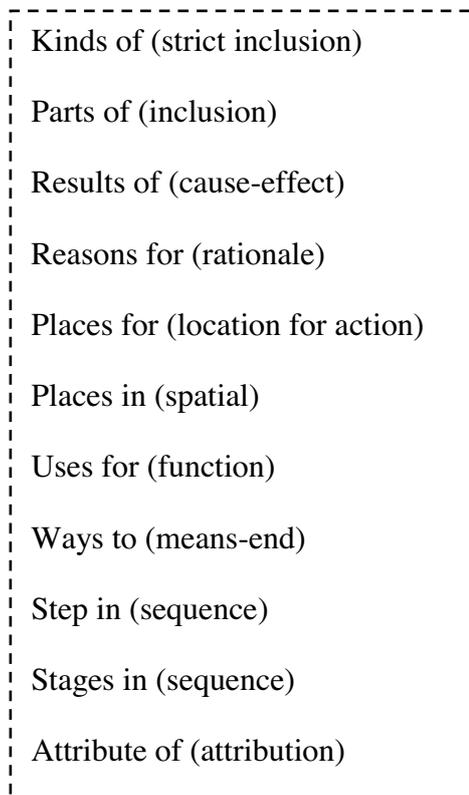
Kinds of (strict inclusion)

Parts of (inclusion)

Results of (cause-effect)

Reasons for (rationale)

Places for (location for action)

Places in (spatial)

Uses for (function)

Ways to (means-end)

Step in (sequence)

Stages in (sequence)

Attribute of (attribution)

FIGURE B: JAMES P. SPRADLEY'S TYPIFICATIONS OF DOMAIN TYPES. ANALYTICAL STEPS FROM CODE TO DOMAIN. (SPRADLEY 1979)

APPENDIX 13: FIGURE C
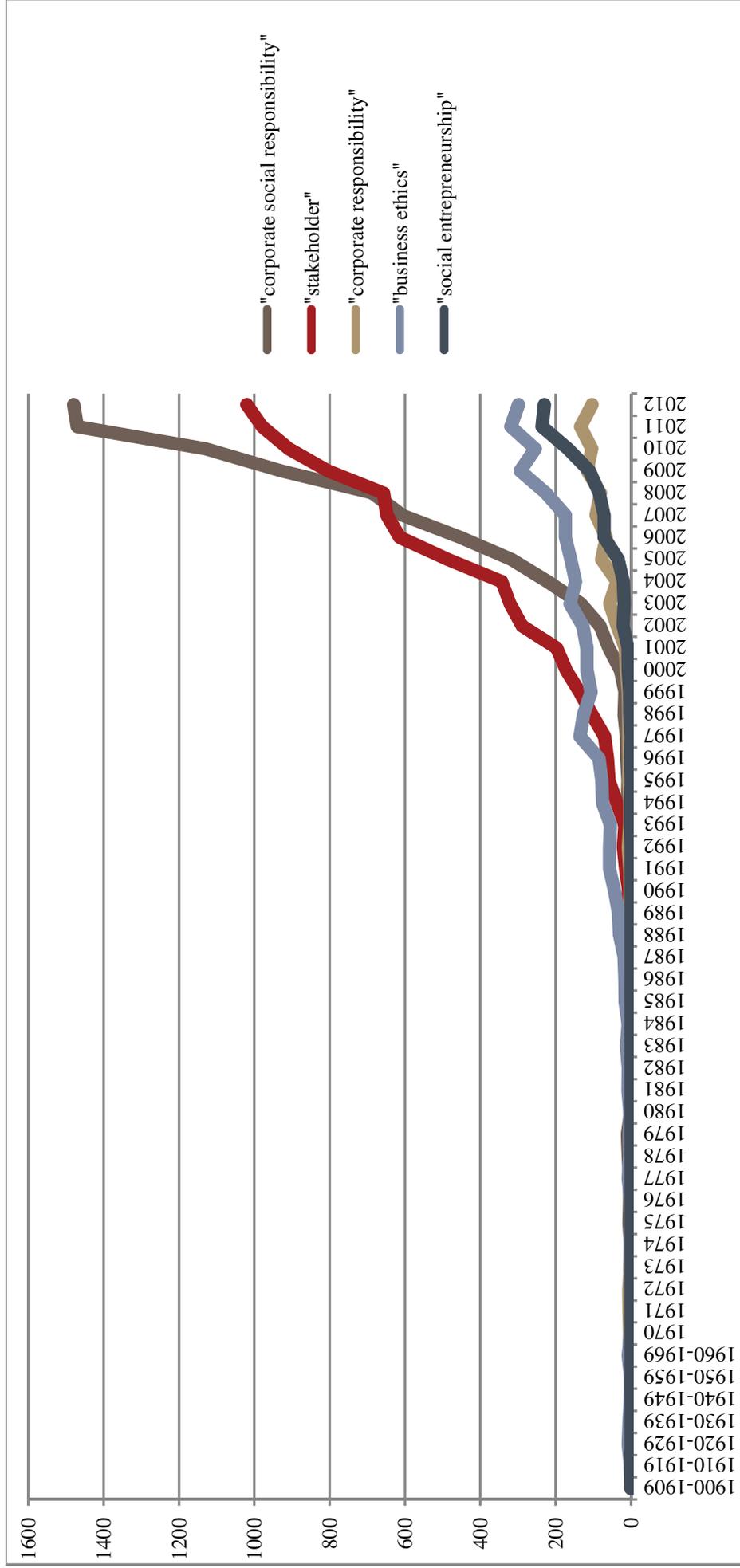
FIGURE C: SCHOLARLY WORK OF CSR AND RELATED FIELDS BASED ON "PHRASE/WORDS" WITHIN THEIR TITLES; PUBLISHED PER YEAR FROM 1900 – 2012. SOURCE: GOOGLE SCHOLAR, RETRIEVED MARCH 9TH 2013.

APPENDIX 14: FIGURE D
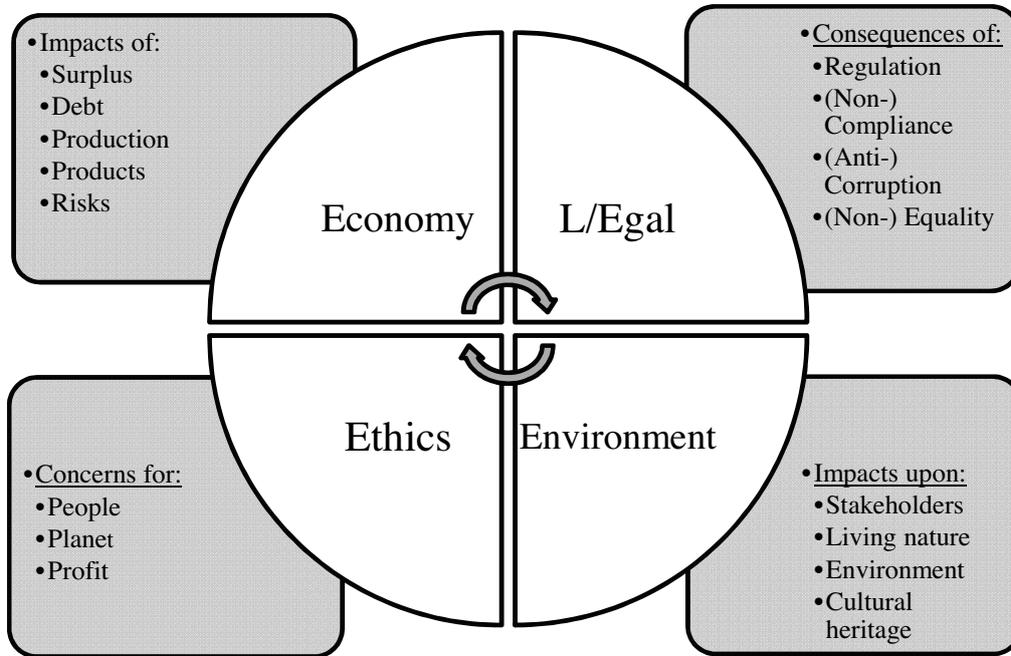
FIGURE D: A PROPOSED FOUR 'E' MODEL OF CSR

APPENDIX 15: TABLE K

Code (X)	Key text (examples of extracted and shortened sentences)	Semantic relationship (x is a ... of y)	Domain (Y)
Economy, efficiency and effectiveness	Regulation jeopardises our operation's expenses and sustainable investments.	Result of	Economic motive
	Capital for investments is necessary for us to become a truly sustainable company.	Way to	Hybridisation of motives
	Economic growth yields sustainability, affordability, and coping with regulation.	Kind of	Hybridisation of motives

TABLE K: CODE, KEY TEXT, SEMANTIC RELATIONSHIP, AND DOMAIN. FROM SPRADLEY (1979, 1980)

APPENDIX 16: TABLE L

Kinds of (strict inclusion)	Uses for (function)
Parts of (inclusion)	Ways to (means-end)
Results of (cause-effect)	Step in (sequence)
Reasons for (rationale)	Stages in (sequence)
Places for (location for action)	Attribute of (attribution)
Places in (spatial)	Times of (temporal)

TABLE L: SEMANTIC RELATIONSHIPS (SPRADLEY 1979, PP. 110-111)

APPENDIX 17: TABLE M

Domain (Y)	Taxonomy (Internal relationship)	Component (Contrast-sets)	THEME (motive)
Economic motive	Regulation is a threat to us	Utility maximisation	ENRICHMENT
Hybridisation of motives	Profit to ensure investment capital	Utility maximisation	LEGITIMACY
Hybridisation of motives	"Bigger is better" to ensure capital	Sustainability is costly	LEGITIMACY

TABLE M: DOMAIN, TAXONOMY, COMPONENT, THEME

APPENDIX 18: TABLE N

Nationality	Firm acronym	Year of report	Size: Production of water in million m³/year	1 Children	2 Adults	3 Families	4 Emplo-yees	5 Nature	6 Climate	7 Water	8 Technic	9 Tap	10 Fountain	11 Green energy	12 Drink water	13 Leisure/ education	14 Philan-thropy	15 Money	16 Bill	17 Saving	18 Organi-sation	19 Missi-on/Vision
DENMARK	A1	2011	53	8	13	5	8	22	27	15	19	2	3	11	5	7				10		
	B1	2011	15	5	3		24	10	3	34	67	8	1		8	4		2		1	1	2
	C1	2011	11	7	16	1	22	18	7	6	33	4			12	11	1			6		
	D1	2011	10				11		2	2	28	4										
	E1	2011	3	2	4		20	8	6	3	17	1			2	2						1
	F1	2011	2	3			9	15	11	8	26	5			4							
	G1	None	2					8		6	11									1		
UNITED KINGDOM	A2	2009/10	950	4	6	1	37	21	15	11	40	2		2	2	2	1	1	1			
	B2	2009/10	657	7	4	1	15	10	9	14	21	3		1	6	6	1					
	C2	2012	475	18	30	6	13	74	58	61	24	3	1	2	4	30	4					
	D2	2006/7	329	5	16		13	23	12	19	14					11	6					
	E2	2011	126	9	14	4	45	29	8	24	39	2			5	3	3					
	F2	2012	66		1		5	16	6	2	11	2			3		1	1				
	G2	2012	58	21	14	3	26	18	7	16	32	4			6	5	4					
UNITED STATES of AMERICA	A3	2011	2,487	4	7		15	14	3	19	27	7		1	5	3	10	1	1			
	B3	2010	1,934	3	8		68	39	23	23	94	2			2		26	3	1			
	C3	2011	456	1	2		3	2	1	1	5	5			2							
	D3	2010	264	1	5		6	39	34	26	17	3			4	16						
	E3	2012	182	1			7	13	4	13	16	3		2	1	1	1					

Table (rotated 90°). Columns 1–19 with category groupings.

Nationality	Firm acronym	Year of report	Size: Production of water in million m³/year	1 Children	2 Adults	3 Families	4 Employees	5 Nature	6 Climate	7 Water	8 Technic	9 Tap	10 Fountain	11 Green energy	12 Drink water	13 Leisure/education	14 Philanthropy	15 Money	16 Bill	17 Saving	18 Organisation	19 Mission/Vision
	F3	2012	117	1			4	8	9	5	20				1							
	G3	2012	16	2	1	1	17	13	7	1	29						2					
	A4	2010/11	1,495	4	6		23	11	5	19	35					6	9					
	B4	2012	473	3	10		12	1		2	5					8	2					
SOUTH AFRICA	C4	2010/11	415	3	6	1	11	41	14	17	23					3	2					
	D4	2011	95		3		15	20	15	24	28	1			4	1	2					
	E4	2010/11	94	3	1		5	5	3	16	6	4			6		1					
	F4	2010/11	30	3	6	2	19	14	20	19	27	3			1	1	2					
	G4	2012	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
Human beings	(Consumers, employees etc.)			772 *(span cols 1–4)*																		
Environment	(Nature, water, climate/air)							1207 *(span cols 5–7)*														
Construction	(Technical expertise)										806 *(span cols 8–11)*											
Behaviour	(Drink water, corp. giving)														281 *(span cols 12–14)*							
Economy	(Payment, save money etc.)																	32 *(span cols 15–19)*				
Total	(Pictures)		1,345	118	176	25	453	492	309	406	714	68	5	19	83	120	78	7	3	18	1	3

TABLE N: VISUAL DATA COLLECTION FROM CSR-REPORTS AND -WEBSITES

327

APPENDIX 19: TABLE O

Code (X)	Key text (examples of extracted and short-ened sentences)	Semantic relationship (x is a ... of y)	Domain (Y)	Taxonomy (Internal rela-tionship)	Component (Contrast-sets)	THEME (motive)
Economy, efficiency and effectiveness	Regulation jeopardises our operation expenses and sustainable investments.	Result of	Economic motive	Regulation is a threat to us	Utility maximisation	ENRICHMENT
	Capital for investments is necessary for us to become truly sustainable company.	Way to	Hybridisation of motives	Profit to ensure investment capital	Utility maximisation	LEGITIMACY
	Economic growth yields sustainability, affordability, and coping with regulation.	Kind of	Hybridisation of motives	"Bigger is better" to ensure capital	Sustainability is costly	LEGITIMACY
Behaviourising	The cost recovery principle is enough to ensure our reliability.			"We want to reduce (or get out of the) economic regulation"	New regulation in Denmark	MINIMISING ECONOMIC UTILITY maximisation
	We will meet and beat the targets agreed with our regulators.	Result of	Economic motive		Regulation is normal for others	
	We need to find our role and improve to maintain leadership and independence.	Attribute of		Loss of identity due to regulation	Price caps reduce profits	MINIMISING ECONOMIC UTILITY maximisation
Legitimacy loss	Aging infrastructure and allocation of capital are connected to poor results.	Result of	Economic motive	Poor results due to failing economy	Price caps reduce income	
	We will reduce the harmful effects of the regulation to keep investing momentum.	Reason for	Utility maximisation	Investments are good performance	Regulation of investments	
	Customer bills should not exceed general inflation although it depends on several external factors.	Way to	Threats/Insecurity/ Excuses	Tariffs depend on external factors is an excuse	Climate change and legislation are threats	

Code (X)	Key text (examples of extracted and short-ened sentences)	Semantic relationship (x is a … of y)	Domain (Y)	Taxonomy (Internal rela-tionship)	Component (Contrast-sets)	THEME (motive)
Regain legitimacy	We try to create an image of a future that is attractive, sustainable, and affordable.	Result of	Hybridisation of motives	CSR is used to legitimise business	Economy = affordability	LEGITIMACY
Customer satisfaction	Our customers are concerned about access to our services, pollution, good quality and our responsiveness to them.	Attribute of		Taking customers' concerns into consideration	Access, quality and mitigation of pollution.	LEGITIMACY
	We are committed to provide our customers with the best service at the lowest price.	Kind of	Hybridisation of motives	Best service at lowest price	Above service equals the price	
	Efficiency should not come at the expense of environmental and social accountability.	Part of		Sustainability before economy	Neglect 'sustainable, fair pricing	ENRICHMENT
Complaint	Consumer debt recovery is enhanced by our credit management system.	Attribute of	Economic motive	Consumer debt is a highlighted risk	Not mentioned in Denmark	
	We run trials against the Tax Authorities and the State's economic regulation of us.	Part of	Conflicting motives	Danish companies run trials against the state.	Others do not mention such a strategic step.	SOVEREIGNTY
Distrust	Regulation put a larger pressure on water companies' operations efficiency.	Part of	Legitimacy loss	Efficiency pressure on operations	Distrust in companies	SOVEREIGNTY
Paradox	The benchmarking model does not take into account that supplies have different environmental and service levels.	Result of	Legitimacy loss	Of companies with high efficiency are still required more	Companies do not understand state policies	SOVEREIGNTY
	In response to the harsh economic regulation we have decided to improve.		Legitimacy loss	Resistance towards regulation	Subjugation of state power	
Power asymmetry	We conduct our stakeholder engagement through one-by-one communications,	Result of		Most stakeholder communication is	It is easier to control what is	SOVEREIGNTY

329

Code (X)	Key text (examples of extracted and shortened sentences)	Semantic relationship (x is a … of y)	Domain (Y)	Taxonomy (Internal relationship)	Component (Contrast-sets)	THEME (motive)
	audits, town hall meetings, events, and online communication, and social media.		Conflicting motives	held by one-by-one meetings	going on in one-to-one communication	
Compliance	We haven't decided whether we will exploit our opportunities to raise tariffs due to our allowances.	Kind of	Ambiguous motives	Opportunity to raise tariffs by the regulators decision	Legitimacy in the eyes of the public is not to raise tariffs	LEGITIMACY
	Company goals of 100 percent compliance each and every day.	Part of	Motive of appropriateness	Full compliance every day	Other motives are silenced	
Competence in-congruence	We engage with our regulator and have suggested adjustments to the benchmarking model.	Reason for	Threats/Insecurity/Excuses	Engage with the regulator to gain influence	Attempt to control impacts of regulation	MINIMISING ECONOMIC UTILITY maximisation
	Efficiency and quality will be about developing a culture of improvement.	Result of	Conflicting motives	Do more with less	Quality equals improvements	
Competence en-hancement	We will contribute to innovative collaborations to develop new solutions.	Way to	Hybridise motives	'Innovation' and collaboration	Multiple motives	LEGITIMACY
	In the coming years, we will focus on our skills and our efficiency.			Focus on skills and efficiency	Multiple motives	LEGITIMACY + ECONOMY
Inconsistency	Despite vagueness and lack of definitions in the legislation, cooperation with our municipality was positive good.	Part of	Threats/Insecurity/Excuses	Inconsistent legislation managed by local collaboration	Not collaboration with the state	ECONOMY
	There are many uncertainties associated with changing climate patterns and its impact on water supply.	Result of	Uncertainties	We do not have control over the future supply	The Climate change are to blame	DELEGITIMACY
	Renewable energy is a priority and challenge for us, because we rely on finite resources such as fossil fuels, natural			Renewable energy is a priority and	We rely on finite resources such	ECONOMY

330

Code (X)	Key text (examples of extracted and shortened sentences)	Semantic relationship (x is a ... of y)	Domain (Y)	Taxonomy (Internal relationship)	Component (Contrast-sets)	THEME (motive)
	gas and oil.			challenge for us	as fossil fuels	
Conflict of interest	The price cap regulation and the standardised investment framework put our operating expenses under pressure and challenged our sustainable investment.	Result of	Economic motive	The Price Cap may result in our good intentions declining	Resistance to the regulation in this claim	ECONOMY + SOVEREIGNTY
Information	We will increase communications for a visible and clear branding of our knowledge, products and services.	Way to	Regain legitimacy	Increased communication for branding purposes	Branding hides several motives incl. economic	RELEGITIMATION
	The South African economy is impacted by the slump in the residential market, which is not expected to recover for some time.	Kind of	Threats/Insecurity/Excuses	SA economy in general is poor	Threat used to excuse poor results	
	Water resources are scarce; population density high; pollution threatens; state water plans reduce our water extraction allowances; we have stricter environmental and efficiency requirements; and simultaneously stricter demands for lower prices due to regulation.		Threats/Insecurity/Excuses	External threats are used to excuse and legitimise companies' insecurity	Hidden motive of economy in the citation of various environmental threats.	RELEGITIMATION + ECONOMY
Demand	We need to earn the support of our customers to build our investment plan to enable benefits to communities.	Way to	Legitimise motives	If our customers do not support us we cannot deliver	Trust is basic to their deliverances	
Collaboration	We collaborate with the industry, our authorities, customers, employees, state organs and community organisations to create a better and more efficient supply.	Way to	Hybridise motives	Multiple stakeholder management to enhance service and efficiency	Hides a motive of economy due to a control over stakeholders	LEGITIMACY + ECONOMY
	All water companies receive a calculated potential for efficiency requirements	Result of		We have lost our sovereignty to state	Loss of power of decision making	ECONOMY + SOVEREIGNTY

Code (X)	Key text (examples of extracted and shortened sentences)	Semantic relationship (x is a ... of y)	Domain (Y)	Taxonomy (Internal relationship)	Component (Contrast-sets)	THEME (motive)
	that companies have to achieve.			control	and economic utility maximisation	
New Public Management	Our municipality regulatory functions are to oversee the company's activities.	Part of	Economic system			LEGITIMACY
Employees	We want to be an attractive workplace. Employee satisfaction is displayed very positively or ultimately disregarded.	Sequence in	Risk minimisation	We want to be an attractive workplace.	Employee satisfaction is crucial to company well being and doing	ECONOMY + LEGITIMACY
Knowledge sharing	Targeted communication and early engagement with stakeholders enables us to manage the change effectively and ensure a consistent service throughout	Sequence in	Risk minimisation	Strategic communication with stakeholders serve to manage change and stability in one	Strategic communication is another way to control the stakeholders	ECONOMY
Voice	Managerial formal voices in all reports. All signatures are formal and male.	Part of	Paternal business	Managerial formal and male voices	Neglect of other voices	LEGITIMACY
Quality	Companies focus on sustainability issues such as environmental protection, energy reduction, health, safety, customer benefits and community development.	Kind of	Sustainability motive	Focus on sustainability issues	SA companies are exempted from some sustainability issues	ECONOMY + LEGITIMACY
Law	All companies claim a motive of full compliance to the law. However, Danish companies lobby for changes in regulation, and SA companies often do not meet targets agreed with their regulators.	Way to	Hybridise motives	"Full compliance" with the law	Lobbyism for a change of law, and impermanent results are seen.	ECONOMY + LEGITIMACY
	Our approach is a focus on core issues related to people (health, safety, well			Engagement for the betterment of peo-	Silenced motives of financial	

332

Code (X)	Key text (examples of extracted and shortened sentences)	Semantic relationship (x is a ... of y)	Domain (Y)	Taxonomy (Internal relationship)	Component (Contrast-sets)	THEME (motive)
Engagement	being, skills, ethics, customers and employee engagement), the planet (environmental protection, natural resource management, climate change and zero waste), and the strength and reliability of performance now and into the future.	Way to	Sustainability motive	ple, planet and the reliability of performance now and in the future	sustainability underlying the engagement proclamation	ECONOMY + LEGITIMACY
Multiple motives	Our business depends on trust. Our customers trust us to provide the highest quality water and wastewater services; the communities where we operate trust us to be a good corporate citizen.	Way to	Hybridise motives	Trust is encompasses multiple motives concealed in the concept of good corporate citizenship	Trust is not defined in any report, but can also be extended to financial accountability	ECONOMY + LEGITIMACY
	Our company provides the essential utility service for many customers addressing population growth and climate change to ensure we have enough affordable water for all our customers. As one of the top energy consumers, we are committed to limiting our impact on the environment.		Sustainability motive	Sustainability is multiple responsibilities towards people, the environment and climate change.		LEGITIMACY
Responsibility	Our responsibilities go beyond the provision of day-to-day services; mitigating environmental challenges, how we communicate with customers and respond to a range of new regulatory and legal drivers. There is a significant environmental cost to collecting, treating and distributing water and we need to think differently about how we use our resources sustainably. We need to do it	Kind of	Hybridisation of motives		Financial sustainability is also underlies the sustainability proclamation	ECONOMY + LEGITIMACY

Code (X)	Key text (examples of extracted and short-ened sentences)	Semantic relationship (x is a … of y)	Domain (Y)	Taxonomy (Internal rela-tionship)	Component (Contrast-sets)	THEME (motive)
	efficiently to keep prices low.					
Philanthropy	Support for vulnerable customers is vital and we were delighted to see our Re-solve and Community Trust schemes cited as best practice in the Water White Paper.	Kind of	Motive of appropria-teness	Philanthropic sup-port of vulner-able communities	DK companies are not allowed. Societal expecta-tions	LEGITIMACY
Profitability	Dividends to shareholders are the return that they receive for investing in the business.	Kind of	Utility maximisation	Shareholder divi-dends are made crucial for compa-ny survival	DK and some SA companies are cost recovery based	ENRICHMENT
Blame-game	The Environment Agency hopes to en-courage behavioural change for long-term, sustainable benefit. The pro-gramme of open engagement with the farming community on the problem of diffuse pollutions.	Kind of	De-emphasis of own responsibility	A typical blaming of the agricultural sector for the prob-lem of diffuse pol-lution.	The blame game removes the attention of the companies' own responsibilities	RELEGITIMISATION
Motivation	Our key aim is to balance the desires and aspirations of our customers and our employees with the needs of the envi-ronment and the business.	Attribute in	Vocabularies of mo-tives	Key aim to balance desires and aspira-tions of stakehold-ers.	Competition through being a front runner in the sustainability discourse.	LEGITIMACY
Transparency	Transparency is very ambiguously re-ported. Some companies show a range of performance indicators, whereas others reside on storytelling to obtain it.	Attribute in	Motive of trust ex-pectations	Some companies use many key per-formance indexes	Others use main-ly narrati-ves and storytelling	LEGITIMACY

TABLE O: ETHNOGRAPHIC ANALYSIS OF TEXTS FROM COMPANY REPORTS.

334

APPENDIX 20: TABLE P

Emphasised archetypal motives

"Happyness" – (Happy customers and employees). People with smiling faces. A few pictures show how water companies sponsor poor nations either financially or with water services. They also show other kinds of moods, for instance moods of sadness or indifference. Smiles are used to signify an idea that these companies do is purely good and creates happiness as an idealisation.

Example found (February 25, 13): http://www.waterplc.com/pages/home/water-meters/

"Protection" – (Environmental perfectness). Signifying 'protection' of the vulnerable environment including nature, all kinds of stakeholders, and the surrounding communities. These pictures are typically displayed in bright and nice colours showing glorious sunshine (seldom bad whether), blue skies with white clouds, green nature, blue water bodies, and colourful flowers. Example found (February 25, 13): http://vandcenter.dk/Om_os/Ansvarlighed/Elmelund.aspx

"Diversity" – (Skin colour). 'Diversity' among employees or biodiversity shows pictures composed for the purpose. These compositions are not repeated in situations from everyday work, where homogeneity is more present, whether it is represented by typically "male whiteness" or "male blackness" respectively due to the dominating national skin colour. Women are under-represented in managerial, scientific and infrastructural work, and over-represented in laboratory work, callcentre work, and other low status positions.

De-emphasised archetypal motives

"Sadness" – (Climate change). Pictures of natural changes or disasters in order to show severe, longitudinal impacts from for instance greenhouse gas emissions and its consequences on future life on Earth, are rarely displayed.

Example found (retrieved February 25, 13):

http://vandcenter.dk/Viden/Projekter/Ejersmindevej.aspx

"Exploitation" – (Environmental exploitation). Pictures of how water companies exploit nature in terms of extraction from non-purified water discharges from stormwater to various water bodies such as aquifers or surface water, which are rarely displayed. Also pictures expressing one of the major contributions to environmental impact in terms of exploitation of fossil energy and how this affects climate change due to emission of greenhouse gasses, which are rarely displayed. Example found (retrieved February 25, 13): http://www.randwater.co.za/AboutUs/Pages/Background.aspx

"Homogeneity" – (Same sex/Skin colour). Texts in reports describe vividly companies' engagement in human diversity (heterogeneity), albeit most reports depict their occupational composition as "homogeneous". Most managers, for instance, are depicted as "male" and often "white" with the reverse situation for South Africa, where management is mainly black.

Example found (retrieved February 25, 13):

http://www.nordvand.dk/OmNordvand/Organisation/Sider/default.aspx

Emphasised archetypal motives

Example found (February 25, 13): http://www.unitedwater.com/eBooks/DI Report 2011/DI report 2011.html#/10/

"Sustainability" – (Children have to live longer). Many pictures of children drinking water are displayed signifying that the purpose of 'sustainability' is secure clean water resources for future generations. Example found (February 25, 13): http://vandogaffald.dk/

"Expertise" – (Technology). The largest quantity of photos shows how water companies process an over-arching technological (engineering) solution. Multiple pictures of infrastructural work, water works and wastewater treatment plants, "green" energy-providing technologies such as wind turbines, solar cells, and hydropower works signify that water production is an 'expertise' that requires rich and sound knowledge, skills and innovative learning.

Example found (February 25, 13) p. 1: http://www.aarhusvand.dk/Global/Om%20os/Profilbrochure/Profilbrochure_Aarhus_Vand.pdf

De-emphasised archetypal motives

"Challenges" – (Insecurity/incompetences). Very few pictures are shown about the actual challenges that water companies face such as mitigating pollution, climate change, and the various insecurities and in-competences that companies have to face and develop. These challenges are mainly described in the texts, and even when these challenges are depicted, they suggest that the people working with these challenges are "enjoying" their work (smiles) without the frustration one might expect could be present.

Example found (February 25, 13) p. 4: http://www.thameswater.co.uk/tw/common/downloads/about us - corporate responsibility/cr report-2009-2010.pdf

"Threats" – (Drought, stormwater, flooding). Severe threats regarding the existence of the water companies and their potential achievements in mitigating them are rarely displayed, but only described textually. Generally 'risks' are de-emphasised both textually and in pictures whether these are environmental, financial, or developmental (skills and knowledge).

Example found (February 25, 13) p. 1: http://www.denverwater.org/docs/assets/CECFBC95-E611-03E5-FD2B05E1B8A6B497/DroughtResponsePlan.pdf

Emphasised archetypal motives

"Charity" – (Giving back to society). Charity through philanthropic donations, investment in research and community development are richly depicted in all companies' reports. Pictures of poor children, elderly and other vulnerable segments are especially used to legitimise the companies' awareness of giving back to society in various ways. Some companies display their management standing with an oversize check, which they publicise clearly by shaking hand swith the receivers of the donation.

Example found (February 25, 13): http://www.waterplc.com/pages/community/charities-we-support/wateraid/

"Management" – (Responsibility). Management is often depicted in composed pictures as 'stilleben'. Dresscodes are often formal, male (suits), dark colours except from South African women's multi-coloured dresses, signifying institutional 'responsibility'.

Example found (February 25, 13):

http://www.nordvand.dk/OmNordvand/Bestyrelse/Sider/default.aspx

De-emphasised archetypal motives

"Management" – (Power and power asymmetry). The managerial power and the power asymmetry between management and employees or between the water companies as institutions and their customers or the citizens in general that they have an impact upon are de-emphasised in pictures displayed. Over-representation of pictures of working staff and under-representation of managerial staff. This representational asymmetry hides the power relationship and hides the fact that the voices of employees are de-emphasised textually as well.

Example found (February 25, 13) p. 3: http://www.dwrcymru.com/ library/leaflets_publications_english/our_sustainable_future/our_sus tainable_future.pdf

"Enrichment" – (De-emphasised). Pictures of the economic relationship between water companies and their customers are mainly displayed in terms of financial savings de-emphasising that the companies have motives of profit or budget maximisation as well.

Example found (February 25, 13): http://vandcenter.dk/Privat/Priser.aspx

TABLE P: ARCHETYPAL DISCOURSE ANALYSIS OF PHOTOGRAPHIC IMAGES IN CORPORATE REPORTS.

APPENDIX 21: TABLE Q

ACTOR	WATER COMPANIES						
	(issued by) REGULATOR (instrumented by)		(informed by) POLICY MAKER	VOTER /CITIZEN			
Organising principles	**Capitalism, market**	**State, bureaucracy**	**Democracy, community**	**Family, nuclear**	**Religion, Christian**	**Profession**	**Corporation**
Rituals (reinforce beliefs)	Signing constracts	Issuance of budgets and plans	Voting	Marriage	Communion	General meeting	Signing a contract
Values (relativation of)	Accumulation and commodification of human activity	Rationalisation and regulation of human activity	Popular control over human activity	Motivation of human activity	Symbolic construction of human activity	Pooling of professional knowledge	Organisation of productivity of human activity
Basis of affiliation	None. The market is to be free and unbound. Market is simulated and regulated.	Legal and bureaucratic hierarchies	Citizen participation	Community (of individuals)	Membership in congregation	Membership of professional communities	Membership of company organisation
Basis of obligation	Convert human activity to a price	Convert diverse individual issues into consensus	Convert issues into political consensus	Reproduction of family members	Convert issues into moral principles	Convert knowledge into field practice	Convert labour into products and services
Basis of loyalty / legitimacy	Share price (or price of cost recovery)	Democratic participation	Unity of will/belief in trust and reciprocity	Unconditional loyalty to members	Faith and sacredness of congregation	Personal expertise	Market position
Authority	Shareholders (or owners)	Bureaucracy	Community values and ideology	Patriarchal	Priesthood	Professional association	Board of direction/ Top managers.
Identity	Faceless	Social and economic class	Emotional connection and satisfaction	Family reputation	Association with deities (or charity and compassion)	Association with quality of craft and personal reputation	Bureaucratic roles
Norms	Selfinterest / Interest of bureaucracy	Citizenship in nation	Group membership	Membership in household	Membership in congregation	Membership in guild and association	Employment in firm
Attention	Status in market	Status of interest group	Personal investment in group	Status in household	Relation to supernatural	Status in profession	Status in (industry) hierarchy
Strategy	Increase efficiency profit (or budgetmaximisation)	Increase community good	Increase status and honour of members and practices	Increase family honour	Increase religious symbolism of natural events	Increase personal reputation	Increase size and diversification of firm
Informal control	Industry analyst	Backroom politics	Visibility of actions	Family politics	Worship of calling	Celebrity professionals	Organisational culture
Economic system	"Market" capitalism	Welfare capitalism	Cooperative capitalism	Family as capital	Occidental capitalism	Personal capitalism	Managerial capitalism
Root metaphor	Transaction	Redistribution mechanism	Common boundary	Family as firm	Temple as bank	Network of professionals	Corporation as hierarchy

TABLE Q: THE LOGIC OF CSR AS BLACK FRAMED 'CHESS-FIELDS' VERSUS THE LOGIC OF NPM IN VERTICAL GREY-SCALED 'PILLARS'

REFERENCES

#1 references

Aagaard, A., Eriksson, T., & Westergaard-Nielsen, N. (2004). Wage and Labor Mobility in Denmark, 1980-2000. Paper prepared for the *NBER Empirical Personnel Economics. Workshop in Cambridge*. August 5-6th.

Aguilera, R. V., & Jackson, G. (2003). The Cross National Diversity of Corporate Governance: Dimensions and Determinants. *Academy of Management Review*, *28*(3), 447-465.

Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). Putting the S back in Corporate Social Responsibility: A Multi-Level Theory of Social Change in Organisations. *Academy of Management Review*, *32*(2), 836-863.

Aguilera, R. V., Williams, C. A., Conley, J. M., & Rupp, D. E. (2006). Corporate Governance and Social Responsibility: A Comparative Analysis of the UK and the US. *Corporate Governance: An International Review*, *14*(3), 147-158.

Amaeshi, K. (2008). Neither National Boundaries Nor Transnational Social Spaces: Accounting for Variations of CSR Practices in Varieties of Capitalism. *CSGR Working Paper, 246*/08. United Kingdom: Cranfield School of Management.

Andersen, J. G. (2001 (1994)). Vælgere, økonomi og interesser: Vælgeforskning, policy analyser og "kriseundersøgelserne". *Arbejdspapir no. 13 fra Det danske valgprojekt*. Institut for Økonomi, Politik og Forvaltning, Aalborg Universitet.

Andersen, S. E., & Nielsen, A. E. (2009). The City at Stake: "Stakeholder Mapping" the City. *Cultural Unbound* , 1, 305-329.

Annez, P. C. (2006). Urban Infrastructure Finance From Private Operators: What Have We Learned From Recent Experience? *Working Paper 4045 November*. World Bank Policy Research.

Bakker, K. (2005). Neoliberalizing Nature? Market Environmentalism in Water Supply in England and Wales. *Annals of the Association of American Geographers*, *95*(3), 542-565.

Barnard, C., & Deakin, S. (2002). Reinventing the European Corporation? Corporate Governance, Social Policy and the Single Market. *Industrial Relations Journal*, *33*(5), 484-499.

Barzelay, M. (2001). *The new public management: Improving research and policy dialogue* (Vol. 3). California: University of California Press.

Boesby, D. (2008). Strategisk integration af CSR i SMV - hvorfor of hvordan. In M. Morsing, *Forretning eller ansvar? - social ansvarlighed i små og mellemstore virksomheder*. Copenhagen: Børsens Forlag.

Boesby, D., Roepstorff, A. K., & Granerud, L. (2008). *CSR og arbejdsmiljø i små virksomheder - resultater fra et pilotprojekt*. Copenhagen: Det Nationale Forskningscenter for Arbejdsmiljø.

Bouwer, M., de Jong, K., Jonk, M., Bergman, T., Bersani, R., & Lusser, H. et al. (2005). Green Public Procurement in Europe 2005 - Status Overview. *Paper* from Virage Milieu and Management bv, Korte Spaarne 31, 2011 AJ Haarlem, The Netherlands. Retrieved from http://europa.eu.int/comm/environment/gpp/media.htm#state.

Brunnermeier, M. K. (2009). Deciphering the Liquidity and Credit Crunch 2007 - 2008. *Journal of Economic Perspectives*, *23*(1), 77-100.

Buch-Hansen, H. (2008). Rethinking the history of European level merger control. A critical political economy perspective. *Master Thesis, August 2008*. Copenhagen, DK: Copenhagen Business School, Department of Intercultural Communication and Management.

Buchholz, A. K., & Caroll, A. B. (2009). *Business and Society* (7th Eds.). Canada: South-Western Cengage Learning.

Buchholz, A. K., Brown, J. A., & Shabana, K. M. (2008). Corporate Governance and Corporate Social Responsibility. In A. Crane, A. McWilliams, D. Matten, J. Moon, & D. S. Siegel (Eds.) *The Oxford Handbook of Corporate Social Responsibility* (1st Ed.). New York, Washington: Oxford University Press.

Cambell, J. L. (2007). Why Would Corporations Behave in Socially Responsible Ways? An Institutional Theory of Corporate Social Responsibility. *Academy of Management Review*, *32*(3), 946-967.

Carroll, A. B. (1979). A Three-Dimensional Conceptual Model of Corporate Performance. *The Academy of Management Review*, *4*(4), 497-505.

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Towards the Moral Management of Organisational Stakeholders. *Business Horizons, 34*, 39-48.

Carroll, A. B. (1998). Corporate Social Responsibility - Evolution of a Definitional Construct. *Business and Society, 38*(3), 268-295.

Carroll, A. B. (1999). The Four Faces of Corporate Citizenship. *Business and Society Review, 100*(1), 1-7.

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Towards the Moral Management of Organisational Stakeholders. *Business Horizons, 34,* 39-48.

Castro, J. E. (2007). Poverty and Citizenship: Sociological Perspectives on Water Services and Public-Private Participation. *Geoforum, 38*, 756-771.

Christensen, T., & Lægreid, P. (eds.) (2010). *The Ashgate Research Companion to New Public Management*. UK: Ashgate.

Coffee, J. C. (1999). The Future of History: The Prospects for Global Convergence in Corporate Governance in its Implication. *Northwestern University Law Review, 93*(3), 641-707.

Cohen, M. D., March, J. G., & Olsen, J. P. (1972). A Garbage Can Model of Organisational Choice. *Administrative Science Quartely, 17*(1), 1-25.

Crane, A., & Matten, D. (2007). *Business Ethics* (2nd Eds.). Oxford, UK: Oxford University Press.

Crane, A., & Matten, D. (2004). Questioning the Domain of the Business Ethics Curriculum. *Journal of Business Ethics, 54*(4), 357-369.

Crane, A., Matten, D., & Moon, J. (2008). *Corporations and Citizenship*. Cambridge, UK: Cambridge University Press.

Crook, C. (2005, January 20th). The Good Company. *The Economist*. Special Report on CSR. Retrieved from http://www.economist.com/node/3555212.

Dahlsrud, A. (2006). How Corporate Social Responsibility is Defined: an Analysis of 37 Definitions. *Corporate Social Responsibility and Environmental Management, 15*(1), 1-13.

Danish Ministry of Finance. (2003). En omkostningseffektiv klimastrategi [A Cost-Effective Climate Strategy]. Ministry of Finance & Ministries of: Environment, Taxation, Dep. for Foreign Affairs, Economic and Business Affairs, Copenhagen. Retrieved from http://www.fm.dk/db/filarkiv/7489/web.pdf.

Danish Ministry of the Environment. The Environmental Agency (2005). Danmarks fjerde national kommunikation [Denmarks Fourth National Communication on Climate Change]. Under the United Nations Framework Convention on Climate Change. Copenhagen. Retrieved from http://www2.mst.dk/common/Udgivramme/Frame.asp?pg=http://www2.mst.dk/udgiv/Publications/2005/87-7614-890-4/html/default_eng.htm.

Danish Statistics News (2009). Nyt fra Danmarks Statistik. Emnegruppe: Sociale forhold, sundhed og retsvæsen. Sociale udgifter 2008 (foreløbig opgørelse). Retrieved from Danmarks Statistik: www.dst.dk/pukora/epub/Nyt/2009/NR421.pdf.

DANVA, The Danish Water and Waste Water Association & KL, Kommunernes Landsforening (2009). Inspirationsguide for proaktiv klimatilpasning i vandsektoren. Retrieved from DANVA-Publication: www.danva.dk/Files/Filer/Fagligt%20fokus/Klima/Inspirationsguide_klima_2009.pdf.

DANVA, the Danish Water and Waste Water Association (2007). Water in Figures. DANVA's Benchmarking and Water Statistics 2007. Retrieved from DANVA-Publication: www.danva.dk/Files/Filer/Udgivelser/Benchmarking/POP_UK_Benchmarking_2007.pdf

DANVA, The Danish Water and Waste Water Association (2009). Water in Figures. DANVA's Benchmarking and Water Statistics 2009. Retrieved from DANVA-Publication: www.danva.dk/Files/Filer/Udgivelser/Benchmarking/da-en_50731_Vand_i_tal_engelsk.pdf.

Deakin, N., & Walsh, K. (1996). The Enabling State: The Role of Markets and Contracts. *Public Administration, 74*(1), 33-48.

Donaldson, T. (1982). *Corporations and Morality*. Eaglewood Cliffs, Chicago, Illinois: Prentice Hall.

Donaldson, T. (2008). The Transatlantic Paradox: How Outdated Concepts Confuse the American/European Debate About Corporate Governance. In A. Crane, A. McWilliams, D. Matten, J. Moon, & D. S. Siegel (Eds.) *The Oxford Handbook of Corporate Social Responsibility* (1st Eds). New York, Washington, United State: Oxford University Press, 543-551.

Donaldson, T., & Dunfee, T. W. (1999). *Ties That Bind: A Social Contracts Approach to Business Ethics*. United States: Harvard Business School Press.

Donaldson, T., & Dunfee, T. W. (1994). Towards a Unified Conception of Business Ethics: Integrative Social Contracts Theory. *Academy of Management Review, 19*(2), 252-284.

Donaldson, T., & Preston, L. E. (1995). The Stakeholder Theory for the Corporation: Concepts, Evidence, Implications. *Academy of Management Review, 20*(1), 65-91.

Dunfee, T. W. (1998). Social Contract Theory. In G. L. Cooper, and C. Argyris (Eds.), *Encyclopedia of Management*. Oxford: Blackwell, 603-605.

Dunfee, T. W. (2008). Stakeholder Theory. Managing Corporate Social Responsibility in a Multiple Actor Context. In Crane et al. (eds.) *The Oxford Handbook on Corporate Social Responsibility*. New York, Washington, United States: Oxford University Press, 346-362.

Ejersbo, N. & Greve, C. (2008). *Moderniseringen af den offentlige sektor*. Copenhagen, DK: Børsens Forlag.

Elkington, J. (1998). Cannibals with Forks: The Triple Bottom Line of 21st Century Business. Oxford, UK: Capstone.

Elkington, J. (1994). Towards the Sustainable Corporation: Win-win-win Business Strategies for Sustainable Development. *California Management Review, 36*(2), 90-100.

Flyvbjerg, B. (2001). Beyond the Limits of Planning Theory: Response to My Critics. *International Planning Studies, 6*(3), 285-292.

Flyvbjerg, B. (2002). Bringing Power to Planning Research: One Researcher's Praxis Story. *Journal of Planning Education and Research, 21*(4), 353-366.

Flyvbjerg, B. (2000). Ideal Theory, Real Rationality: Habermas Versus Foucault and Nietzsche. *Proceedings from the Political Studies Association's 50th Annual Conference*, 10-13 April: "The Challenges for Democracy in the 21st Century". London, UK: London School of Economics and Political Science.

Flyvbjerg, B. (2007). Policy and Planning for Large Infrastructure Projects: Problems, Causes, Cures. *Environment and Planning B: Planning and Design, 34*, 578-597.

Flyvbjerg, B. (1998). Rationality and Power: Democracy in Practice. (5th printing 2005 ed., S. Sampson, Translation.) Chicago, USA: University of Chicago Press.

Fox, T., & Prescott, D. (2004). Exploring the Role of Development Cooperation Agencies in Corporate Responsibility. *Development Cooperation and Corporate Social Responsibility.* Stockholm, SE: IIED, IBLF, Sida and the World Bank.

Fox, T., Ward, H., & Howard, B. (2002). Public Sector Roles in Strengthening Corporate Social Responsibility: A Baseline Study. Washington D. C., USA: World Bank Group.

Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Boston, USA: Pitman.

Freeman, R. E. (1994). The Politics of Stakeholder Theory: Some Future Directions. *Business Ethics Quarterly, 4*(4), 409-421.

Freeman, R. E. (2004). The Stakeholder Approach Revisited. *Zeitschrift für Wirtschafts und Unternehmensethik*, *5*(3), 228-241.

Freeman, R. E., & Harrison, J. S. (1999). Stakeholders, Social Responsibility and Performance: Empirical Evidence and Theoretical Perspectives. *Academy of Management Journal, 42*(5), 479-485.

Freeman, R. E., Philips, R., & Wicks, A. C. (2003). What Stakeholder Theory is Not. *Business Ethics Quarterly, 13*(4), 479-502.

Frenkel, S. J., & Scott, D. (2002). Compliance, Collaboration and Codes of Labour Practice: The Adidas Connection. *California Management Review, 45*(1), 29-49.

Friedman, M. (2002). Capitalism and Freedom. Chicago, USA: University Chicago Press.

Friedman, M. (1999). The Business Community's Suicidal Impulse. *Cato Policy Report, 21*(2). Retrieved from http://www.cato.org/sites/cato.org/files/serials/files/policy re-port/1999/3/friedman.html.

Friedman, M. (13th September, 1970). The Social Responsibility of Business is to Increase its Profits. *New York Times Magazine*, September 13th, 32–33, 122, 126.

Fukuta-Parr, S. (2009). Emerging issue: The Gender Perspectives of the Financial Crisis. *UN Commission on the Status of Women, 2 - 13th March*. New York: Interactive Expert Panel, Fifty-third session.

Fukuta-Parr, S. (2008). The Human Impact of the Financial Crisis on Poor and Disempowered People and Countries. *UN General Assembly: The New School, October 30th*. New York: Interactive Panel on Global Financial Crisis.

Garriga, E., & Melé, D. (2004). Corporate Social Responsibility Theories: Mapping the Territory. *Journal of Business Ethics, 53*(1-2), 51-71.

Greve, C. (2002). New Public Management. The Research Project *Nordisk Kulturpolitik under Forandring*. Nordic Cultural Institute. Copenhagen, Frederiksberg C.

Greve, C. (2009). *Offentlig ledelse. Teorier og temaer i et politologisk perspektiv*. (2nd eds.) Copenhagen, DK: Jurist- og Økonomiforbundets Forlag.

Habish, A., Jonker, J., Wegner, M., & Smithpeter, R. (eds.) (2005). *Corporate Soial Responsibility Across Europe*. Berlin, DE: Heidelberg/Springer Verlag.

Hall, D. (1998a). Public Enterprise in Europe. In G. Holtham *Freedom with Responsibility - Can we unshackle public enterprise?* London, UK: Institute of Public Policy Research, 63-84.

Hall, D. (1998b). Restructuring and privatisation in the public utilities - Europe. In L. De Luca *Labour and social dimensions of privatisation and restructuring (public utilities: water, gas and electricity)* Geneva, Switzerland: International Labour Office, 109-151.

Hall, D. (2001). Water in Public Hands: Public Sector Water Management - a Necessary Option. *Working Paper*, University of Greenwich, PSIRU Business School.

Hall, D., & Lobina, E. (2004). Private and public interests in water and energy. *Natural Resources Forum, 28*, 269-277.

Hall, D., and Lobina, E. (2009). The Private Sector in Water in 2009. *Working Paper*, University of Greenwich, PSIRU Business School.

Hall, D., Lobina, E., and Corral, V. (2010). Replacing failed private water contracts. *A seminar at the Public Service International*, January 20th, Jakarta.

Hall, D., Lobina, E., Corral, V., Hoedeman, O., Terhorst, P., & Pigeon, P. et al. (2009). Public-public Partnerships (PUP) in Water. *Working Paper*, University of Greenwich, PSIRU Business School and Transnational Institute.

Hjelmar, U. (2010). Personalepolitisk undersøgelse 2009. Et aktuelt billede af den personalepolitiske situation i kommuner og regioner. *Anvendt Kommunal Forskning*.

Hood, C. (1991). A Public Management for All Seasons. *Public Administration, 69* (1), 3-19.

Ivashina, V., & Scharfstein, D. (2009). Bank Lending During the Financial Crisis of 2008. *EFA 2009 Bergen Meetings Paper*, Juli 30th.

Jakobsen, T. (2006). Om politisk iscenesættelse af sig selv som privatpersoner: En analyse af politikerens intime selvfremstilling som kommunikations- og mediestrategisk redskab med udgangspunkt i de ændrede samfunds- og medievilkår. *Report*, Handelshøjskolen i Aarhus, Institut for Sprog- og Erhvervskommunikation. 13th July.

Jensen, M. C. (2002). Value Maximation, Stakeholder Theory and the Corporate Objective Function. *Business Ethics Quartely, 12*(2), 235-256.

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics, 3*(4), 305-360.

Jespersen, K. (2003). Social Partnerships: The Role of Government in Denmark. In M. Morsing, and C. Thyssen (eds.) *Corporate Values and Responsibility: The Case of Denmark.* Frederiksberg C, København, Denmark.

Jeurissen, R. (2000). John Elkington, "Cannibal With Forks: The Triple Bottom Line of 21st Century Business." Book Review. *Journal of Business Ethics, 23*, 229-231.

Kettl, D. F. (2002). *The Transformation of Governance. Public Administration for Twenty-First Century America.* USA: The John Hopkins University Press.

King, D. (2000). Stakeholders and Spin Doctors: The Politicisation of Corporate Reputations. *Working Paper*, University of South Australia, Hawke Institute, Magill.

Klausen, K. K. & Ståhlberg, K. (1998). *New Public Management i Norden.* Odense, DK: Odense Universitets Forlag.

Lewis, B. (Writer), & Lewis, B. (Director) (2009). *The Great Contemporary Art Bubble* [Motion Picture]. UK: BBC Four and DR-K (25th March 2010).

Lobina, E., & Hall, D. (2000). Public Sector Alternatives to Water Supply and Sewerage Privatisation: Case Studies. *International Journal of Water Resources Development, 16*(1), 35-55.

Lockett, A., Moon, J., & Visser, W. (2006). Corporate Social Responsibility in Management Research: Focus, Nature, Salience and Sources of Influence. *Journal of Management Studies, 43*(1).

Lund, B. B., & Esbensen, M. C. (2009). *Det politiske superbrand.* Copenhagen, DK: Ringhof.

Mahoney, J. T. (2006). Towards a Stakeholder Theory of Strategic Management. Working Paper. Newly published in J. E. R. Costa & J. M. R. Marti et al. (eds.) (2012) *Towards a New Theory of the Firm. Humanizing the Firm and the Management Profession*. Bilbao, ES: Fundacion BBVA, 154-174.

March, J. G., & Olsen, J. P. (1989). *Rediscovering Institutions: The Organisational Basis of Politics*. New York, USA: The Free Press.

Martin, M. (2010). Managing Philanthropy after the Downturn: What Is Ahead for Social Investments?. (F. o. University of Genova, Ed.) IJ Partners, *Viewpoint*, 10-21.

Matten, D. (June, 2002). Symbolic Politics in Environmental Regulation: Corporate Strategic Responses. *Proceedings from the 10th Greening of Industry Network Conference*. Göteborg, Sweden.

Matten, D. (2004). The Impact of the risk society thesis on environmental politics and management in a globalizing economy - principles, profiency, perspectives. *Journal of Risk Research, 7*(4), 377-398.

Matten, D., & Crane, A. (2005). Corporate Citizenship: Towards and extended Theoretical Conceptualization. *Academy of Management Review, 30*(1), 109-120.

Matten, D., & Moon, J. (2004a). A Conceptual Framework for Understanding CSR. In A. Habish, J. Jonker, M. Wegner, & R. Schmidpeter, *Corporate Social Responsibility Across Europe*. Germany: Springer Verlag, 335-357.

Matten, D., & Moon, J. (2004b). Corporate Social Responsibility Education in Europe. *Journal of Business Ethics, 54*(4), 323-337.

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.

Mitchell, R. K., Agle, B. R., & Wood, D. J. (1979). Towards a Theory of Stakeholder Identification and Salience: Defining the Principle of Whom and What Really Counts. *Academy of Management Review, 22*(4), 853-886.

Molina, O., & Rhodes, M. (2002). Corporatism. The Past, Present and Future of a Concept. *Annual Review of Political Science, 5*, 305-331.

Moon, J. (2004a). CSR in UK: An Explicit Model of Business-Society Relations. In A. Habish, J. Jonker, M. Wegner, & R. Schmidpeter, *Corporate Social Responsibility Across Europe*. Germany: Springer Verlag, 51-67.

Moon, J. (2004b). Government as a Driver of Corporate Social Responsibility: The UK in Comparative Perspective. *Working Paper No. 20, ICCSR*, Nottingham.

Moon, J. (2001). The Institutionalisation of Business Social Responsibility: Evidence from Australia and the UK. *Working paper: Structure of Government Section* of IPSA University of Oklahoma. Retrieved from http://sog-rc27.org/.

Moon, J. (2002). The Social Responsibility of Business and New Governance. *Goverment and Opposition, 37*(3), 385-408.

Moon, J., & Sochacki, R. (1996). The Social Responsibility of Business in Job and Enterprise Creation: Motives, Means and Implications. *Australian Quarterly, 68*, 21-30.

Moon, J., & Vogel, D. (2008). Corporate Social Responsibility, Government and Civil Society. In Crane et al. *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 303-323.

Moon, J., Crane, A., & Matten, D. (2005). Can corporations be citizens? Corporate Citizenship as a metaphor for business participation in society. *Business Ethics Quarterly, 15*(3), 427-451.

Morris, S. (2001). Political Correctness. *Paper no. 1017*, Yale University, Cowles Foundation for Research in Economics.

Nannested, P. (3rd. January 2007). Strukturreformens rationale(r). Published in *Samfundsøkonomen nr. 6, 2006*. (J. a. Union, Producer) Hentet fra DJØF - Publications: www.djoef.dk

Nolan, J. (2005). With Power Comes Responsibility: Human Rights and Corporate Responsibilities. *University of New South Wales Law Journal, 28*(3), 581-613.

Odense Municipality, The Majors Office. (February 14th, 2007). Aktivt ejerskab i forhold til de kommunale aktieselskaber i Odense - Bestyrelsessammensætning og honorar. *Note for the City Council of Odense*.

OECD. (2009). Revenue Statistics 1965-2008. Retrieved from the 2009 Edition: www.oecd.org/ctp/revenuestats.

Osborne, D. (1993). Reinventing Government, *Public Productivity and Management Review*, *16*(4), 349-356.

Osborne, D. & Gaebler, T. (1992). *Reinventing Government: How the entrepreneurial spirit is transforming the public sector*. USA: Addison-Wesley Publ. Co.

Pedersen, E. R. (2009). All Animals are Equals, but...: How Managers in Multinational Corporations Perceive Stakeholders and Societal Responsibilities. *Working Paper* No. 05-2009, Copenhagen Business School, Centre for Corporate Social Responsibility.

Pedersen, E. R. (2008). Modelling CSR: How Managers Understand the Responsibilities of Business Towards Society. *Working Paper* No. 01-2008, Copenhagen Business School, Centre for Corporate Social Responsibility.

Peters, B. G. (1996). Shouldn't Row, Can't Steer: What's a Government to Do? *Public Policy and Administration, 12*(1), 51-52.

Pollitt, C., & Bouckaert, G. (2000). *Public Management Reform. A Comparatative Perspective*. Oxford, UK: Oxford University Press.

Pollitt, C. and Bouckaert, G. (2004). *Public Management Reform: A Comparative Analysis*. (2nd eds.). Oxford, UK: Oxford University Press.

Prasad, N. (2006). Privatisation Results: Private Sector Participation in Water Services After 15 Years. *Development Policy Review, 24*(6), 669-692.

Prasad, N. (September 2007). Social Policies and Water Sector Reform. *Paper No. 3*, *United Nations Research Institute for Social Development Markets, Business and Regulation Programme*.

Reinhart, C. M., & Rogoff, K. S. (2008). *Is the 2007 US subprime financial crisis so different? An international historical comparison* (No. w13761). National Bureau of Economic Research.

Rhodes, R.A.W. (1994). The Hollowing Out the State: The Changing Nature of the Public Service in Britain. *The Political Quarterly*, *65*(2), 138-151.

Rhodes, R.A.W. (1996). The New Governance: Governing without Government. *Political Studies*, *44*(4), 652-667.

Rhodes, R. A. W. (2007). Understanding Governance: Ten Years On. *Organisation Studies, 28*(8), 1243-1264.

Rosdahl, A. (August 2001). The Policy to Promote Social Responsibility of Enterprises in Denmark. *European Commision DG Employment Peer Review Program 2000*. Copenhagen: The Danish National Institute of Social Research.

Rowley, T. J. (1997). Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences. *Academy of Management Review, 22*(4), 887-910.

Scherer, A. G., and Palazzo, G. (2008). Globalization and Corporate Social Responsibility. In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 413-431.

Scherer, A. G., and Palazzo, G. (2007). Towards a Political Conception of Corporate Responsibility. Business and Society Seen from a Habermasian Perspective. *Academy of Management Review, 32*, 1096-1120.

Schwartz, M. S., and Carroll, A. B. (October 2003). Corporate Social Responsibility: A Three-Domain Approach. *Business Ethics Quartely*, *13*(4), 503-530.

Shaoul, J. (1997). A Critical Financial Analysis of the Performance of Privatised Industries: The Case of Water Industry in England and Wales. *Critical Perspectives on Accounting, 8,* 479-505.

Shleifer, A. (August 1985). A Theory of Yardstick Competition. *Rand Journal of Economics, 16*(3), 319-327.

Smith, N. C. (2008). Consumers as Drivers of Corporate Social Responsibility. In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: The Oxford University Press, 281-302.

South Denmark Region. (February 2009). Welfare Paper on Health Promotion. Retrieved from *Inspirationspapir om trivsel og sundhed på arbejdspladsen*: www.regionsyddanmark.dk/dwn78179.

Spence, M. (1984). Cost Reduction, Competition and Industry Performance. *Econometrica, 52*(1), 101-121.

Standing, G. (November 2007). Decent Workplaces, SelfRegulation and CSR: From Puff to Stuff? *Working Paper No. 62, DESA*, ST/ESA/2007/DWP/62. Retrieved from www.un.org/esa/desa/papers/2007/wp62_2007.pdf.

Steger, U. (2008). Future Perspectives of Corporate Social Responsitility: Where We Are Coming From? Where Are We Heading? In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 560-567.

Taylor, J. B. (November 2008). The Financial Crisis and the Policy Responses: An Empirical Analysis of What Went Wrong. *Paper* No. w14631. National Bureau of Economic Research. Retrieved from http://www.nber.org/papers/w14631.pdf.

The Danish Competition Authority, Ministry of Businesses. (1998). Konkurrence i energisektoren 1998. *Report*, Copenhagen, DK: The Danish Competition Authority, Ministry of Businesses. Retrieved from http://www.kfst.dk/Indhold-KFST/Publikationer/Dansk/1998/~/media/KFST/Publikationer/Dansk/1998/Konkurrence%20i%20energisektoren%2028051998%20analyse.pdf.

The Danish Competition Authority, Ministry of Financials. (April 2003). Konkurrenceredegørelse 2003, Kapitel 4: Vandmarkedet. The Danish Competition Authority, Nørregade 49. Copenhagen. Retrieved from http://www.kfst.dk/Indhold-KFST/Publikationer/Dansk/2003/~/media/KFST/Publikationer/Dansk/2003/20030526%20konkurrenceredegoerelse%202003.pdf, chapter 4 (in Danish).

The Danish Competition Authority, Ministry of Financials. (2005). Serviceeftersyn af vandsektoren 2005. The Danish Environment Authority, Strandgade 29. Copenhagen. Retrieved from

http://www.naturstyrelsen.dk/pv_obj_cache/pv_obj_id_C0EEC39BC42448203EBB16CFF8F32C1721080300/filename/Notat01Ideoplaeg.pdf,

The Structural Commission. (2004). Strukturreformens betænkning. Sammenfatning. Januar 2004. *Betænkning nr. 1434*, Strukturkommissionen, Indenrigs- og Sundhedsministeriet, 1. Økonomiske Kontor, Slotsholmsgade 10-12, Copenhagen. Retrieved from http://www.naturstyrelsen.dk/pv_obj_cache/pv_obj_id_D0D3F1F272BE81F7DCFE5469E53B60EA5FAB0C00/filename/strukturkommissionenssammenfatning.pdf.

The Structural Reform Agreement. (2004). Aftale om strukturreform. Juni 2004. Governmental Contract, Indenrigs- og Sundhedsministeriet, 1. Økonomiske Kontor, Slotsholmsgade 10-12, Copenhagen. Retrieved from http://bm.dk/~/media/BEM/Files/Dokumenter/Politiske%20aftaler/Aftale%20om%20strukturreform%20juni%202004.ashx.

Tillie, N., Van Den Dobbelsteen, A., Doepel, D., Joubert, M., De Jager, W., & Mayenburg, D. (2009). Towards CO2 neutral urban planning: presenting the Rotterdam Energy Approach and Planning (REAP). *Journal of Green Building*, *4*(3), 103-112.

United Nations. (1998). The Protocol to the United Nations. Framework Convention on Climate Change. *Protocol*, United Nations.

Vagnby, B. (2009). Tankefuld - en by, der vil det hele. *Working Paper*, Aalborg University.

Vallentin, S., and Murillo, D. (2009). CSR as Govermentality. *Working Paper*, Copenhagen Business School, Centre for Corporate Social Responsibility, Copenhagen.

Van Luijk, H. J. (2001). Business Ethics in Europe: A Tal of Two Efforts. I R. Frederick *A Companion to Business Ethics*. Cambridge/MA & Oxford: Blackwell, 643-658.

Van Luijk, H. J. (1990). Recent Developments in European Business Ethics. *Journal of Business Ethics, 9*, 537-544.

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.

VCS Denmark. (2009). Ansvarlighedsrapport 2008. Odense, DK: VCS Denmark.

VCS Denmark. (2009). Responsibility Report 2008. Odense, DK: VCS Denmark.

Vickers, J., & Yarrow, G. (1991). Economic perspectives on privatisation. *The Journal of Economic Perspectives*, *5*(2), 111-132.

Visser, W. (2008). Corporate Social Responsibility in Developing Countries. In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 473-499.

Vogel, D. (November / December 1998). Is U.S. Business Obsessed with Ethics? Across the Board. *The Conference Board Magazine*, 31-33.

Vogel, D. (1992). The Globalization of Business Ethics: Why America Remains Different. *California Management Review, 35*(1), 30-49.

Vogel, D. (2005). *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*. Washington D.C.: Brookings Institution Press.

Wartick, S., and Woods, D. (1998). *International Business and Society*. Massachusetts: Blackwell Publishers.

Welford, R. J. (2004). Corporate Social Responsibility in Europe and Asia: Critical Elements and Best Practice. *Journal of Corporate Citizenship , Special Issue on CSR*, 31-47.

Williams, A. M., Baláz, V., and Wallace, C. (2004). International Labour Mobility and Uneven Regional Development in Europe. Human Capital, Knowledge and Entrepreneurship. *European Urban and Regional Studies, 11*(1), 27-46.

Williams, C. A., & Aguilera, R. V. (2008). Corporate Social Responsibility in a Comparative Perspective. In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 452-472.

Winsor, D. (2008). Education for Responsible Management. In Crane et al. (eds.) *The Oxford Handbook of Corporate Social Responsibility*. New York: Oxford University Press, 503-521.

#2 references

Burns, T. & Stalker, G. M. (1961). *The Management of Innovation*. London, UK: Tavistock.

Clarkson, M. B. E. (1995). A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance. *Academy of Management Review, 26*(1), 92-117.

Cohen, M. D., March, J. D. & Olsen, J. P. (1972). A Garbage Can Model of Organisational Choice. *Administrative Science Quarterly, 17*(1), 1–25.

Cook, G. A. (1993) *George Herbert Mead. The Making of a Social Pragmatist*. Illinois, USA: University of Illinois.

Crane, A. & Matten, D. (2007). *Business Ethics* (2nd ed.). Oxford, UK: Oxford University Press.

Donaldson, T. & Preston, L. E. (1995). The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *Academy of Management Review, 20*(1), 71.

Fassin, Y. (2009). The Stakeholder Model Refined. *Journal of Business Ethics, 84*(1), 113-135.

Fassin, Y. (2010). A Dynamic Perspective in Freeman's Stakeholder Model. *Journal of Business Ethics, 96*, 39-49.

Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. USA: Harpercollins College Div.

Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. & de Colle, S. (2010). *Strategic Management. A Stakeholder Approach*. Cambridge, UK: Cambridge University Press.

Holzer, B. (2008). Turning Stakeseekers Into Stakeholders. A Political Coalition Perspective on the Politics of Stakeholder Influence. *Business and Society, 47*(1), 50-67.

Jensen, M. C. (2002). Value Maximization, Stakeholder Theory and the Corporate Objective Function. *Business Ethics Quarterly, 12*(2), 235-256.

King, D. (2000). Stakeholders and Spindoctors: The Politicisation of Corporate Reputations, *Working Paper*, University of South Australia, Hawke Institute, Magill.

Kreiner, K. (2009). Architectural Competitions – Empirical Observations and Strategic Implications for Architectural Firms. *Nordic Journal of Architectural Research, 21*(2/3), 37-51.

Latour, B. and Woolgar, S. (1986). *Laboratory Life: The Social Construction of Scientific Facts*. USA: Princeton University Press.

Lauesen, L. M. (2011). CSR in publicly owned enterprises: opportunities and barriers. *Social Responsibility Journal, 7*(4), 558 – 577.

March, J. D. (1994). *A Primer on Decision Making. How Decision Happen*. USA: Free Press.

Mitchell, R. K., Agle, B. R., & Wood, D. T. (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.

Pedersen, E. R. (2006). Making Corporate Social Responsibility (CSR) Operable: How Companies Translate Stakeholder Dialogue into Practice. *Business and Society Review, 111*(2), 137-163.

Rowley, T. R. (1997). Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences. *Academy of Management Review, 22*(4), 887-910.

Thielst, P. (1994). *Livet forstås baglæns men må leves forlæns*. Copenhagen, DK: Gyldendal.

Wartick, S. L. & Wood, D. J. (1998). *International Business and Society*. Massachusetts: Blackwell Publichers.

Weber, M. (1978). *Economy and Society: An Outline of Interpretive Sociology*. (2 volumes), Edited by Guenther Roth and Claus Wittich. Berkeley, CA: University of California Press.

Weick, K. E. (1979). The Social Psychology of Organizing. *Administrative Science Quarterly, 2*(4).

Weick, K. E. (1995). *Sensemaking in Organisations*. London, UK: Sage.

Wood, D. J., Jensen, M. D., Freeman, R. E. & Mitchell, R. K. (2008). Dialogue. Toward a Superior Stakeholder Theory. *Business Ethics Quarterly, 18*(2), 153-190.

Woodward, D. G. (2002). Is the natural environment a stakeholder? Of course it is (no matter what the Utilitarians might say)! In, *Critical Perspectives on Accounting Conference*, New York, USA, 25 - 27 Apr 2002.

#3 references

Adams, C. A., Hill, W., & Roberts, C. B. (1998). Corporate Social Reporting Practices in Western Europe: Legitimating Corporate Behaviour? *The British Accounting Review*, *30*(1), 1-21.

Adams, C. A. & McNicholas, P. (2006). Making a difference. Sustainability reporting, accountability and organisational change. *Accounting, Auditing and Accountability Journal*, *20*(3), 382-402.

Adams, C. A. & Frost, G. R. (2008). Integrating sustainability reporting into management practices. *Accounting Forum*, *32*, 288–302.

Argandona, A. & Hoivik, H. W. (2009). Corporate Social Responsibility: One Size Does Not Fit All: Collecting Evidence from Europe. *Journal of Business Ethics*, *89*(3), 221-234.

Barraqué, B. (2003). Past and future sustainability of water policies in Europe. *Natural Resources Forum*, *27*, 200–211.

Beecher, J. A. (2009). Private Water and Economic Regulation in the United States. *Handbook Utility Management*, part 8. Heidelberg, Germany: Springer Verlag, 779-801.

Berger, P. L. & Luckmann, T. (1967). *The Social Construction of Reality. Treatrise in the Sociology of Knowledge*. USA: First Anchor Book Edition.

Biloslavo, R. & Trnavcevic, A. (2009). Web sites as tools of communication of a "green" company". *Management Decision, 47*(7), 1158 – 1173.

Bowen, H. R. (1953). *Social Responsibilities of the Businessman*. NewYork: Harper and Row.

Brunsson, N. (1993). Ideas and Actions: Justification and Hypocricy as Alternatives to Control. *Accounting, Organisations and Society*, *18*(6), 489-506.

Campbell, J. L. (2006). Institutional Analysis and the Paradox of Corporate Social Responsibility. *American Behavioral Scientist*, *49*(7), 925-928.

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Towards the Moral Management of Organisational Stakeholders. *Business Horizons*, *34*, 39-48.

Cheney, G., Christensen, L. T., Conrad, C. & Lair, D. J. (2004). Corporate Rhetoric as Organisational Discourse. In David Grant, Cynthia Hardy, Cliff Oswick & Linda Putnam *The Sage Handbook of Organisational Discourse*, London: Sage Publications Ltd.

Christensen, T. & Lægreid, P. (eds) (2010). *The Ashgate Research Companion to New Public Management*. UK:Ashgate.

Coupland, C. (2005). Corporate Social Responsibility as Argument on the Web. *Journal of*

Business Ethics, 62(4), 355-366.

Crowther, D., Cooper S & Carter C. (2001). Towards a semiology of the periodic review of UK regulated utilities. *Financial Accountability and Management, 17*(3), 291-297.

Crowther, D., Cooper S & Carter C. (2006). The poetics of corporate reporting. *Critical Perspectives on Accounting, 17*(2), 175-201.

Crowther, D. & Seifi, S. (2010). *Corporate Governance and Risk Management*. Downloaded ebook from bookboon.com. Ventus Publishing ApS.

Crowther, D. (2012). *A Social Critique of Corporate Reporting. Semiotics and Web-based Integrated Reporting*. 2nd eds. UK: Gower.

CSS (2011). U.S. Water Supply and Distribution Fact Sheet. *Pub No. CSS05-17*. Center for Sustainable Systems, University of Michigan.

Czarniawska, B. (1998). *Narrative approach in organisation studies*. Thousand Oaks, California: Sage Publications Inc.

Deedat, Hameda & Cottle, Eddie (2002). Cost Recovery and Prepaid Water Meters and the Cholera Outbreak in KwaZulu-Natal. In David A. McDonald and John Pape *Cost Recovery and the Crisis of Service Delivery in South Africa*. Cape Town, South Africa: Human Sciences Research Council Publishers.

Denzin, N.K. (1989) *Interpretive Interactionism*. Newbury Park CA: Sage.

Denzin, N. K. & Lincoln, Y. S. (2011). *The Sage handbook of Qualitative Research*. London, UK: Sage.

Dimaggio, P. J. & Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organisational Fields. *American Sociological Review*, *48*(2), 147-160.

Doh, J. P. & Guay, T. R. (2006). Corporate Social Responsibility, Public Policy, and NGO Activism in Europe and the United States: An Institutional-Stakeholder Perspective. *Journal of Management Studies, 43*(1), 47-73.

DWA (2012). Department of Water Affairs Annual Report 2012. Retrieved from http://www.dwaf.gov.za/documents/Other/Strategic%20Plan/FINAL20112STRATEGICPLAN.pdf, August 2012.

Flyvbjerg, B. (2006). Five Misunderstandings About Case study Research. *Qualitative Inquiry*, *12*(2), 219-245.

Fontana, A. & Frey, J.H. (2005). The Interview: From neutral stance to political involvement. In N.K. Denzin & Y.S. Lincoln *The Sage Handbook on Qualitative Research*, 3rd Eds. Lon-

don, UK: Sage.

Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Cambridge/UK: Cambridge University Press.

Freeman, R. E., Harrison, J., Wicks, A. C., Parmar, B. L., & de Colle, S. (2010). *Stakeholder Theory. The State of the Art*. Cambridge/UK: Cambridge University Press.

Freeman, R. B. & Medoff, J. L. (1984). *What do Unions Do?* USA: Basic Books Inc.

Friedland, R. & Alford, R. (1991). Bringing Society Back In: Symbols, Practices, and Institutional Contradictions. In Powell, W.W. and P.J. DiMaggio (eds.) *The New Institutionalism in Organisational Analysis*. Chicago: University of Chicago Press.

Garriga & Melé (2004). Corporate Social Responsibility Theories. *Journal of Business Ethics*, *53*(1-2), 51-71.

Gee, J. P. (2011). *An introduction to discourse analysis: theory and method*. New York: Routledge.

Habermas, J. (1971). *Knowledge and Human Interest*. USA: Beacon Press books.

Habisch, A., Jonker, J., Wegner, M. & Schmidpeter, R. (2005). *Corporate Social Responsibility Across Europe: Discovering National Perspectives of Corporate Citizenship*. Berlin-Heidelberg: Springer Verlag.

Hall, D., Lobina, E. & Corral, V. (2010). Replacing failed private water contracts. *Paper presented at the Public Service International Seminar*, 20 January, Jakarta.

Hall, P. A. & Taylor, R. C. R. (1996). Political Science and the Three New Institutionalisms. *Political Studies* XLIV, 936-957.

Hockerts, K. & Wüstenhagen, R. (2010). Greening Goliaths versus emerging Davids — Theorizing about the role of incumbents and new entrants in sustainable entrepreneurship. *Journal of Business Venturing*, *25*(5), 481-492.

Hood, C. (1991). A Public Management for All Seasons. *Public Administration*, *69*(1), 3-19.

Höllerer, M. (2012). *Between Creed, Rhetoric Façade, and Disregard. Dissemination and Theorization of Corporate Social Responsibility in Austria*. Wien, Austria: Wirtshaft Universität Verlag.

Idowu, S. O. & Towler, B. A. (2004). A comparative study of the contents of corporate social responsibility reports of UK companies. *Management of Environmental Quality: An International Journal*, *15*(4), 420 – 437.

ILO (2006). *Tripartite declaration of principles concerning multinational enterprises and social policy (MNE Declaration)*. 4th Edition. International Labour Organisation. Retrieved from

http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_094386.pdf

Johnston, A., & Smith, A. (2001). The characteristics and features of corporate environmental performance indicators—A case study of the water industry of England and Wales. *Eco-Management and Auditing, 8*, 1–11.

Justesen, L. & Mik-Meyer, N. (2010). *Kvalitative Metoder i Organisations- og ledelsesstudier*. Copenhagen, DK: Hans Reitzels Forlag.

Keating, M. (2001). Public Management Reform and Economic and Social Development. *OECD Journal on Budgeting*, 141-212.

Kettl, D. F. (2002). *The Transformation of Governance*. *Public Administration for Twenty-First Century America*. Baltimore, Maryland: The John Hopkins University Press.

Kramer, M. E. & Porter, M. R. (2006). Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harward Business Review*, 78-92.

Kvale, S. (2007). *Doing Interviews*. The Sage Qualitative Research Kit, Edited by Uwe Flick, London, UK: Sage.

Laine, M. (2005). Meanings of the term 'sustainable development' in Finnish corporate disclosures. *Accounting Forum*, *29*(4), 395-413.

Larrinaga-Gonzélez, C. & Pérez-Chamorro, V. (2008). Sustainability Accounting and Accountability in Public Water Companies. *Public Money and Management*, *28*(6), 337-343.

Lauesen, L. M. (2011). CSR in Publicly Owned Enterprises – Opportunities and Barriers. *Social Responsibility Journal*, *7*(4), 558-577.

Lobina, E. & Hall, D. (2001). UK Water Privatisation – a Briefing. Report from *Public Services International Research Unit (PSIRU)*, School of Computing and Mathematical Sciences, University of Greenwich.

McDonald, D. A. & Pape, J. (2002). *Cost Recovery and the Crisis of Service Delivery in South Africa*. Cape Town, South Africa: Human Sciences Research Council Publishers.

MacLeod, S. (2007). Reconciling Regulatory Approaches to Corporate Social Responsibility. The European Union, OECD and United Nations Compared. *European Public Law*, *13*(4), 671-702.

Maignan, I. & Ralston, D. A. (2002). Corporate Social Responsible in Europe and the U.S.: Insights from Businesses' SelfPresentations. *Journal of International Business Studies, 33*(3), 497-514.

March, J. G. & Olsen, J. P. (1994). *Rediscovering Institutions: The Organisational Basis of Politics*. New York: The Free Press.

Matten, D. & Moon, J. (2008). 'Implicit' and 'Explicit' CSR: A Conceptual Framework for Understanding of Corporate Social Responsibility. *Academy of Management Review, 33*(2), 404-424. Citations in this paper are made from the version published as: *No. 29-2004 ICCSR Research Paper Series* – International Centre for Corporate Social Responsibility, Nottingham University Business School, Nottingham University ISSN1479-5124, 1-41.

Matten, D., & Moon, J. (2004). 'Implicit' and 'Explicit' CSR: A Conceptual Framework for Understanding CSR in Europe. In A. Habish, J. Jonker, M. Wegner, & R. Schmidpeter, *CSR Across Europe*. Germany: Springer Verlag.

Meyer, R. (2004). *Globale Managementskonzepte und lokaler Kontext. Originale Wertorientierung im ôstereichischen ôffenlichen Diskurs*. Wien, Austria: Wirtshafts Universität Verlag.

Meyer, J. W. & Rowan, B. (1977). Institutionalized Organisation: Formal Structure as Myth and Ceremony. *The American Journal of Sociology*, *83*(2), 340-363.

Midttun, A., Gautesen, K. & Gjølberg, M. (2006). The political economy of CSR in Western Europe. *Corporate Governance, 6*(4), 369-385.

Moura-Leite, R. C. & Padgett, R. C. (2011). Historical Background of Corporate Social Responsibility. *Journal of Social Responsibility*, *7*(4), 1747-1117.

OECD (2001, 2011). *OECD Guidelines for. Multinational Enterprises: Annual Report 2001, 2011*. Latest version adopted May 2011. Retrieved from http://www.oecd.org/daf/internationalinvestment/guidelinesformultinationalenterprises/48004323.pdf, August 2012.

Osborne, D. (1993). Reinventing Government, *Public Productivity and Management Review*, *16*(4), 349-356.

Osborne, D. and Gaebler, T. (1992). *Reinventing Government: How the entrepreneurial spirit is transforming the public sector*. Addison-Wesley Publ. Co.

O'Toole, J. & Vogel, D. (2011). Two and a Half Cheers for Conscious Capitalism. *California Management Review*, *53*(3), 60-76.

Pedersen, J. S. (2010). *Reformerne i den offentlige sektor – skab seks plusser!* Copenhagen, DK: Jurist- og Økonomiforbundets Forlag.

Pollitt, C. & Bouckaert, G. (2004). *Public Management Reform: A Comparative Analysis*. 2nd eds. Oxford, UK: Oxford University Press.

Rhodes, R. A. W. (1994). The Hollowing Out the State: The Changing Nature of the Public Ser-

vice in Britain. *The Political Quarterly*, *65*(2), 138-151.

Rogers, P., de Silva, R. & Bhatia, R. (2002). Water is an economic good: How to use prices to promote equity, efficiency, and sustainability. *Water Policy*, *4*, 1–17.

Scott, W. R. (2001). *Institutions and Organisations*. Thousand Oaks, CA: Sage.

Schwartz, M. S. & Caroll, A. B. (2003). Corporate Social Responsibility: A Three-Domain Approach. *Business Ethics Quarterly*, *13*(4), 503-530.

Spradley, J. P. (1979). *The Ethnographic Interview*. USA: Wadsworth Cengage Learning.

Stake, R. E. (2000). Case Studies. In Denzin, N. K. and Lincoln, Y. S. *Handbook of Qualitative Research*. London: Sage Publications, 435-454.

Sullivan, A. & Sheffrin, S. M. (2003). *Economics: Principles in action*. Upper Saddle River, New Jersey: Pearson Prentice Hall.

The Danish Competition Authority, Ministry of Financials. (April 2003). Konkurrenceredegørelse 2003, Kapitel 4: Vandmarkedet. *The Danish Competition Authority*, Nørregade 49. Copenhagen. Retrieved from http://www.kfst.dk/Indhold-KFST/Publikationer/Dansk/2003/~/media/KFST/Publikationer/Dansk/2003/20030526%20konkurrenceredegoerelse%202003.pdf.

The Danish Competition Authority, Ministry of Financials. (2005). Serviceeftersyn af vandsektoren 2005. *The Danish Environment Authority*, Strandgade 29. Copenhagen. Retrieved from http://www.naturstyrelsen.dk/pv_obj_cache/pv_obj_id_24CDDE2FF86D2E8217C876993639D97421080300/filename/Notat01Ideoplaeg.pdf.

Thornton, P. H. & Ocasio, W. (1999). Institutional Logics and the Historical Contingency of Power in Organisations: Executive Succession in the Higher Education Publishing Industry, 1958– 1990. *American Journal of Sociology*, *105*(3), 801-843.

Thornton, P. H., Jones, C. & Kury, K. (2005). Institutional Logics and Institutional Change in Organisations: Transformation in Accounting, Architecture, and Publishing. *Research in the Sociology of Organisations, 23*, 125-170.

Tregidga, H., Milne, M. & Kearins, K. (2007). The role of discourse in bridging the text and context of corporate social and environmental reporting. *Proceedings from the 5th Asia Pacific Interdisciplinary Research in Accounting Conference "Communications, Civics, Industry", Auckland, New Zealand*, 8-10 July 2007.

UN (2012a). The UN Global Compact. Retrieved from http://www.unglobalcompact.org/, Au-

gust 2012.

UN (2012b). The UN Universal Declaration on Human Rights. Retrieved from http://www.un.org/en/documents/udhr/index.shtml, August 2012.

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.

Weber, K. & Glynn, M. A. (2006). Making Sense with Institutions: Context, Thought and Action in Karl Weick's Theory. *Organisational Studies*, *27*(11), 1639 – 1660.

Weick, K. (1995). *Sensemaking in Organisations*. Thousand Oaks, CA: Sage

Welford, R. (2005). Corporate Social Responsibility in Europe, North America and Asia. 2004 Survey Result. *Journal of Corporate Citizenship, 17*, 33-52.

Wodak, R. & Meyer, M. (2009). *Methods for Critical Discourse Analysis*. London, UK: Sage Publications Ltd.

WSA (1997). Water Sector Act in South Africa. Retrieved from http://www.dwaf.gov.za/Documents/default.aspx?type=legislation, August 2012.

Zetland, D. (2011). Global Water Tariffs Continues Upwards. *Global Water Intelligence*, *12*(9), September.

Zucker, L. G. (1977). The Role of Institutionalization in Cultural Persistence. *American Sociological Review*, *42*(5), 726-743.

#4 references

Adams, C. A. & McNicholas, P. (2006). Making a difference. Sustainability reporting, accountability and organisational change. *Accounting, Auditing and Accountability Journal*, *20*(3), 382-402.

Adams, C. A. & Frost, G. R. (2008). Integrating sustainability reporting into management practices. *Accounting Forum*, *32*, 288–302.

Alvesson, M. & Sköldberg, K. (2009). *Reflexive Methodology. New Vistas for Qualitative Research*. 2nd ed. Thousand Oaks, California: Sage Publications Inc.

Bachmann, R. (1999). Trust, Power and Control in Transorganisational Relations. *Working Paper from the ESRC Centre of Business Research*, University of Cambridge, No. 129, pp. 1-48.

Bachmann, R. (2003). The Role of Trust and Power in the Institutional Regulation of Territorial Business Systems. Chapter 4 in Dirk Fornahl and Thomas Brenner *Cooperation, Networks and Institutions in Regional Innovation Systems*. Cheltenham, UK: Edward Elgar Publishing Limited, 58-81.

Bachmann, R., & Inkpen, A. C. (2011). Understanding Institutional- based Trust Building Processes in Interorganisational Relationships. *Organisation Studies, 32*(2), 281–301.

Bachmann, R., Gillespie, N., & Kramer, R. (2012). Call for Papers for a Special Issue on: Trust In Crisis: Organisational and Institutional Trust, Failures and Repair. *Organisation Studies*, *33*(8), 1095-1097.

Barberis, P. (2001). Civil society, virtue, trust: implications for the public service ethos in the age of modernity. *Public Policy and Administration, 16*(3), 111.

Barraqué, B. (2003). Past and future sustainability of water policies in Europe. *Natural Resources Forum, 27*, 200–211.

Battilana, J., Leca, B. & Boxenbaum, E. (2009). How Actors Change Institutions: Towards a Theory of Institutional Entrepreneurship. *The Academy of Management Annals*, *3*(1), 65-107.

Becker, H. S. (1998) *Tricks of the Trade: How to Think About Your Research*. Chicago, USA: University of Chicago Press.

Berger, P. L. & Luckmann, T. (1967). *The Social Construction of Reality: A Treatrise in the Sociology of Knowledge*. NY: First Anchor Book Edition.

Bochner, A. P. & Ellis, C. S. (2006). Communication as autoethnography. I G. J. Shepherd, J. S. John, and T. Striphas (eds.) *Communication as: Perspectives on theory*. Thousand Oaks, California, USA: Sage Publications Inc, 110-122.

Bogenschneider, K., & Corbett, T. J. (2010). *Evidence Based Policymaking. Insights from Policy Minded Researchers and Research-Minded Policymakers*. New York, USA: Routledge.

Burke, K. (1936). *Permanence and Change. An Anatomy of Purpose*. NY: New Republic, inc.

Bækgaard, A. (2011). Debat. Vandselskabernes Identitet. *danskVAND*, *79*(2), 61-64. Retrieved September 14th 2012 from http://www.e-pages.dk/danva/91/61

Campbell, J. L. (1997). Mechanisms of Evolutionary Change in Economic Governance: Interaction, Interpretation, and Bricolage. In Lars Magnusson and Jan Ottosson (eds.) *Evolutionary Economics and Path Dependence*. Cheltenham, UK: Edward Elgar, 10-31.

Campbell, J. L. & Pedersen, O. K. (2007). The Varieties of Capitalism and Hybrid Success: Denmark in the Global Economy. *Comparative Political Studies, 40*(2), 307-332.

Carnevale, D. G., & Wechsler, B. (1992). Trust in the Public Sector. Individual and Organisational Determinants. *Administration and Society, 23*(4), 471-494.

Charmaz, K. (2006). *Constructing Grounded Theory. A Practical Guide Through Qualitative Analysis*. London, UK: Sage Publishing Ltd.

Crowther, D. (2013). *Critical Perspectives on Accounting and Sustainability. A Games Theory Approach*. UK: Routledge, Taylor and Francis Group Ltd.

Czarniawska-Joerges, B. (1998). *Narrative approach in organisation studies*. Thousand Oaks, CA: Sage Publications.

Choudbury, E. (October 2008). Trust in Administration. An Integrative Approach to Optimal Trust. *Administration and Society, 40*(6), 586-620.

Christensen, T., & Lægreid, P. (2011). *The Ashgate Research Companion to New Public Management*. Surrey, UK: Ashgate Publishing Limited.

Dacin, M. T., Goodstein, J. & Scott, W. R. (2002). Institutional Theory and Institutional Change: Introduction to the Special Research Forum. *The Academy of Management Journal*, *45*(1), 43-56.

Denzin, N. K. (1989). *Interpretive Biography. Qualitative Research Methods Series*. (Eds. 17). Newbury Park, California, USA: Sage Publications Inc.

Denzin, N. K., & Lincoln, Y. S. (2011). *The Sage Handbook of Qualitative Research* (Eds. 4). Thousand Oaks, California, USA: Sage Publications Inc.

Dirks, K. T. & Ferrin, D. L. (2001). The Role of Trust in Organisational Settings. *Organisation Science*, *12*(4), 450-467.

Dirks, K. T., Lewicki, R. J., & Zaheer, A. (2009). Repairing Relationships Within and Between Organisations: Building a Conceptual Foundation. *Academy of Management Review, 34*(1), 68.

du Gay, P. (2000). *In Praise of Bureaucracy: Weber – Organisation – Ethics*. London /UK: Sage Publications Ltd.

Edelenbos, J., & Klijn, E.-H. (2007). Trust in Complex Decision making Networks. A Theoretical and Empirical Exploration. *Administration and Society, 39*(1), 25-50.

Edelman Trust Barometer (2012). 2012 Edelman Trust Barometer Executive Summary. *Report*, retrieved from http://www.scribd.com/doc/79026497/2012-Edelman-Trust Barometer-Executive-Summary , 2nd December 2012.

European Commission (2012). Standard Eurobarometer 77. The Key Indicators Results for Denmark. Fieldwork from face-to-face interviews published July 2012. *Report* retrieved from http://ec.europa.eu/public_opinion/archives/eb/eb77/eb77_fact_dk_en.pdf, 2nd December, 2012.

Fard, H. D., Ghatari, A. R., & Hasiri, A. (2010). Employees Morale in Public Sector: Is Organisational Trust an Important Factor? *European Journal of Scientific Research, 46*(3), 378-390.

Flyvbjerg, B. (2006). Five Misunderstandings About Case study Research. *Qualitative Inquiry, 12*(2), 219-245.

Friedland, R. and Alford, R. R. (1991). Bringing Society Back In: Symbols, Practices, and Institutional Contradictions. In Walther W. Powell and Paul J. DiMaggio (eds.) *The New Institutionalism in Organisational Analysis*. Chicago / USA: The University of Chicago Press, 232-266.

Gillespie, N., & Dietz, G. (2009). Trust repair after organisation-level failure. *Academy of Management Review, 34*(1), 127-145.

Gillespie, N. & Dietz, G. (2011). *Building and Restoring Organisational Trust*. London: The Institute of Business Ethics, 24 Greencoat Place, London SW1P 1BE.

Goodall, Jr., H. L. (2000). *Writing the New Ethnography*. New York, USA: AltaMira Press.

Grönlund, K., & Setälä, M. (2012). In Honest Officials We Trust: Institutional Confidence in Europe. *The American Review of Public Administration, 42*(5), 523–542.

Greve, C. (2009). *Offentlig ledelse. Teorier og temaer i et politologisk perspektiv*. Copenhagen, DK: Økonomi- og Juristforbundets Forlag.

Grimmelikhuijsen, S. (2012). Linking transparency, knowledge, and citizen trust in government: an experiment. *International Review of Administrative Sciences, 78*(1), 50–73.

Gubrium, J. F., & Holstein, J. A. (2001). *Handbook of Interview Research: Context and Method* (Eds. 1). Thousand Oaks, California, USA: Sage Publications Inc.

Hancher, L. & Moran, M. J. (2000). Organizing Regulatory Space. In Leigh Hancher and Michael J. Moran *Capitalism, Culture, and Economic Regulation*. Oxford/UK: Oxford University Press. 271 – 300.

Haugaard, D. O. (10th August, 2004). Skrald og vand skæpper i kommunekassen. *Fyens Stiftstidende* and *Fyns Amtsavis*. Retrieved from http://www.fyens.dk/article/58412:Assens--Skrald-og-vand-skaepper-i-kommunekassen

Haveman, H. A. & Rao, H. (1997). Structuring a theory of moral sentiments: Institutional and organisational coevolution in the early thrift industry. *American Journal of Sociology*, *102*(6), 1606-1651.

Heinzman, R. & Marson, B. (2005). People, service and trust: is there a public sector service value chain? *International Review of Administrative Sciences, 71*(4), 549-575.

Herzig, C. & Moon, J. (2011). Corporate Social Responsibility, the Financial Sector and Economic Recession. *Paper* published for the *Financial Services Research Forum, International Centre for Corporate Social Responsibility (ICCSR),* Nottingham University Business School. Retrieved from https://opendoar.org/business/forum/documents/researchreports/paper86.pdf, 30th November 2012.

Hood, C. (1991). A Public Management for all Seasons? *Public Administration, 69*, 3-19.

Horne, C. M. (2012). Assessing the Impact of Lustration on Trust in Public Institutions and National Government in Central and Eastern Europe. *Comparative Political Studies, 45*(4), 412–446.

Idowu, S. O. & Towler, B. A. (2004). A comparative study of the contents of corporate social responsibility reports of UK companies. *Management of Environmental Quality: An International Journal*, *15*(4), 420 – 437.

Johnston, A. & Smith, A. (2001). The characteristics and features of corporate environmental performance indicators—A case study of the water industry of England and Wales. *Eco-Management and Auditing, 8*, 1–11.

Jørgensen, T. B., & Andersen, L. B. (2011). An Aftermath of NPM: Regained Relevance of Public Values and Public Service Motivation. In T. Christensen, and P. Lægreid *The Ashgate Companion to New Public Management*. (Eds. 1). Surrey, UK: Ashgate Publishing Limited, 335-348.

Keating, M. (2001). Public Management Reform and Economic and Social Development. *OECD Journal on Budgeting*, 141-212.

Koeszegi, S. T. (2004). Trust building strategies in interorganisational negotiations. *Journal of Managerial Psychology*, *19*(6), 640-660.

Kramer, R. M. (1999). Trust and Distrust in Organisations: Emerging Perspectives, Enduring Questions. *Annual Review of Psychology*, *50*, 569-598.

Kramer, R. M. & Lewicki, R. J. (2010). Repairing and Enhancing Trust: Approaches to Reducing Organisational Trust Deficits. *The Academy of Management Annals*, *4*(1), 245–277.

Kvale, S. (2009). *Doing Interviews*. (Eds. 2). London, UK: Sage Publications Ltd.

Kuhn, T. (1970). *The Structure of Scientific Revolutions*. Chicago/USA: International Encyclopedia of Unified Science.

Lambright, K. T., Mischen, P. A., & Laramee, C. B. (2010). Building Trust in Public and Nonprofit Networks. Personal, Dyadic, and Third party Influences. *The American Review of Public Administration, 40*(1), 64-82.

Larrinaga-Gonzélez, C. & Pérez-Chamorro, V. (2008). Sustainability Accounting and Accountability in Public Water Companies. *Public Money and Management*, *28*(6), 337-343.

Lane, C. & Bachmann, R. (1996). The Social Constitution of Trust: Supplier Relations in Britain and Germany. *Organisation Studies*, *17*(3), 365-395.

Lee, P., Gillespie, N., Mann, L. & Wearinget, A. (2010). Leadership and trust: Their effect on knowledge sharing and team performance. *Management Learning*, *41*(4), 473-491.

Lewicki, R. J., & Bunker, B. B. (1995). Trust in relationships: A model of development and breakdown. In B. B. Bunker, J. Z. Rubin. and Associates (eds.) *Conflict, cooperation, and justice: Essay inspired by the work of Morton Deutsch*. San Francisco: Jossey-Bass, 133-174.

Lounsbury, M. (2007). A Tale of Two Cities: Competing Logics and Practice Variation in the Professionalizing of Mutual Funds. *Academy of Management Journal*, *50*(2), 289-307.

Mazza, C., Sahlin-Andersson, K. & Strandgaard Pedersen, J. (2005). European Constructions of an American Model. *Management Learning, 36*(4), 471-491.

Meyer, J. W. & Rowan, B. (1977). Institutionalized Organisations: Formal Structure as Myth and Ceremony. *American Journal of Sociology*, 83 (2), pp. 340-363.

Mills, C. W. (1940). Situated Actions and Vocabularies of Motive. *American Sociological Review, 5*(6), 904-913.

Misztal, B. A. (2001). Trust and cooperation: the democratic public sphere. *Journal of Sociology, 37*(4), 371–386.

Munoz, J., Torcal, M., & Bonet, E. (2011). Institutional trust and multilevel government in the European Union: Congruence or compensation? *European Union Politics, 12*(4), 551–574.

Möllering, G. (2005). Understanding Trust from the Perspective of Sociological Neoinstitutionalism: The Interplay of Institutions and Agency. *MPIfG Discussion Paper*, No. 05/13. Retrieved from http://hdl.handle.net/10419/19927, 30th Oct. 2012.

Möllering, G., Bachmann, R. & Lee, S. H. (2004). Introduction: Understanding organisational trust?– foundations, constellations, and issues of operationalisation. *Journal of Managerial Psychology*, *19*(6), 556 – 570.

Nakayachi, K. & Watabe, M. (2005). Restoring Trustworthiness after Adverse Events: The Signaling Effects of Voluntary "Hostage Posting" on Trust. *Organisational Behavior and Human Decision Processes, 97*(1), 1–17.

Nyhan, R. C. (2000). Changing the Paradigm. Trust and its Role in Public Sector Organisations. *American Review of Public Administration, 30*(1), 87-109.

OECD (2005). Modernising Government: The Way Forward. *Paper*, OECD.

Osborne, D., & Gaebler, T. (1993). *Reinventing Government. How the Entrepreneural Spirit is Transforming the Public Sector*. New York, USA: Penguine Group.

Paliszkiewicz, J. O. (2011). Trust Management: Literature Review. *Management, 6*(4), 315–331.

Park, S. M. (2012). Toward the Trusted Public Organisation: Untangling the Leadership, Motivation, and Trust Relationship in U.S. Federal Agencies. *The American Review of Public Administration, 42*(5), 562–590.

Pedersen, J. S. (2010). *Reformerne i den offentlige sektor*. *Skab seks plusser!* Copenhagen, DK: Økonomi- og Juristforbundets Forlag.

Pedersen, J. S. & Dobbin, F. (2006). In Search of Identity and Legitimation. Bridging Organisational Culture and Neoinstitutionalism. *American Behavioral Scientist*, *49*(7), 897-907.

Pollitt, C. & Bouckaert, G. (2004). *Public Management Reform: A Comparative Analysis*. Oxford, UK: Oxford University Press.

Reay, T. & Hinnings, C. R. (2009). Managing the Rivalry of Competing Institutional Logics. *Organisation Studies, 30*(6), 629-652.

Robbins, B. G. (2011). Neither government nor community alone: A test of state-centered models of generalized trust. *Rationality and Society, 23*(3), 304–346.

Rogers, P., de Silva, R. & Bhatia, R. (2002). Water is an economic good: How to use prices to promote equity, efficiency, and sustainability. *Water Policy, 4*, 1–17.

Rousseau, D. M., Sitkin, S. B., Burt, R. S. & Camerer, C. (1998). Not So Different After All: A Cross Discipline View of Trust. *Academy of Management Review*, *23*(3), 393-404.

Ruef, M. & Scott, W. R. (1998). A Multidimensional Model of Organisational Legitimacy: Hospital Survival in Changing Institutional Environments. *Administrative Science Quarterly*, *43*(4), 877-904.

Saunders, M. N. K., Skinner, D., Dietz, G., Gillespie, N. & Lewicki, R. (2010). *Organisational Trust. A Cultural Perspective*. Cambridge/UK: Cambridge University Press.

Schneiberg, M. & Clemens, E. S. (2006). The Typical Tools for the Job: Research Strategies in Institutional Analysis'. *Sociological Theory*, *24*(3), 195–227.

Scott, W. R. (1987). The Adolescence of Institutional Theory. *Administrative Science Quarterly*, *32*(4), 493-511.

Scott, W. R. (1995). *Institutions and Organisations*. Thousand Oaks/CA: Sage.

Scott, W. R. (2008). *Institutions and Organisations: Ideas and Interests*. 3rd eds. Los Angeles, CA: Sage Publications.

Scott, W. R., Ruef, M., Mendel, P. J. & Caronna, C. A. (2000). Institutional Change and Health Care Organisations. From Professional Dominance to Managed Care. In Scott, W. R., Ruef, M., Mendel, P. J. & Caronna, C. A. (eds.) *Institutional Change and Health Care Organisations. From Professional Dominance to Managed Care*. Chicago: University of Chicago Press, chapter 10, 340-363.

Shapiro, S. P. (1987). The Social Control of Impersonal Trust. *American Journal of Sociology, 93*(3), 623-658.

Spenner, L. & Wacker, H. (2003). Vandmarkedet. Chapter 4 in *Konkurrenceredegørelse 2003*, Copenhagen: Konkurrencestyrelsen, 101-120.

Spradley, J. P. (1980). *Participant Observation*. New York, USA: Holt, Rinehart and Winston.

Spradley, J. P. (1979). *The Ethnographic Interview*. Wadsworth, Canada: Cengage Learning.

Strauss, A. & Corbin, J. (1990). Grounded Theory Research: Procedures, Canons and Evaluative Criteria. *Zeitschrift für Soziologie*, *19*(6), 418-427.

Suddaby, R. & Greenwood, R. (2005). Rhetorical Strategies of Legitimacy. *Administrative Science Quarterly, 50*(1), 35-67.

Teijlingen, E. R. & Hundley, V. (2001). The importance of pilot studies. *Social Research UPDATE,* 35. (ISSN: 1360-7898). Published by Department of Sociology, University of Surrey, Guildford GU2 5XH, United Kingdom. Edited by Nigel Gilbert.

Thomas, C. W. (May 1998), Maintaining and Restoring Public Trust in Government Agencies and Their Employees. *Administration and Society, 30*(2), 166-193.

Thornton, P. H. (2002). The Rise of the Corporation in a Craft Industry: Conflict and Conformity in Institutional Logics. *The Academy of Management Journal*, *45*(1), 81-101.

Thornton, P. H. and Ocasio, W. (1999). Institutional Logics and the Historical Contingency of Power in Organisations: Executive Succession in the Higher Education Publishing Industry, 1958   1990. *American Journal of Sociology*, *105*(3), 801-843.

Thornton, P. H., Jones, C. & Kury, K. (2005). Institutional Logics and Institutional Change in Organisations: Transformation in Accounting, Architecture, and Publishing. In Candace Jones, Patricia H. Thornton (eds.) *Transformation in Cultural Industries* (Research in the Sociology of Organisations, Volume 23), Emerald Group Publishing Limited, 125-170.

Thornton, P. H., Ocasio, W. & Lounsbury (2012). *The Institutional Logics Perspective*. Oxford/UK: Oxford University Press.

Tillmar, M. (2009). No Longer So Strange? (Dis)Trust in Municipality–Small Business Relationships. *Economic and Industrial Democracy, 30*(3), 401–428.

Tolbert, P. S. & Zucker, L. G. (1983). Institutional Sources of Change in the Formal Structure of Organisations: The Diffusion of Civil Service Reform, 1880-1935. *Administrative Science Quarterly*, *28*, 22-39.

Van de Walle, S., Van Roosbroek, S., & Bouckaert, G. (2008). Trust in the public sector: is there any evidence for a long-term breakdown? *International Review of Administrative Sciences, 74*(1), 47-64.

Van Maanen, J. (1988). *Tales of the Field: On Writing Ethnography*. Chicago: University of Chicago Press.

Vigoda-Gadot, E., Shoham, A., & Vashdi, D. R. (2010). Bridging bureaucracy and democracy in Europe: A comparative study of perceived managerial excellence, satisfaction with public services, and trust in governance. *European Union Politics*, *11*(2), 289–308.

Westphal, J. D., Gulati, R. & Shortell, S. M. (1997). Customization or Conformity? An Institutional and Network Perspective on the Content and Consequences of TQM Adoption. *Administrative Science Quarterly*, *42*, 366-394.

Westphal, J. D. & Zajac, E. J. (1994). Substance and Symbolism in CEOs' Long-Term Incentive Plans. *Administrative Science Quarterly*, *39*(3), 367-390.

Westphal, J. D. & Zajac, E. J. (2001). Decoupling Policy from Practice: The Case of Stock Repurchase Programs. *Administrative Science Quarterly*, *46*(2), 202-228.

Zucker, L. G. (1986). Production of Trust: Institutional Sources of Economic Structure, 1884-1920. *Research in Organisational Behavior, 8*, 53-111.

#5 references

Abdul, Z. & Ibrahim, S. (2002). Executive and management attitudes towards corporate social responsibility in Malaysia. *Corporate Governance*, *2*(4), 10 – 16.

Achua, J. K. (2008). Corporate social responsibility in Nigerian banking system. *Society and Business Review*, *3*(1), 57 – 71.

Agle, B. R. & Mitchell, R. K. (1999). Who Matters to CEOs? An Investigation of Stakeholder Attributes and Salience, Corporate Performance and CEO Values. *Academy of Management Journal*, *42*(5), 507–526.

Altman, R. C. (2012). Globalization in Retreat Further Geopolitical Consequences of the Financial Crisis, *Foreign Affairs*, *88*(2). Retrieved from http://heinonline.org/HOL/LandingPage?collection=journals han-dle=hein.journals/fora88anddiv=52andid=andpage, 25th August 2012.

Andrioff, J. & M. McIntosh (eds.) (2001). *Perspectives on Corporate Citizenship*. Sheffield/UK: Greenleaf.

Andrioff, J. (2001). Patterns of Stakeholder Partnership Building. In J. Andriof and M. McIntosh (eds.) *Perspectives on Corporate Citizenship*. Sheffield/UK: Greenleaf, 200-213.

Aras, G. & Crowther, D. (2008). *The Durable Corporation*. Surrey / UK: Gower.

Aras, G. & Crowther, D. (2009). *Global Perspectives of Corporate Governance and CSR*. Surrey / UK: Gower.

Aras, G. & Crowther, D. (2010). *A Handbook of Corporate Governance and Social Responsibility*. UK: Gower.

Arevalo, J. A., & Aravind, D. (2010). The impact of the crisis on corporate responsibility: the case of UN global compact participants in the USA. *Corporate Governance*, *10*(4), 406-420.

Banerjee, S. B. (2008). Corporate Social Responsibility: The Good, the Bad and the Ugly. Critical *Sociology*, *34*(1), 51-79.

Argandoña, A. & Hoivik, H. v. W. (2009). Corporate Social Responsibility: One Size Does Not Fit All. Collecting Evidence from Europe. *Journal of Business Ethics*, *89*(3), 221-234.

Brammer, S., Jackson, G. & Matten, D. (2012). Corporate Social Responsibility and institutional theory: new perspectives on private governance. *Socio-Economic Review*, *10*, 3–28.

Brudney, V. (1982). The Independent Director: Heavenly City or Potemkin Village? *Harvard Law Review*, 597-659.

Brundtland Report (1989). *Our Common Future. World Commission on Environment and Development.* Oxford: Oxford University Press.

Buchholz, A. K., & Carroll, A. B. (2009). *Business and Society.* 7th ed. Canada: Cengage Learning.

Buzar, S., Jalšenjak, B., KrkaČ, K., Lukin, J., MladiĆ, D., & SpajiĆ, I. (2010). Habitual Lying. *Philosophical Papers and Reviews*, *2*(3), 34-39.

Campbell, J. L. (2011). The US Financial Crisis: Lessons for Theories of Institutional Complementarity. *Socio-Economic Review, 9*, 211–234.

Caroll, A. B. & Shabana, K. M. (2010). The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice. *International Journal of Management Review*, *12*(1), 85-105.

Carroll, A. B. (1979). A Three-Dimensional Conceptual Model of Corporate Performance. *Academy of Management Review*, *4*(4), 497–505.

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organisational Stakeholders. *Business Horizons*, July-August.

Castells, M., Caraca, J., & Gardoso, G. (2012) (eds.). *Aftermath. The Cultures of the Economic Crisis*. Oxford, UK: Oxford University Press.

Cernic, J. L. (2008). Corporate Responsibility for Human Rights: A Critical Analysis of the OECD Guidelines for Multinational Enterprises. *International Law*. *Hanse Law Review, 4*(1), 71-100.

Coupland, C. (2006). Corporate social and environmental responsibility in web-based reports: Currency in the banking sector? *Critical Perspectives on Accounting*, *17*(7), 865–881.

Crane, A., McWilliams, A., Matten, D., Moon, J. & Siegel, D. (eds.) (2008). *The Oxford Handbook of Corporate Social Responsibility*. Oxford/UK: Oxford University Press.

Crawford, E. P. & Williams, C. C. (2010). Should corporate social reporting be voluntary or mandatory? Evidence from the banking sector in France and the United States. *Corporate Governance*, *10*(4), 512 – 526.

Crowther, D., Cooper, S., & Carter, C. (2001). Regulation–the movie: a semiotic study of the periodic review of UK regulated industry. *Journal of Organisational Change Management*, *14*(3), 225-238.

D'Anselmi, P. (2010). *Values and Stakeholders in an Era of Social Responsibility. Cut-Throat Competition?* Hampshire, UK: Palgrave, Macmillan.

Davis, K. (1960). Can Business Afford to Ignore Corporate Social Responsibilities? *California Management Review*, *2*, 70–76.

Davis, K. (1967). Understanding The Social Responsibility Puzzle. *Business Horizons*, *10*(4), 45–51.

Decker, O. S. (2004). Corporate social responsibility and structural change in financial services. *Managerial Auditing Journal*, *19*(6), 712 – 728.

Deetz, S. (1992). *Democracy in an age of corporate colonisation: Developments in communication and the politics of everyday life*. NY: State University of New York Press.

Demyanyk, Y. & Van Hemert, O. (2011). Understanding the Subprime Mortgage Crisis. *The Review of Financial Studies*, *24*(6), 1848-1880. Special Issue: The Academic Analysis of the 2008 Financial Crisis.

Donaldson, T. & Dunfee, T. W. (1994). Towards a Unified Conception of Business Ethics: Integrative Social Contracts Theory. *Academy of Management Review*, *19*, 252–284.

Donaldson, T. & Preston, L. E. (1995). The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *Academy of Management Review*, *20*(1), 65-91.

Emeseh, E., Ako, R., Okonmah, P., Obokoh & Ogechukwu, L. (2010). Corporations, CSR and Self Regulation: What Lessons from the Global Financial Crisis? *German Law Journal*, *11*(2), 230-259.

Evan, W. M. & Freeman, R. E. (1988). A Stakeholder Theory of the Modern Corporation: Kantian Capitalism. In T. Beauchamp & N. Bowie (eds.) *Ethical Theory and Business*. Englewood Cliffs / New Jersey: Prentice Hall, 75–93.

Fox, T., Ward, H. & Howard, B. (2002). Public Sector Roles in Strengthening Corporate Social Responsibility: A Baseline Study. Corporate Responsibility for Environment and Development Programme International Institute for Environment and Development (IIED). *Paper prepared for the Corporate Social Responsibility Practice, Private Sector Advisory Services Department, The World Bank*, Oktober.

Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & de Colle, S. (2010). *Stakeholder Theory*. *The State of the Art*. Cambridge, UK: Harpercollins College Div.

Freeman, R.E. (1984). *Strategic Management: A Stakeholder Approach*. 1st Ed. Cambridge, UK: Cambridge University Press.

Freeman, R. E. & Velamuri, S. R. (2008). A New Approach to CSR: Company Stakeholder Responsibility. *Paper*. Retrieved from SSRN: http://ssrn.com/abstract=1186223 or http://dx.doi.org/10.2139/ssrn.1186223, February 11th 2013.

Freeman, R. E. (2010a). Managing for stakeholders: Trade-offs or value creation. *Journal of business ethics*, *96*, 7-9.

Freeman, R. E. (2010b). *Strategic management: A stakeholder approach*. 2nd Ed. UK: Cambridge University Press.

Friedman, M. (13th September, 1970). The Social Responsibility of Business is to Increase its Profits. *New York Times Magazine*, September 13th, 32–33, 122, 126.

Frynas, J. G. (2005). The false developmental promise of Corporate Social Responsibility: evidence from multinational oil companies. *International Affairs*, *81*(3), 581-598.

Garriga, E. & Melé, D. (2004). Corporate Social Responsibility Theories: Mapping the Territory. *Journal of Business Ethics*, *53*(1-2), 51-71.

Gianarakis, G. & Theotokas, I. (2011). The Effect of Financial Crisis in Corporate Social Responsibility Performance. *International Journal of Marketing Studies*, *3*(1), 2-10.

Gupte, P. (19th January, 2005). Arthur Laffer: Corporate social responsibility detrimental to stockholders. *The Sun*, New York. Cited from Wayne Visser (2010b) The Age of Responsibility: CSR 2.0 and the New DNA of Business, *Journal of Business Systems, Governance and Ethics*, *5*(3), 7-22.

Hanson, K. O. (2011). The Long History of Conscious Capitalism. A Response to James O'Toole and David Vogel's "Two and a Half Cheers for Conscious Capitalism", *California Management Review*, *53*(3), 77-83.

Hart, S. (31th January 2013). Michael Porter is a Pirate. *ManagementNext*, *10*(1), 6-7.

Hart, S. L. & C. M. Christensen (2002). The Great Leap. Driving Innovation from the Base of the Pyramid. *MIT Sloan Management Review*, *44*(1), 51–57.

Heal, G. (2004). Corporate Social Responsibility ñ An Economic and Financial Framework. *Paper prepared for presentation at the 2004 Annual Conference of the Monte Paschi Vita. The Geneva Papers (2005) 30*, 387–409.

Hellwig, M. (2008). Systemic risk in the financial sector: an analysis of the subprime mortgage financial crisis. *Working Paper*, *No. 43*, Max Planck Institute for Research on Collective Goods. Retrieved from http://hdl.handle.net/10419/32215, January 14th 2013.

Herkenhoff, K. F. & Ohanian, L. E. (2009). Why the U.S. Economy Has Failed to Recover and What Policies Will Promote Growth. Chapter 7 in Lee E. Ohanian, John B. Taylor & Ian J. Wright (2009) eds. *Government Policies and the DELAYED Economic Recovery*. Stanford, California: Hoover Institution Press Publication No. 627.

Herzig, C. & Moon, J. (forthcoming). The Financial Sector, Economic Crisis and Recession: Discourses on Corporate Social Ir/Responsibility. *Journal of Business Research*. Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2118137, 25th August 2012.

Hirsch, P. & Lounsbury, M. (1997). Ending the family quarrel: Toward a reconciliation of 'old' and 'new' institutionalisms. *American Behavioral Scientist*, *40*, 406–418.

Hiss, S. (2009). From Implicit to Explicit Corporate Social Responsibility Institutional Change as a Fight for Myths. *Business Ethics Quarterly*, *19*(3), 433-451.

Hockerts, K., Mair, J. & Robinson, J. (2006). *Social Entrepreneurship*. Hampshire/UK: Palgrave Macmillan.

Hood, C. (1991). A Public Management for All Seasons? *Public Administration*, *69*, Spring, 3-19.

Höllerer, M. A. (2012). *Between creed, rhetoric façade, and disregard: Dissemination and theorization of corporate social responsibility in Austria*. Frankfurt/Main et al.: Peter Lang.

Jackson, G. & Apostolakou, A. (2010). Corporate Social Responsibility in Western Europe: An Institutional Mirror or Substitute? *Journal of Business Ethics*, *94*(3), 371-394.

Jakob, C. K. (2012). The Impact of Financial Crisis on Corporate Social Responsibility and Its Implication for Reputation Risk Management. *Journal of Management and Sustainability*, *2*(2), 59-275.

Jensen, M. (2002). Value maximation, stakeholder theory and the corporate objective function. *Business Ethics Quarterly*, *12*(2), 235-256.

Jeucken, M. (2001). *Sustainable Finance and Banking*. *The Financial Sector and the Future of the Planet*. London / UK: Earthscan Publ. Ltd.

Khan, MHUZ, Halabi, A. K., & Samy, M. (2009). Corporate social responsibility (CSR) reporting: a study of selected banking companies in Bangladesh. *Social Responsibility Journal*, *5*(3), 344 – 357.

Kalafati, M. (2012). How Greek health care services are affected by the EURO crisis. Emergency Nurse. *The Journal of the RCN Accident and Emergency Nursing Association*, *20*(3), 26-27.

Kallis, G., Martinez-Alier, J. & Norgaard, R. B. (2009). Paper assets, real debts: An ecological-economic exploration of the global economic crisis. *Critical perspectives on international business*, *5*(1/2), 14-25.

Karaibrahimoglu, Y. Z. (2010). Corporate Social Responsibility in times of Financial Crisis. *African Journal of Business Management*, *4*(4), 382-389.

Karnani A. (2011a). CSR Stuck in a Logical Trap. A Response to Pietra Rivoli and Sandra Waddock's "First They Ignore You...": The Time Context Dynamic and Corporate Responsibility. *California Management Review*, *53*(2), 105-111.

Karnani, A. (2011b). Doing Well by Doing Good. The Grand Illusion. *California Management Review*, *53*(2), 69-86.

Kemper, A. & Martin, R. L. (2010). After the fall: The Global financial crisis as a test of corporate social responsibility theories. *European Management Review*, *7*(4), 229-239.

Kindleberger, C. P. & Aliber, R. Z. (2011). *Manias, Panic and Crashes: A History of the Financial Crisis*. Hampshire/UK: Palgrave Macmillan.

Krkač, K., Mladić, D. & Buzar, S. (2012). Habitual Lying Re-examined. *American Journal of Sociological Research*, *2*(1), 1-10.

Lauesen, L. M. (2011). CSR in publicly owned enterprises: opportunities and barriers. *Social Responsibility Journal*, *7*(4), 558-577.

Lauesen, L. M. (2012a). Ethical Decision Making – an Organic Stakeholder Model. *Multidisciplinary Journal of Applied Ethics, 1*(1), 6-20.

Lauesen, L. (2012b). Sustainability Strategies in Public Service. In Crowther & Aras (eds.) *Developments in Corporate Governance and Responsibility*, *3*, UK: Emerald Publishing, 177-201.

Lauesen, L. M. (forthcoming). Corporate Social Responsibility Reports as Cultural Artefacts of Organisational Lived Everyday Life. *Paper prepared for the 8th Organisational Studies Summer Workshop, 23-25 May 2013, Mykenos, Greece*.

Mackey, J. (2011). What Conscious Capitalism Really Is. A Response to James O'Toole and David Vogel's "Two and a Half Cheers for Conscious Capitalism". *California Management Review*, *53*(3), 83-91.

Marquis, C., Glynn, M. A., & Davis, G. F. (2007). Community Isomorphism and Corporate Social Action. *Academy of Management Review*, *32*(3), 925-945.

Marsh, D. (2011). Faltering Ambitions and Unrequited Hopes: The Battle of the Euro Intensifies. *Journal of Common Market Studies*, *49*, 45-55.

Matten, D. & Crane, A. (2005). Corporate Citizenship: Towards an Extended Theoretical Conceptualization. *Academy of Management Review*, *30*(1), 166-179.

Matten, D. & Crane, A. (2007). *Business Ethics. Managing Corporate Citizenship and Sustainability in the Age of Globalization*. 2nd. Eds. Oxford/UK: Oxford University Press.

Matten, D. & Moon, J. (2004). 'Implicit' and 'Explicit' CSR. A conceptual framework for understanding CSR in Europe. *No. 29-2004 ICCSR Research Paper Series* – ISSN1479-5124.

Matten, D. & Moon, J. (2008). 'Implicit' and 'Explicit' CSR: A Conceptual Framework for a Comparative Understanding of CSR. *Academy of Management Review*, *33*(2), 404-424.

Mayoux, L. (2001). Tackling the Down Side: Social Capital, Women's Empowerment and Micro Finance in Cameroon. *Development and Change*, *32*, 435–464.

Meyer, R. E. & Höllerer, M. (2010). Meaning Structures in a Contested Issue Field: A Topographic Map of Shareholder Value in Austria. *Academy of Management Journal*, *53*(6), 1241-1262.

Mia, P. (2011). Corporate Social Disclosure during the Global Financial Crisis. *International Journal of Economics and Finance*, *3*(6), 174-187.

Minoja, M., Zollo, M., & Coda, V. (2010). Stakeholder cohesion, innovation, and competitive advantage. *Corporate Governance*, *10*(4), 395-405.

Mitchell, R. K., Agle, B. R. & Wood, D. J. (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.

Montefiore, S. S. (2005). *Potemkin: Catherine the Great's Imperial Partner*. USA: Vintage Books.

Moura-Leite, R. C. & Padgett, R. C. (2011). Historical background of corporate social responsibility, *Social Responsibility Journal*, *7*(4), 528-539.

O'Toole, J. & Vogel, D. (2011). Two and a Half Cheers for Conscious Capitalism. *California Management Review*, *53*(3), 60-77.

Obstfeld, M. & Rogoff, K. (2009). Global Imbalances and the Financial Crisis: Products of Common Causes. *CEPR discussion paper* no. DP7606. Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1533211 25th August 2012.

OECD (2011). OECD Guidelines for Multi-National Enterprises. 2011 update. (2011). *Report*. Retrieved from http://www.oecd.org/daf/internationalinvestment/guidelinesformultinationalenterprises/oecd guidelinesformultinationalenterprises.htm, August 25th 2012.

Pal, L. A. (2007). Inversion without End: The OECD and Global Public Management Reform. *Paper presented at the OECD and Global Governance Workshop, Carleton University, Ottawa, Canada, January 19-20*.

Paramanand, B. (2013). Second Anniversary of Creating Shared Value: Is Porter's Big Idea Yet to Stick? *ManagementNext*, *10*(1), 4-6.

Partnoy, F. (2009). Historical Perspectives on the Financial Crisis: Ivar Krueger, the Credit-Rating Agencies, and Two Theories about the Function, and Dysfunction, of Markets. *Essay*, no. 26 Yale J. on Reg. 431.Retrieved from http://heinonline.org/HOL/LandingPage?collection=journals&handle=hein.journals/yjor26&div=18&id=&page= 11th February 2013.

Phillips, R. A. (2003). Stakeholder Legitimacy. *Business Ethics Quarterly*, *13*(1), 25–41.

Phillips, R. A., Freeman, R. E. & Wicks, A. C. (2003). What Stakeholder Theory Is Not. *Business Ethics Quarterly*, *13*(1), 479–502.

Pomering, A. & Dolnicar, S. (2009). Assessing the Prerequisite of Successful CSR Implementation: Are Consumers Aware of CSR Initiatives? *Journal of Business Ethics*, *85*(2), 285-301.

Porter, M. E., & Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard business review*, *80*(12), 56-68.

Porter, M. E., & Kramer, M. R. (2006). Strategy and society. *Harvard business review*, *84*(12), 78-92.

Porter, M., & Kramer, M. R. (2011). Creating shared value. *Harvard business review*, *89*(1/2), 62-77.

Preuss, L. (2010). Tax avoidance and corporate social responsibility: you can't do both, or can you? *Corporate Governance*, *10*(4), 365-374.

Putnam, H. (2002). *The collapse of the fact/value dichotomy and other essays*. USA: Harvard University Press.

Prahalad, C. K. (2002). Strategies for the Bottom of the Economic Pyramid: India as a Source of Innovation. *Reflections: The SOL Journal*, *3*(4), 6–18.

Prahalad, C. K., & Hammond, A. (2002). Serving the world's poor, profitably.*Harvard business review*, *80*(9), 48-59.

Preston, L. E. & Post, J. E. (1975). *Private Management and Public Policy*. *The Principle of Public Responsibility*. Englewood Cliffs/New Jersey: Prentice Hall.

Rauch, D. (2011). Conscious Capitalism: A Better Road Map: A Response to James O'Toole and David Vogel's "Two and a Half Cheers for Conscious Capitalism". *California Management Review*, *53*(3), 91-97.

Reinhart, C. M. & Rogoff, K. S. (2008). Is the 2007 U.S. SubPrime Financial Crisis So Different? An International Historical Comparison. *NBER working papers, prepared for the American Economic Review Papers and Proceedings*. Reinhart: School of Public Policy and Department of Economics, 4105 Van Munching Hall, University of Maryland, College Park, Maryland 20742.

Reinhart, C. M. & Rogoff, K. S. (2009). *This Time Is Different. Eight Centuries of Financial Folly*. New Jersey: Princeton University Press.

Rowley, T. J. (1997). Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences. *Academy of Management Review*, *22*(4), 887–911.

Sapovadia, V. K. (2006). Micro Finance: The Pillars of a Tool to Socio-Economic Development. Development Gateway. *Paper* retrieved from SSRN: http://ssrn.com/abstract=955062, January 14th 2013.

Schreck, P. (2010). Reviewing the Business Case for Corporate Social Responsibility: New Evidence and Analysis. *Journal of Business Ethics*, *103*(2), 167-188.

Schwarcz, S. L. (2008). Protecting Financial Markets: Lessons from the Subprime Mortgage Meltdown. *American Law and Economics Association Annual Meetings, Paper 19*. Retrieved from http://law.bepress.com/alea/18th/bazaar/art19, January 14th 2013.

Sethi, S. P. (1975). Dimensions of Corporate Social Performance: An Analytical Framework. *California Management Review*, *17*(3), 58–65.

Short, J. C., Moss, T. W., & Lumpkin, G. T. (2009). Research in social entrepreneurship: Past contributions and future opportunities. *Strategic entrepreneurship journal*, *3*(2), 161-194.

Spitzeck, H., & Hansen, E. G. (2010). Stakeholder governance: how stakeholders influence corporate decision making. *Corporate Governance*, *10*(4), 378-391.

Sisodia, R. S. (2011). Conscious Capitalism: A Better Way to Win: A Response to James O'Toole and David Vogel's "Two and a Half Cheers for Conscious Capitalism". *California Management Review*, *53*(3), 98-108.

Smith, A. (1776/2003). *The Wealth of Nations*. USA: Bantams Classics.

Souto, B. F. (2009). Crisis and Corporate Social Responsibility: Threat or Opportunity? *International Journal of Economic Sciences and Applied Research*, *2*(1), 36-50.

Stray, S. & Ballantine, J. (2000). A sectoral comparison of corporate environmental reporting and disclosure. *Eco-Management and Auditing*, 7, 165–177.

Suddaby, R. (2010). Challenges for institutional theory. *Journal of Management Inquiry*, *19*(1), 14-20.

Swanson, D. L. (1999). Toward an Integrative Theory of Business and Society: A Research Strategy for Corporate Social Performance. *Academy of Management Review*, *24*(3), 506–521.

Taylor, J. B. (2009). *Getting Off Track*. Stanford, California: Hoover Institution Press Publication.

Thomé, F. (2009). Corporate Responsibility in the Age of Irresponsibility: A symbiotic relationship between CSR and the financial crisis? *International Institute for Sustainable Development*. Retrieved from http://www.iisd.org/pdf/2009/csr_financial_crisis.pdf (October 3, 2010), 28th August 2012.

Tsang, E. W. K. (1998). A longitudinal study of corporate social reporting in Singapore: The case of the banking, food and beverages and hotel industries. *Accounting, Auditing and Accountability Journal*, *11*(5), 624 – 635.

United Nations (1999). *UN Global Compact*. (Newest version at www.unglobalcompact.org. Retrieved 11ᵗʰ February 2013).

Viganò, F. and Nicolai, D. (2006). CSR in the European banking sector: evidence from a sector survey. *Report. RARE. A Research Project within the EU's Sixth Framework Programme*. Retrieved from http://195.130.87.21:8080/dspace/bitstream/123456789/1135/1/93%20CSR%20in%20the%20European%20banking%20sector%20evidence%20from%20a%20sector%20survey.pdf, February 11th 2013.

Visser, W. (2010a). *The Age of Responsibility. CSR 2.0 and the New DNA of Business*. Wessex, UK: John Wiley and Sons Publications.

Visser, W. (2010b). The Age of Responsibility: CSR 2.0 and the New DNA of Business. *Journal of Business Systems, Governance and Ethics*, *5*(3), 7-22.

Visser, W. (4ᵗʰ November 2008). CSR and the Financial Crisis. Taking Stock. *Wayne Visser Blog Briefing*, 4ᵗʰ November 2008. Retrieved from

http://csrinternational.blogspot.dk/2008/11/CSR_and-financial-crisis_taking-stock.html 25th August 2012.

Vives, X. (2001). Competition in the Changing World of Banking. *Oxford Review of Economic Policy*, *17*(4), 535-547.

Vogel, D. (1986). The Study of Social Issues in Management: A Critical Appraisal. *California Management Review*, *28*(2), 142–152.

Vogel, D. (2005). *The Market for Virtue*. *The Potential and Limits of Corporate Social Responsibility*. Washington D.C.: Brookings Institution Press.

Wartick, S. & Cochran, P. L. (1985). The Evolution of Corporate Social Performance Model. *Academy of Management Review*, *10*(4), 758–769.

Wartick, S. L. & Mahon, J. F. (1994). Towards a Substantive Definition of the Corporate Issue Construct: A Review and Synthesis of Literature. *Business and Society*, *33*(3), 293–311.

White, L. H. (2008). How Did We Get Into This Financial Mess? *Cato Institute Briefing Paper,* No. 110, November 18, 2008. Retrieved from http://www.icpcolombia.org/archivos/publicaciones/cato1.pdf 14th January 2013.

White House (1995). The National Homeowner Strategy: Partners in the American Dream. *Message of the President (Bill Clinton),* May 2, 1995. Retrieved from *Urban Policy Brief*, *2*, August 1995. Re-retrieved from http://www.huduser.org/publications/txt/hdbrf2.txt 23rd September 2013.

Wood, D. J. (1991). Corporate Social Performance Revisited. *Academy of Management Review*, *16*(4), 691–718.

Wood, D. J. & Lodgson, J. M. (2002). Business Citizenship: From Individuals to Organisations. *Business Ethics Quarterly*, Ruffin Series, *3*, 59–94.

#6 references

Adams, C.A. (2002). Internal organisational factors influencing corporate social and ethical reporting: Beyond current theorizing. *Accounting, Auditing & Accountability Journal*, *15*(2), 223-250.

Adams, C. A., & Larrinaga-González, C. (2007). Engaging with organisations in pursuit of improved sustainability accounting and performance. *Accounting, Auditing & Accountability Journal*, *20*(3), 333-355.

Alvesson, M. (1993). *Cultural Perspectives on Organizations*. Cambridge/UK: Cambridge University Press.

Alvesson, M., & Sköldberg, K. (1994). *Tolkning och Reflektion*. Lund/Sweden: Stundentlitteratur.

Alvesson, M., & Sköldberg, K. (2009). *Reflexive methodology: New vistas for qualitative research*. London/UK: SAGE Publications Limited.

Alvesson, M. & Kärreman, D. (2011). *Qualitative Research and Theory Development: Mystery as Method*. London/UK: Sage Publications Ltd.

Aras, G., & Crowther, D. (2010). *A handbook of corporate governance and social responsibility*. UK: Gower Publishing Company.

Barley, S. R. (1983). Semiotics and the study of occupational and organizational cultures. *Administrative Science Quarterly, 28*, 393-414.

Bebbington, J., Larrinaga, C., & Moneva, J. M. (2008). Corporate social reporting and reputation risk management. *Accounting, Auditing and Accountability Journal*, *21*(3), 337-361.

Bell, E., & Davison, J. (2012). Visual management studies: empirical and theoretical approaches. *International Journal of Management Reviews*. doi: 10.1111/j.1468-2370.2012.00342.x. Online published 14th June 2012.

Binder, A. (2007). For love and money: Organisations' creative responses to multiple environmental logics. *Theory and society*, *36*(6), 547-571.

Boje, D. M. (2008). *Storytelling organisations*. London/UK: Sage Publications Limited.

Bourdieu, P., & Wacquant, L. J. (Eds.) (1992). *An invitation to reflexive sociology*. Chicago: University of Chicago Press.

Brown, N. & Deegan, C. (1998). The public disclosure of environmental performance information – a dual test of media agenda setting theory and LT. *Accounting and Business Research*, *29*(1), 21-41.

Brunsson, N. (1985). *The Irrational Organization*. New York: John Wiley.

Brunsson, N. (1989). *The Organization of hypocrisy: Talk, decisions and actions in organizations*. (N. Adler translation). New York: John Wiley.

Brunsson, N. (1995). Ideas and actions: Justification and hypocrisy as alternatives to control. *Research in the Sociology of Organizations*, *13*, 211-235.

Buchholz, A. K. & Carroll, A. B. (2009). *Business and Society*. 7th eds. Canada: Cengage Learning.

Buzar, S., Jalšenjak, B., Krkač, K., Lukin, J., Mladić, D., & Spajić, I. (2010). Habitual lying. *Philosophical Papers and Reviews*, *2*(3), 34-39.

Carroll, A. B. (1991). The pyramid of corporate social responsibility: toward the moral management of organisational stakeholders. *Business horizons*, *34*(4), 39-48.

Christensen, S. & Kreiner, K. (1984). On the Origin of Organizational Cultures. Paper presented on the *International Conference on Organizational Symbolism and Corporate Culture*, Lund, Sweden.

Cohen, M. D., March, J. G., & Olsen, J. P. (2012). A "Garbage can Model" At Forty: A Solution that Still Attracts Problems. *Research in the Sociology of Organizations*, *36*, 19-30.

Cooper, D., & Sherer, M. (1984). The value of corporate accounting reports: arguments for a political economy of accounting. *Accounting, Organisations and Society*, *9*(3/4), 207–232.

Crane, A., & Matten, D. (2007). *Business ethics*. USA: Oxford University Press.

Crane, A., McWilliams, A., Matten, D., Moon, J., & Siegel, D. S. (eds.) (2008). *The Oxford handbook of corporate social responsibility*. Oxford/UK: Oxford University Press.

Crowther, D. (2002). *A Social Critique of Corporate Reporting*. Aldershot/UK: Ashgate.

Crowther, D. (2003). Corporate social reporting: genuine action or window dressing? In D. Crowther & L. Raiman-Bacchus (eds.) *Perspectives on Corporate Social Responsibility*. Aldershot/UK: Ashgate, 140-160.

Crowther, D. (2012). *A Social Critique of Corporate Reporting*. Surrey/UK: Gower.

Crowther, D. & Gomez, A. M. D. (2007). Psychoanalysis and the myths of corporate communication. In David Crowther & A. M. D. Gomez (eds.) *Ethics, Psyche and Social Responsibility*. UK: publication house, chapter 6, 107-128.

Crowther, D., and Gomez, A. M. D. (2012). *Human Dignity and Managerial Responsibility: Diversity, Rights, and Sustainability*. UK: Gower Publishing Company.

Czarniawska, B. (1997). *Narrating the organisation: Dramas of institutional identity*. Chicago: University of Chicago Press.

Daft, R. & Weick, K. E. (1984). Toward a Model of Organizations as Interpretation Systems. *Academy of Management Review*, *9*, 284-295.

D'Anselmi, P. (2011). *Values and Stakeholders in an Era of Social Responsibility*. Hampshire/UK: Palgrave/MacMillan.

Deegan, C. (2002). Introduction: the legitimising effect of social and environmental disclosures–a theoretical foundation. *Accounting, Auditing & Accountability Journal*, *15*(3), 282-311.

Deegan, C., Rankin, M. & Tobin, J. (2002). An examination of the corporate social and environmental disclosures of BHP from 1983-1997: a test of legitimacy theory. *Accounting, Auditing & Accountability Journal*, *15*(3), 312-343.

Deetz, S. A. (1992). *Democracy in an Age of Corporate Colonization. Developments in Communication and the Politics of Everyday Life*. Albany: State University of New York Press.

Ebers, M. (1995). The Framing of Organizational Cultures. *Research in Sociology of Organizations, 13*, 129-170.

Fairclough, N. (1989). *Language and Power*. 2nd eds. London/UK: Longman.

Fairclough, N., Mulderrick, J. & Wodak, R. (2011). Critical Discourse Analysis. In T. Van Dijk (ed.) *Discourse Studies: A Multidisciplinary Introduction*. Vol. 2. London: Sage Publications Ltd., 357-378.

Feldman, M. (1989). *Order without design: Information processing and policy making*. Palo Alto / CA: Stanford University Press.

Flyvbjerg, B. (2006). Five misunderstandings about case-study research. *Qualitative inquiry*, *12*(2), 219-245.

Friedman, A. L., & Miles, S. (2001). Socially responsible investment and corporate social and environmental reporting in the UK: an exploratory study. *British Accounting Review*, *33*(4), 523-548.

Gertsen, M. C., Søderberg, A. M., & Zølner, M. (2012). Introduction. In M. C. Gertsen, A.M. Søderberg & M. Zølner (eds.) *Global Collaboration: Intercultural Experiences and Learning*. Hampshire/UK: Palgrave McMillan, 1-14.

Gray, R., Owen, D. & Maunders, K. (1987). *Corporate Social Reporting: Accounting and Accountability*. London: Prentice-Hall International.

Gray, R., Owen, D. & Maunders, K. (1988). Corporate social reporting: emerging trends in accountability and the social contract. *Accounting, Auditing & Accountability Journal*, *1*(1), 6-20.

Habermas, J. (1967). *Zur Logik der Sozialwissenschaften*. Germany: JCB Mohr.

Hallett, T. (2010). The Myth Incarnate Recoupling Processes, Turmoil, and Inhabited Institutions in an Urban Elementary School. *American Sociological Review*, *75*(1), 52-74.

Hallett, T., & Ventresca, M. J. (2006). Inhabited institutions: Social interactions and organisational forms in Gouldner's Patterns of Industrial Bureaucracy. *Theory and Society*, *35*(2), 213-236.

Halliday, M. A. K. (1985). *An introduction to functional grammar*. London: Edward Arnold.

Hasseldine, J., Salama, A. I., & Toms, J.S. (2005). Quantity versus quality: the impact of environmental disclosures on the reputations of UK plcs. *British Accounting Review*, *37*(2), 231-248.

Hedberg, B. (1981). How Organizations Learn and Unlearn. In P. Nystrøm & W. Starbuck (eds.) *Handbook of Organizational Design: Adapting Organizations to Their Environments*, Vol. 1. Oxford/UK: Oxford University Press, 3-27.

Hine, C. (2000). *Virtual ethnography*. London/UK: Sage Publications Limited.

Holme, C. (2010). Corporate social responsibility: a strategic issue or a wasteful distraction? *Industrial and Commercial Training*, *42*(4), 179 – 185.

Höllerer, M., Jancsary, D., Meyer, R. E., & Vettori, O. (2013). Imageries of Corporate Social Responsibility: Visual Recontextualization and Field-Level Meaning. In E. Boxenbaum & M. Lounsbury (eds.) *Logics in Action*, a double-bind in Research in the Sociology of Organisations, Vol 39B. UK/Bingsley: Emerald Group Publishing Limited, 139-174.

Husted, B. W. (2005). Risk management, real options, corporate social responsibility. *Journal of Business Ethics*, *60*(2), 175-183.

Jung, C. G. (1959/1990). *The Archetypes and the Collective Unconscious,* Vol. 9. (Trans. R. F. C. Hull). New York: Bollinger/Princeton University Press,.

Kintsch W & van Dijk T A. (1978). Toward a model of text comprehension and production. *Psychological Review*, *85*, 363-394.

Kress, G. R. (1985). Ideological structures in discourse. In T. van Dijk (ed.) *Handbook of Discourse Analysis*. London: Academic Press, 27-42.

Kress, G. R. (2010). *Multimodality: A Social Semiotic Approach to Contemporary Communication*. London: Routledge.

Kress, G. R., & Hodge, R. (1979). *Language as ideology:* London: Routledge and Kegan Paul.

Kress, G. R. & Van Leeuwen, T. (1996/2006). *Reading Images: The Grammar Of Visual Design*. 1st and 2nd eds. Oxon: Routledge.

Krkač, K., Mladić, D., & Buzar, S. (2012). Habitual Lying Re-Examined. *American Journal of Sociological Research*, *2*(1), 1-10.

Lauesen, L. M. (2011). CSR in Publicly Owned Enterprises: Opportunities and Barriers. *Social Responsibility Journal*, *7*(4), 558-577.

Lauesen, L. M. (forthcoming). How Well Are Water Companies Engaged in CSR? A Critical Cross Geographical Discourse Analysis. Accepted for publication in *Social Responsibility Journal*, December 1st 2012.

Laughlin, R. C., & Puxty, A. G. (1986). The socially conditioning and socially conditioned nature of accounting: a review and analysis through Tinker's Paper Prophets. *The British Accounting Review*, *18*(1), 17-42.

March, J. G., & Olsen, J. P. (1976). Organizational Learning and the Ambiguity of the Past. *Ambiguity and choice in organizations*, 54-68.

March, J. G., & Olsen, J. P. (2004). The logic of appropriateness. *ARENA*. Accessed February 27th 2013 from http://www.sv.uio.no/arena/english/research/publications/arena-publications/workingpapers/working-papers2004/wp04_9.pdf

Margolis, E., & Pauwels, L. (eds.) (2011). *The Sage handbook of visual research methods*. London: SAGE Publications Limited.

Martin, J. (1992). *Cultures in Organisations. Three Perspectives*. New York: Oxford University Press.

Martin, J. (2002). *Organisational Culture. Mapping the Terrain*. Thousand Oaks/California: Sage Publ. Inc.

Martin, J., Sitkin, S., & Boehm, M. (1985). Founders and the elusiveness of a cultural legacy. In Frost, P., Moore, L., Louis, M., Lundberg, C. & Martin, J. (eds.) *Organizational culture*. Beverly Hills, CA: Sage, 99-124.

Martin, J. & Siehl, C. (1990). Organisational Culture and Counterculture: An Uneasy Symbiosis. In Beverly D. Sypher (ed.) *Case Studies in Organisational Communication*. New York: The Guildford Press, 71-86.

Martin, J., & Frost, P. (2012). The Organisational Culture War Games. In Mary Godwin & Jody Hoffer Gittell (eds.) *Sociology of Organisations: Structures and Relationships*. Thousand Oaks/California: Sage Publications Inc., 315-336.

Merkl-Davies, D. M., & Brennan, N. M. (2007). Discretionary disclosure strategies in corporate narratives: incremental information or impression management? *Journal of accounting literature*, *27*, 116-196.

Meyer, J. W. & Rowan, B. (1977). Institutionalized Organizations: Formal Structure as Myth and Ceremony. *American Journal of Sociology*, *83*(2), 340-363.

Mills, C. W. (1940). Situated actions and vocabularies of motive. *American sociological review*, 904-913.

Mintzberg, H. (1983/1993). *Structures in Fives: Designing Effective Organizations*. Upper Saddle River: Pearson Education.

Mitchell, W. J. T. (1994). *Picture Theory*. Chicago: University of Chicago Press.

Morsing, M. (2006). Corporate social responsibility as strategic auto-communication: on the role of external stakeholders for member identification. *Business Ethics: A European Review*, *15*(2), 171–182.

Neumann, E. (1972). *The Great Mother: An Analysis of the Archetype*. USA: Princeton University Press.

O'Donovan, G. (2002). Environmental disclosures in the annual report: extending the applicability and predictive power of legitimacy theory. *Accounting, Auditing & Accountability Journal*, *15*(3), 344-371.

O'Dwyer, B. (2003). Conceptions of corporate social responsibility: the nature of managerial capture. *Accounting, Auditing & Accountability Journal*, *16*(4), 523-557.

Orr, M. (2003). *Intertextuality: Debates and contexts*. Cambridge: Polity.

Ouchi, W. (1981). *Theory Z: How American business can meet the Japanese challenge*. Reading, MA: Addison-Wesley.

Palazzo, G. & Richter, U. (2005). CSR Business as Usual? The Case of the Tobacco Industry. *Journal of Business Ethics*, *61*, 387–401.

Pettigrew, A. M. (1979). On studying organizational cultures. *Administrative science quarterly*, *24*(4), 570-581.

Phillips, N., Lawrence, T. B., & Hardy, C. (2004). Discourse and institutions. *Academy of management review*, *29*(4), 635-652.

Phillips, N., & Oswick, C. (2012). Organisational Discourse: Domains, Debates, and Directions. *The Academy of Management Annals*, *6*(1), 435-481.

Porter, M. E., & Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review*, *80*(12), 56-68.

Porter, M. E., & Kramer, M. R. (2006). The link between competitive advantage and corporate social responsibility. *Harvard business review*, *84*(12), 78-92.

Prahalad, C. K. (2004, 2010). *The Fortune at the Bottom of the Pyramid. Eradicating Poverty Through Profits*. 1st and 3rd eds. New Jersey: Prentice Hall.

Putnam, L. L., Grant, D., Hardy, C., & Oswick, C. (eds.) (2004). *The Sage handbook of organisational discourse*. London: Sage Publications Limited.

Ricoeur, P. (1973). The model of the text: Meaningful action considered as a text. *New Literary History, 5*(1), 91-117.

Rolland, D., & Bazzoni, J. O. K. (2009). Greening corporate identity: CSR online corporate identity reporting. *Corporate Communication*, *14*(3), 249-263.

Rose, G. (2011). *Visual Methodologies: An Introduction to Researching with Visual Materials*. London: Sage Publications Limited.

Rousseau, D. (1989). The price of success? Security-oriented cultures and high reliability organizations. *Industrial Crisis Quarterly, 3*, 285-302.

Schaltegger, S., Muller, K., & Hindrichsen, H. (1996). *Corporate Environmental Accounting*. Chichester/ UK: John Wiley and Sons.

Schein, E. H. (1985). *Organizational Culture and Leadership*. San Francisco: Jossey-Bass.

Schein, E. H. (1990). Organizational Culture, *The American Psychologist*, *45*, 109-119.

Schein, E. H. (1993/2001). Organizational Culture and Leadership. In J. Shafritz & J.S. Ott (eds.) *Classics of Organizational Theory*, 2001. Fort Worth: Houghton Mifflin Harcourt.

Schein, E. H. (1996). Culture: The missing concept in organization studies. *Administrative science quarterly*, 229-240.

Schein, E. H. (2009). *The corporate culture survival guide*. (Vol. 158). San Francisco: Jossey-Bass.

Selznick, P. (1957). *Leadership and administration*. Evanston/IL: Row and Peterson.

Spivak, M. (1973). Archetypal Place. *Architechtural Forum*, Oct. 1973, 44-49.

Spradley, J. P. (1979). *The Ethnographic Interview*. Wadsworth: Cengage Learning.

Spradley, J. P. (1980). *Participant Observation*. New York: Holt, Rinehart and Winston.

Stokes, P. (2012). The Janus Dialectic of Corporate Social Irresponsibility and Corporate Social Responsibility–The Role of Micro-Moments. *Critical Studies on Corporate Responsibility, Governance and Sustainability*, *4*, 83-108.

Stoughton, A. M., & Ludema, J. (2012). The driving forces of sustainability. *Journal of Organisational Change Management*, *25*(4), 501-517.

Svenningson, S., & Alvesson, M. (2008). *Changing Organizational Culture. Cultural Change Work in Progress*. Oxon/UK: Routledge.

Tinker, T., Neimark, M., & Lehman, C. (1991). Falling down the hole in the middle of the road: political quietism in corporate social reporting. *Accounting, Auditing & Accountability Journal*, *4*(2), 28-54.

Toms, J.S. (2002). Firmresources, quality signals and the determinants of corporate environmental reputation: some UK evidence. *British Accounting Review*, *34*(3), 257-282.

Van Dijk, T.A. (2006). Ideology and discourse analysis. *Journal of Political Ideologies*, *11*, 115–140.

Van Leeuwen, T. (2005). *Introducing Social Semiotics*. Oxon: Routledge.

Van Maanen, J. (1991). The Smile Factory: Work at Disneyland. In Frost, P., Moore, L., Louis, M., Lundberg, C., & Martin, J. (eds.) *Reframing organizational culture*. Thousand Oaks, California: Sage, 58-76.

Weick, K. E. (1976). Educational organisations as loosely coupled systems. *Administrative science quarterly*, 1-19.

Weick, K. E. (1979). *The social psychology of organizing*. Reading: Addison-Wesley.

Weick, K. E. (1991). The vulnerable system: An analysis of the Tenerife air disaster. In P. Frost, L. Moore, M. Louis, C. Lundberg, & J. Martin (Eds.) *Reframing organisational culture*. Newbury Park, CA: Sage, 117-130.

Weick, K. E. (1993). The collapse of sensemaking in organizations: The Mann Gulch disaster. *Administrative science quarterly*, 628-652.

Weick, K. E. (1995). *Sensemaking in organisations*. (Vol. 3). Thousand Oaks, California: Sage Publications Inc.

Weick, K. E., & Sutcliffe, K. M. (2007). *Managing the unexpected: Resilient performance in an age of uncertainty*. San Francisco: Jossey-Bass.

Wodak, R., & Meyer, M. (2001, 2009). *Methods of Critical Discourse Analysis*. 1st and 2nd Eds. London: Sage Publications Ltd.

#7 references

Annan, K. (1999). Business and the UN: A Global Compact of Shared Values and Principles. *Proceedings from World Economic Forum, 31 January 1999, Davos, Switzerland.* Reprinted in *Vital Speeches of the Day*, *65*(9), 260–61.

Aras, G. & Crowther, D. (2009). *The Durable Corporation*. Farnham/UK: Gower.

Armstrong, N. (1969). Neil Armstrong: 1930-2012. Retrieved from http://www.nasa.gov/topics/people/features/armstrong_obit.html, NASA, Houston.

Brundtland Report (1989). *World Commission on Environment and Development (WCED). Our common future*. Oxford: Oxford University Press.

Carroll, A. B. (1979). A three-dimensional conceptual model of corporate performance. *Academy of Management Review*, *4*(4), 497-505.

Flyvbjerg, B. (2006). Five misunderstandings about case study research. *Qualitative inquiry*, *12*(2), 219-245.

Frederick, W. C. (1994). From CSR1 to CSR2 The Maturing of Business-and-Society Thought. *Business and Society*, *33*(2), 150-164.

Frederick, W. C. (1998). Moving to CSR4 What to Pack for the Trip. *Business and Society*, *37*(1), 40-59.

Freeman, R. E. (2010). *Strategic management: A stakeholder approach*. UK: Cambridge University Press.

Freeman, R., & Velamuri, S. R. (2008). A new approach to CSR: Company stakeholder responsibility. Retrieved from SSRN 1186223: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1186223

Friedman, M. (13th September, 1970). The Social Responsibility of Business is to Increase its Profits. *The New York Times Magazine*, September 13, 32–33, 122, 126.

Gordon, K. (2001). The OECD guidelines and other corporate responsibility instruments: a comparison (No. 2001/5). *OECD Publishing*.

Haigh, N. & Hoffman A. J. (2012). Hybrid organisations: The next chapter of sustainable business, *Organisational Dynamics*, *41,* 126-134.

Hall, E. W. (1949). The "proof" of utility in Bentham and Mill. *Ethics*, *60*(1), 1-18.

Hofstede, G. (1980). Motivation, leadership, and organisation: Do American theories apply abroad. *Organisational dynamics*, *9*(1), 42-63.

Hursthouse, R. (1999). *On virtue ethics*. Oxford, UK: Oxford University Press.

Kant, I. (1787/1999). *Critique of pure reason*. Cambridge, UK: Cambridge University Press.

Kotter, J. P. (1990). *A force for change: How leadership differs from management*. NY: The Free Press, Simon & Schuster.

Krafft, P., Engelbrecht, A. S., & Theron, C. C. (2004). The influence of transformational and transactional leadership on dyadic trust relationships through perceptions of fairness. *SA Journal of Industrial Psychology*, *30*(1), DOI: 10.4102/sajip.v30i1.142.

Lauesen, L. M. (forthcoming). CSR in the aftermath of the financial crisis. Accepted for publication, in the *Social Responsibility Journal*, May 6th 2013.

Lear, G. R. (2009). *Happy Lives and the Highest Good: An Essay on Aristotle's " Nicomachean Ethics"*. USA: Princeton University Press.

Lovelock, J. E. & Margulis, L. (1974). Atmospheric homeostasis by and for the biosphere: the Gaia hypothesis. *Tellus*, *26*(1-2), 2-10.

Lovelock, J. (2006). *The revenge of Gaia: why the Earth is fighting back–and how we can still save humanity*. London, UK: Allen Lane.

Mintzberg, H. (1982). A note on that dirty word "Efficiency". *Interfaces*, *12*(5), 101-105.

Mintzberg, H. (1987). *The strategy concept 1: five p's for strategy*. California, USA: University of California.

Mintzberg, H. (Ed.) (2003). *The Strategy Process: Concepts, Contexts, Cases: Global*. USA: Pearson Education.

Moura-Leite, R. C. & Padgett, R. C. (2011). Historical background of corporate social responsibility. *Social Responsibility Journal*, *7*(4), 528-539.

Pillai, R., Schriesheim, C. A. & Williams, E. S. (1999). Fairness perceptions and trust as mediators for transformational and transactional leadership: A two-sample study. *Journal of Management*, *25*(6), 897-933.

Weiers, R. M. (2010). *Introduction to Business Statistics*. USA: South-Western Publ.

Wood, D. J. (1991). Corporate social performance revisited. *Academy of Management Review*, *16*(4), 691-718.

#8 references

Alford, R. R., and Friedland, R. (1985). *Powers of theory: Capitalism, the state, and democracy.* Cambridge, UK: Cambridge University Press.

Battilana, J., Leca, B. & Boxenbaum, E. (2009). How Actors Change Institutions: Towards a Theory of Institutional Entrepreneurship. *The Academy of Management Annals*, *3*(1), 65-107.

Becker, H. S., & Geer, B. (1970). Participant observation and interviewing: A comparison. In George J. McCall & LL Summons (eds.) *Issues in Participant Observation.* Reading, Mass: Addison-Wesley Publishing Co., 1969.

Binder, A. (2007). For love and money: Organisations' creative responses to multiple environmental logics. *Theory and society*, *36*(6), 547-571.

Blumer, H. (1986). *Symbolic interactionism: Perspective and method.* California: University of California Press.

Bogenschneider, K. & Corbett, T. J. (2010). *Evidence based policymaking: Insights from policy minded researchers and research-minded policymakers.* New York: Routledge, Taylor and Francis.

Boxenbaum, E. & Lounsbury, M. (Eds.) (2013). *Institutional Logics in Action.* London, UK: Emerald Group Publishing.

Campbell, J. L. (2007). Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility. *Academy of management Review*, *32*(3), 946-967.

Christensen, T. & Lægreid, P. (Eds.) (2011). *The Ashgate research companion to new public management.* UK: Ashgate Publishing, Ltd..

Clements, F. E. (1916). *Plant succession: an analysis of the development of vegetation* (No. 242). Carnegie Institution of Washington.

Clifford, J. (1988). *The Predicament of Culture: Twenthieth-Century Ethnography, Literature, and Art.* USA: Harvard University Press.

Cohen, M. D., March, J. G., & Olsen, J. P. (1972). A garbage can model of organisational choice. *Administrative science quarterly*, 1-25.

Cyert, R. M. & March, J. (1963). A behavioral theory of the firm. *University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship*.

Denzin, N. K., & Lincoln, Y. S. (Eds.) (2011). *The SAGE handbook of qualitative research*. Vol 4. Thousand Oaks: Sage.

DiMaggio, P. J. & Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organisational Fields. *American Sociological Review*, 48(2), 147-160.

DiMaggio, P. J. (1988). Interest and agency in institutional theory. *Institutional patterns and organisations: Culture and environment*, *1*, 3-22.

Fine, G. A. (Ed.) (1995). *A second Chicago school?: The development of a postwar American sociology*. Chicago: University of Chicago Press.

Flyvbjerg, B. (2006). Five misunderstandings about case study research. *Qualitative inquiry*, *12*(2), 219-245.

Friedland, R., & Alford, R. R. (1991). Bringing society back in: Symbols, practices and institutional contradictions. In W. W. Powell & P. J. DiMaggio (eds.) *The New Institutionalism in Organisational Analysis*. Chicago: The University of Chicago Press, 232-266.

Friedland, R. (2013). God, Love, and Other Good Reasons for Practice: Thinking Through Institutional Logics. In E. Boxenbaum & M. Lounsbury (eds.) *Institutional Logics in Action*, Part A. Bingley: Emerald Group Publishing Ltd., 25-50.

Geertz, C. (1973). *The interpretation of cultures: Selected essays* (Vol. 5019). New York; Basic books.

Gioia, D. A. & Chittipeddi, K. (1991). Sensemaking and sensegiving in strategic change initiation. *Strategic management journal*, *12*(6), 433-448.

Glaser, B., & Strauss, A. (1967). *The discovery grounded theory: strategies for qualitative inquiry*. Chicago, Illinois: Aldine.

Goffman, E. (1974). *Frame analysis: An essay on the organisation of experience*. USA: Harvard University Press.

Jones, C., Boxenbaum, E. & Anthony, C. (2013). The immateriality of material practices in institutional logics. In E. Boxenbaum & M. Lounsbury (eds.) *Institutional Logics in Action*, Part A. Bingley: Emerald Group Publishing Ltd., 51-75.

Kroeber, A. L., & Kluckhohn, C. (1952). Culture: A critical review of concepts and definitions. *Papers*. Peabody Museum of Archaeology and Ethnology, Harvard University.

Kvale, S., & Brinkmann, S. (2009). *Interviews: Learning the craft of qualitative research interviewing*. Thousand Oaks: Sage Publications, Incorporated.

Lauesen, L. M. (2011). CSR in Publicly Owned Enterprises: Opportunities and Barriers. *Social Responsibility Journal*, *7*(4), 558-577.

Lauesen, L. M. (2012). Ethical Decision Making – an Organic Stakeholder Model. *Multidisciplinary Journal of Applied Ethics*, *1* (1), 6-20.

Lauesen, L. M. (forthcoming (a)). How Well Are Water Companies Engaged in CSR? A Critical Cross Geographical Discourse Analysis. Accepted for publication in *Social Responsibility Journal*, December 1st 2012.

Lauesen, L. M. (forthcoming (b)). Stakeholder Dissonance: Corporate Social Responsibility Versus Regulation. A Study of a Trust recovery Process. Forthcoming in David Crowther & Linne M. Lauesen (eds.) *Organisational Governance and the Global Crises: Financial, Environmental, Sustainability and Corporate Social Responsibility Crises in the Aftermath of the Subprime Mortgage Crisis 2007"*. Cambridge, UK: Cambridge Scholars Publishing.

Lauesen, L. M. (in review (c)). Corporate Texts as Cultural Meaning Transmitters. Proceedings from the *8th Organisational Studies Summer Workshop*, Mykonos, Greece, May 22-26 2013. In review as pre-print: The Culture of CSR Reporting: How Organisational Texts Change an Organisation in *Accounting, Auditing and Accountability Journal*, Emerald.

Lauesen, L. M. (prepared (d)). Mitigating the Climate change in Exercising Sustainable Project Management in Engineering: Case studies from Scandinavia. Prepared for review in the journal *Leadership and Management in Engineering*, American Society for Civil Engineers (ASCE).

Lawrence, T. B. & Suddaby, R. (2006). Institutions and Institutional Work. In S. R. Clegg, C. Hardy, T. B. Lawrence, and W. R. Nord (eds.) *The Sage handbook of organisation studies*, 2nd eds. London, UK: Sage, 215-254.

Malinowski, B. (1922). *Argonauts of the Western Pacific, an Account of Native Enterprise and Adventure in the Archipelagoes of Melanesian New Guinea*. With a Preface by Sir James George Frazer. UK: G. Routledge and sons.

Malinowski, B. (1926). *Myth in primitive psychology*. New York: WW Norton, 93-148.

Malinowski, B., Heinzel, E. & Kaberry, P. M. (1951). *Die Dynamik des Kulturwandels*. Germany: Humboldt.

March, J. G. & Simon, H. A. (1958). *Organisations*. Oxford: Wiley.

March, J. G. & Olsen, J. P. (1984). The new institutionalism: organisational factors in political life. *The American political science review*, 734-749.

March, J. G. & Olsen, J. P. (1996). Institutional perspectives on political institutions. *Governance*, *9*(3), 247-264.

Mathiasen, D. G. (1999). The new public management and its critics. *International Public Management Journal*, *2*(1), 90-111.

Meyer, R. E., Höllerer, M. A., Jancsary, D. & Van Leeuwen, T. (2013). The visual dimension in organizing, organisation, and organisation research: Core ideas, current developments, and promising avenues. *The Academy of Management Annals*, *7*(1), 487-553.

Mills, C. W. (1940). Situated actions and vocabularies of motive. *American sociological review*, *5*(6), 904-913.

Mitchell, R. K., Agle, B. R., & Wood, D. J. (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.

Olsen, P. B. (2003). *Problemorienteret projektarbejde – en værktøjsbog*. Roskilde/DK: Roskilde Universitetsforlag.

Osborne, D. & Gaebler, T. (1992). *Reinventing government: How the entrepreneurial spirit is transforming government*. Reading Mass.: Adison Wesley Public Comp.

Park, R. E. (1915). The city: Suggestions for the investigation of human behavior in the city environment. *The American Journal of Sociology*, *20*(5), 577-612.

Park, R., Burgess, E. W., and McKenzie, R. D. (1925). *The city: Suggestions for the study of human nature in the urban environment*. Chicago: University of Chicago Press.

Schein, E. H. (1985). How culture forms, develops, and changes. *Gaining control of the corporate culture*, 17-43.

Schein, E. H. (1990). Organisational culture. *American psychologist*, *45*(2), 109.

Schwartz, M. S. & Carroll, A. B. (2003). Corporate social responsibility: a three-domain approach. *Business Ethics Quarterly*, 503-530.

Simon, H. A. (1947). *Administrative Behavior*. New York: The Free Press.

Spradley, J. P. (1979). *The ethnographic interview*. Florida: Holt, Rinehart, and Winston.

Spradley, J. P. (1980). *Participant observation*. Florida: Holt, Rinehart, and Winston.

Stocking, G. W. (1966). Franz Boas and the Culture Concept in Historical Perspective1. *American Anthropologist*, *68*(4), 867-882.

Thomas, W. I & Florian Znaniecki (1918/2010). The Polish Peasant in Europe and America. In Robert A. LeVine (2010 ed.) *Psychological Anthropology: A Reader on Self in Culture*. UK: Wiley & Sons Ltd., 18-22.

Thornton, P. H., and Ocasio, W. (1999). Institutional logics and the historical contingency of power in organisations: Executive succession in the higher education publishing industry, 1958-1990 1. *American Journal of Sociology*, *105*(3), 801-843.

Thornton, P. H. (2004). *Markets from culture: Institutional logics and organisational decisions in higher education publishing*. USA: Stanford University Press.

Thornton, P. H., Jones, C. & Kury, K. (2005). Institutional logics and institutional change in organisations: Transformation in accounting, architecture, and publishing. *Research in the Sociology of Organisations*, *23*, 125-170.

Thornton, P. H. & Ocasio, W. (2008). Institutional logics. In R. Greenwood, C. Oliver, K. Sahlin-Anderson, and R. Suddaby (eds.) *The Sage handbook of organisational institutionalism*. Thousand Oaks: Sage, 99-129.

Thornton, P. H., Ocasio, W. & Lounsbury, M. (2012). *The institutional logics perspective: A new approach to culture, structure, and process*. Oxford: Oxford University Press.

Tylor, E. B. (1871). *Primitive culture: researches into the development of mythology, philosophy, religion, art, and custom*. Vol. 2. London: John Murray, Albemarle Street.

Maanen, J. V. (1988). *Tales of the field: On writing ethnography*. Chicago: University of Chicago Press.

Wartick, S. L. & Wood, D. J. (1998). *International Business and Society*. Oxford: Blackwell Publisher Inc.

Weber, M. (1922/1978). *Economy and society: An outline of interpretative sociology* (Vol. 1). California: University of California Press.

Weber, M., Roth, G. & Wittich, C. (1978). *Economy and society: an outline of interpretive sociology*. Vol. 1. California: University of California Press.

Weick, K. E. (1976). Educational organisations as loosely coupled systems. *Administrative science quarterly*, 1-19.

Weick, K. E. (1995). *Sensemaking in organisations* (Vol. 3). London, UK: Sage.

Weick, K. E. & Sutcliffe, K. M. (2001). *Managing the unexpected*. San Francisco: Jossey-Bass, 10-11.

Welsh Water (2006/2007). CSR report 2006/7. *Company Report*. Welsh Water.

Woolgar, S. & Latour, B. (1986). *Laboratory of Life: The Construction of Scientific Facts*. USA: Princeton University.

Ziegler, R. (1990). The Kula: Social order, barter, and ceremonial exchange. In M. Hecter, K. Opp, and R. Wippler (eds.) *Social institutions. Their emergence, maintenance, and effects*. Berlin and New York: de Gruyter, 141-168.

Other references

Abrams, F. W. (1951). Management's Responsabilities in a Complex World. *Harvard Business Review*, *29*(3), 29-34.

Ackerman, R. W. & Bauer, R. A. (1976). *Corporate social responsiveness: The modern dilemna [sic]*. USA: Reston Publishing Company.

Ackoff, R. L. (1974). *Redesigning the future*. New York: John Wiley & Sons.

Alvesson, M. (1999). Beyond NeoPositivists, Romantics and Localists – A Reflexive Approach to Interviews in Organisation Research. *Institute of Economic Research Working Paper Series*, 1999/3, ISSN 1103-3010, Department of Business Administration, School of Economics and Management, Lund University, Sweden.

Alvesson, M. & Sköldberg, K. (1994). *Tolkning och Reflektion* [Interpretation and Reflection, in Swedish]. Lund/Sweden: Stundentlitteratur.

Alvesson, M. & Sköldberg, K. (2009). *Reflexive methodology: New vistas for qualitative research*. London: Sage.

Alvesson, M. & Kärreman, D. (2011). *Qualitative Research and Theory Development: Mystery as Method*. London: Sage Publications Ltd.

Andersen, U. T., Albrechtsen, H.-J., Boe-Hansen, R., Arnbjerg-Nielsen, K., Clauson-Kaas, J., Enemark, H. L., Stenström, T. A. & Dalsgaard, A. (2006). Risikovurdering af Giardia og Cryptosporidium i vand. *Report: Miljøprojekt* No. 1070, Miljøministeriet, Miljøstyrelsen, Danmark. Retrieved from http://www2.mst.dk/common/Udgivramme/Frame.asp?http://www2.mst.dk/Udgiv/publikationer/2006/87-7614-986-2/html/default.htm 23rd September 2013.

Ansoff, H. I. (1965). *Corporate strategy: an analytic approach to business policy for growth and expansion*. USA: McGraw-Hill.

Aras, G. & Crowthe,r D. (2007). Sustainable Corporate Social Responsibility and the Value Chain. In M. M. Zain and D. Crowther (eds.) *New Perspectives on Corporate Social Responsibility*. Kulala Lumpur: MARA University Press, 119–40.

Aras, G. & Crowther, D. (2008). Governance and sustainability: An investigation into the relationship between corporate governance and corporate sustainability. *Management Decision*, *46*(3), 433 – 448.

Aras, G. & Crowther, D. (2010). *A Handbook of Corporate Governance and Social Responsibility*. UK: Gower.

Archer, M. S. (1995). *Realist social theory: The morphogenetic approach*. Cambridge, UK: Cambridge university press.

Archer, M. S. (2007). *Making our way through the world: Human reflexivity and social mobility*. Cambridge, UK: Cambridge University Press.

Archer, M. S. (2010). *Can reflexivity and habitus work in tandem?. Conversations about Reflexivity. Human Reflexivity and Social Mobility*. Cambridge, UK: Cambridge University Press.

Archer, M. S. (2012). *The reflexive imperative in late modernity*. Cambridge, UK: Cambridge University Press.

Archer, M. S. (2013). Reconceptualizing socialization as reflexive engagement. In Archer, M. S., & Maccarini, A. (eds.) *Engaging with the world*. UK: Routledge, 103.

Archer, M. S. & Maccarini, A. (Eds.) (2013). *Engaging with the world*. UK: Routledge.

Arrigo, E. (2013). Corporate responsibility management in fast fashion companies: the Gap Inc. case. *Journal of Fashion Marketing and Management*, *17*(2), 175-189.

Atkinson, P. and Coffey, A. (2004). Analysing document realities. In D. Silverman (ed.) *Qualitative Research. Theory, Method, Practice*. London/UK: Sage Publication Ltd., 56-75.

Barnard, C. I. (1938). *The Functions of the Executive*. Cambridge, MA: Harvard University Press.

Battilana, J., Leca, B. & Boxenbaum, E. (2009). How Actors Change Institutions: Towards a Theory of Institutional Entrepreneurship. *The Academy of Management Annals*, *3*(1), 65-107.

Bauer, R. A. & Fenn Jr, D. H. (1972). *The corporate social audit* (Vol. 5). USA: Russell Sage Foundation Publications.

Berger, P. L. & Luckmann, T. (1967). *The Social Construction of Reality. Treatrise in the Sociology of Knowledge*. USA: First Anchor Book Edition.

Bhaskar, R. (1975). *A realist theory of science*. London, UK: Verso.

Bhaskar, R. (1979). *The possibilities of naturalism: A philosophical critique of the contemporary human sciences*. Brighton, UK: Harvester Press.

Bhaskar, R. (1989). *Reclaiming reality: A critical introduction to contemporary philosophy*. London, UK: Verso.

Bhaskar, R. (1997). On the ontological status of ideas. *Journal for the Theory of Social Behaviour*, *27*(2‐3), 139-147.

Binder, A. (2000). Why do some curricular challenges 'work' while others do not? The case of three afrocentric challenges: Atlanta, Washington DC, and New York State. *Sociology of Education*, *73*, 69–91.

Binder, A. (2002). *Contentious curricula: afrocentrism and creationism in American Public Schools*. Princeton, NJ: Princeton University Press.

Binder, A. (2007). For Love and Money: Organisations' Creative Responses to Multiple Environmental Logics. *Theory and Society, 36*, pp. 547-571.

Blumer, H. (1969) *Symbolic Interactionism: Perspective and Method*. Berkeley: University of California Press.

Bogdan, R. C. & Biklen, S. K. (1982). *Qualitative research for education*. Boston: Allyn and Bacon.

Bogenschneider, K. & Corbett, T. (2010). *Evidence based policymaking: Insights from policy minded researchers and research-minded policymakers*. New York: Taylor and Francis.

Bowen, H. R. (1953). *Social responsibilities of the businessman* (No. 3). USA: Harper and Brothers.

Bowman, C. & Ambrosini, V. (2000). Value creation versus value capture: towards a coherent definition of value in strategy. *British Journal of Management*, *11*(1), 1-15.

Buch-Hansen, H., & Nielsen, P. (2008). *Kritisk realisme*. Roskilde/DK: Roskilde Universitetsforlag.

Buchholz, A. K. & Carroll, A. B. (2009). *Business and Society*. 7th ed. Canada: South Western Cengage Learning.

Burns, T. E. & Stalker, G. M. (1961). The Management of Innovation. IL: *University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship*. Retrieved from SSRN: http://ssrn.com/abstract=1496187

Carroll, A. B. (1979). A Three-Dimensional Conceptual Model of Corporate Performance. *Academy of Management Review*, *4*(4), 497-505.

Carroll, A. B. (1989). *Business and Society: Ethics and Stakeholder Management*. Cincinnati: South-Western.

Carroll, A. B. (1991). The Pyramid of Corporate Social Responsibility: Towards the Moral Management of Organisational Stakeholders. *Business Horizons*, *34*, 39-48.

Carroll, A. B. (1999). Corporate Social Responsibility - Evolution of a Definitional Construct. *Business and Society*, *38*(3), 268-295.

Cennamo, C., Berrone, P., Cruz, C. & Gomez‐Mejia, L. R. (2012). Socioemotional Wealth and Proactive Stakeholder Engagement: Why Family‐Controlled Firms Care More About Their Stakeholders. *Entrepreneurship Theory and Practice*, *36*(6), 1153-1173.

Cernic, J. L. (2008). Corporate responsibility for human rights: A critical analysis of the OECD guidelines for multinational enterprises. *Hanse Law Review* (HanseLR), *3*(1). Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1317263

Charmaz, K. (2006). *Constructing grounded theory: A practical guide through qualitative analysis*. USA: Pine Forge Press.

Chouliaraki, L. & Fairclough, N. (1999). *Discourse in late modernity: Rethinking critical discourse analysis*. UK: Edinburgh University Press.

Christensen, T. & Lægreid, P. (Eds.) (2011). *The Ashgate research companion to new public management*. UK: Ashgate Publishing, Ltd.

Christiansen, L. H., & Lounsbury, M. (2013). Strange Brew: Bridging logics via institutional bricolage and the reconstitution of organisational identity. *Research in the Sociology of Organisations*, *39*, 199-232.

Clark, J. M. (1939) *Social Control of Business*. New York: McGraw-Hill.

Clegg, S. R. (2011). The Sociology of Organisations. Chapter 9 in G. Ritzer (ed.) *The Wiley-Blackwell Companion to Sociology*. UK: Wiley-Blackwell, 164-181.

Cohen, M. D., March, J. G. & Olsen, J. P. (1972). A Garbage Can Model of Organisational Choice. *Administrative Science Quarterly*, *17*(1), 1-25.

Collin, F. (2009). *Konstruktivisme*. Roskilde/DK: Roskilde Universitets Forlag.

Collins, R. (2004). *Interaction Ritual Chains*. New Jersey: Princeton University Press.

Commission of the European Communities (2001). *Green Paper: Promoting a European framework for corporate social responsibility*. Brussels: EU Commission.

Commission of the European Communities (2002). *Communication from the Commission concerning corporate social responsibility: A business contribution to sustainable development*. Brussels: EU Commission.

Crane, A. & Matten, D. (2007). *Business Ethics*. 2nd eds. NY: Oxford University Press.

Crane, A., McWilliams, A., Matten, D, Moon, J. & Siegel (Eds.) (2009). *The Oxford Handbook of Corporate Social Responsibility*. Oxford, New York: Oxford University Press, paperback edition.

Cyert, R. M. & March, J. G. (1963). *Behavioral Theory of the Firm*. USA: Wiley.

Daft, R. & Weick, K. E. (1984). Toward a Model of Organisations as Interpretation Systems. *Academy of Management Review*, *9*, 284-295.

Dahler-Larsen, P. (2005). Dokumenter som objektiveret social virkelighed. In M. Järvinen and N. Mik-Meyer (eds.) *Kvalitative metoder i et interaktionistisk perspektiv*. *Interview, observationer og dokumenter*. Copenhagen/DK: Hans Reitzels Forlag, 235-254.

Danermark, B. (Ed.) (2002). *Explaining society: Critical realism in the social sciences*. Oxon, UK: Psychology Press.

Davis, K. (1960). Can business afford to ignore social responsibilities? *California Management Review*, *2*, 70-76.

Davis, K. (1973). The case for and against business assumption of social responsibilities. *Academy of Management journal*, *16*(2), 312-322.

Deetz, S. (1992). *Democracy in an age of corporate colonisation: Developments in communication and the politics of everyday life*. Albany: State University of New York Press.

Denzin, N. K. (1989). *Interpretive biography* (Vol. 17). California: Sage.

de Vries, J. (2010). Is New Public Management Really Dead? *OECD Journal on Budgeting, 2010, 1*.

Demant, J. (2006). Fokusgruppen – spørgsmål til fænomener i nuet. In O. Bjerg and K. Villadsen *Sociologiske metoder – fra teori til analyse i kvantitative og kvalitative studier*. Frederiksberg/DK: Forlaget Samfundslitteratur, 131-150.

DiMaggio, P. J. & Powell W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organisational Fields. *American Sociological Review*, *48*(2), 147-160.

Doh, J. P. & Guay, T. R. (2006). Corporate Social Responsibility, Public Policy, and NGO Activism in Europe and the United States: An Institutional‐Stakeholder Perspective. *Journal of Management Studies*, *43*(1), 47-73.

Donaldson, T., and Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of management Review*, 20 (1), pp. 65-91.

Donaldson, T. & Dunfee, T. W. (1994). Toward a unified conception of business ethics: Integrative social contracts theory. *Academy of management review*, *19*(2), 252-284.

Dyllick, T. & Hockerts, K. (2002). Beyond the business case for corporate sustainability. *Business strategy and the environment*, *11*(2), 130-141.

Elkington, J. (1997). *Cannibals with Forks: The triple bottom line of 21st Century Business*. UK: Capstone.

Epstein, E. M. (1969). *The corporation in American politics*. Englewood Cliffs, NJ: Prentice-Hall.

Fairclough, N. (2001). Critical discourse analysis. In A. McHoul and M. Rapley (eds.) *How to Analyze Talk in Institutional Settings: A Casebook of Methods*. London, UK: Continuum.

Fairclough, N. (2005). Peripheral Vision Discourse Analysis in Organisation Studies: The Case for Critical Realism. *Organisation studies*, *26*(6), 915-939.

Fassin, Y. (2008). Imperfections and Shortcomings of the Stakeholder Model Graphical Representation, *Journal of Business Ethics*, *80*(4), 879-888.

Fassin, Y. (2009). The Stakeholder Model Refined, *Journal of Business Ethics*, *84*(1), 113-135.

Fine, G. A. (1984). Negotiated orders and organisational cultures. *Annual Review of Sociology*, 10, 239–262.

Fligstein, N. (1997). Social skill and institutional theory. *American Behavioral Scientist*, *40*, 397–405.

Flyvbjerg, B. (1998a). *Rationality and Power: Democracy in Practice*. Chicago: The University of Chicago Press.

Fontana, A. & Frey, J.H. (2005). The Interview: From neutral stance to political involvement. In N.K. Denzin & Y.S. Lincoln *The Sage Handbook on Qualitative Research*, 3rd Eds. London, UK: Sage.

Frederick, W. C. (1960). The growing concern over business responsibility. *California Management Review*, *2*, 54-60.

Frederick, W. C. (1978/1994). From CSR1 to CSR2. The Maturing of Business-and-Society Thought. *Business and Society*, *33*(2), 150-164.

Frederick, W. C. (1986). Toward CSR : Why Ethical Analysis is Indispensable and Unavoidable in Corporate Affairs. *California Management Review*, *28*(2), 126-141.

Frederick, W. C. (1998). Moving to CSR4: What to Pack for the Trip. *Business and Society*, *37*(1), 40-59.

Freeman, R. Edward (1984). *Strategic Management: A stakeholder approach*. Boston: Pitman.

Freeman, R. & Velamuri, S. R. (2008). A new approach to CSR: Company stakeholder responsibility. Retrieved from SSRN 1186223: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1186223

Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & de Colle, S. (2010). *Stakeholder Theory*. *State-of-the-Art*. Cambridge: Cambridge University Press.

Friedman, M. (13th September, 1970). The Social Responsibility of Business is to Increase its Profits. *New York Times Magazine*, September 13th, 32–33, 122, 126.

Friedland, R. & R. Alford (1991). Bringing Society Back In: Symbols, Practices, and Institu-

tional Contradictions. In Powell, W.W. & P.J. DiMaggio (eds.) *The New Institutionalism in Organisational Analysis*. Chicago: University of Chicago Press.

Friedland, R. (2013). God, Love and Other Good Reasons for Practice: Thinking Through Institutional Logicsi. In M. Lounsbury & E. Boxenbaum *Institutional Logics in Action*, Part A, Research in the Sociology of Organisations, Vol. 39A. Bingley: Emerald Group Publishing, 25-50.

Garriga, E., & Melé, D. (2004). Corporate social responsibility theories: mapping the territory. *Journal of business ethics*, *53*(1-2), 51-71.

Geertz, C. (1994). Thick description: Toward an interpretive theory of culture. In M. Martin & L. C. McIntyre (eds.) *Readings in the philosophy of social science*. Massachusett: Massachusett Institute of Technology, 213-231.

Gertsen, M. C., Søderberg, A. M. & Zølner, M. (2012). Introduction. In M. C. Gertsen, A.M. Søderberg & M. Zølner (eds.) *Global Collaboration: Intercultural Experiences and Learning*. Hampshire/UK: Palgrave McMillan, 1-14.

Gioa, D. A. & Chittipeddi, K. (1991). Sensemaking and sensegiving in strategic change initiation. *Strategic Management Journal*, *12*, 433-448.

Glynn, M. A. (2008). Beyond constraint: How institutions enable identities. *The Sage handbook of organisational institutionalism*, 413-430.

Glynn, M. A., and Raffaelli, R. (2013). Logic pluralism, organisational design, and practice adoption: The structural embeddedness of CSR programs. *Research in the Sociology of Organisations*, *39*, 175-197.

Goffman, E. (1967). *Interaction Ritual: Essays in the Face to Face Behavior*. New Jersey: Transaction Publishers.

Goodall, H. L. (2000). *Writing the New Ethnography*. Maryland: Rowman and Littlefield.

Gray, N. F. (2010). *Water Technology: An Introduction for Environmental Scientists and Engineers*. Oxford / UK: Butterworth-Heinemann.

Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R. & Lounsbury, M. (2011). Institutional complexity and organisational responses. *The Academy of Management Annals*, *5*(1), 317-371.

Greve, C. (2009) *Offentlig ledelse. Teorier og temaer i et politologisk perspektiv*. Copanhagen, DK: Jurist- og Økonomiforbundets Forlag.

Gubrium, J. A. & Holstein, J. F. (2004). The Active Interview. In D. Silverman (ed) *Qualitative Research. Theory, Method and Practice*. 2nd Eds. London: Sage Publications Ltd., 140-161.

Gustafsson, R. Å. & Szebehely, M. (2009). Outsourcing of elder care services in Sweden: Effects on work environment and political legitimacy. In D. King & G. Meagher (eds.) *Paid Care in Australia: Politics, Profits, Practices*. Sydney: Sydney University Press, 81-112.

Habermas, J. (1987). *The Theory of Communicative Action. Vol. 2. Lifeworld and System: A Critique of Functionalist Reason*. Translated by Thomas McCarthy. Boston: Beacon Press.

Habisch, A., Jonker, J., Wegner, M. & Schmidpeter, R. (2005). *Corporate Social Responsibility Across Europe*. Berlin: Springer Verlag.

Haigh, N. & Hoffman A. J. (2012). Hybrid organisations: The next chapter of sustainable business, *Organisational Dynamics*, *41,* 126-134.

Hallett, T. & Ventresca, M. J. (2006). Inhabited institutions: Social interactions and organisational forms in Gouldner's Patterns of Industrial Bureaucracy. *Theory and Society*, *35*(2), 213-236.

Hargreaves, B. J. A., & Dauman, J. (1975). *Business survival and social change: a practical guide to responsibility and partnership*. Associated Business Programmes.

Hirsch, P. M. & Lounsbury, M. (1997). Ending the Family Quarrel Toward a Reconciliation of "Old" and "New" Institutionalisms. *American Behavioral Scientist*, *40*(4), 406-418.

Hiss, S. (2009). From Implicit to Explicit Corporate Social Responsibility. *Business Ethics Quarterly*, *19*(3), 433-451.

Hood, C. (1991). A public management for all seasons? *Public administration*, *69*(1), 3-19.

Hood, C. (1998). *The Art of the State: Culture, Rhetoric and Public Management*. NY: Oxford University Press.

Hume, D. (1739/1978). *A treatise of human nature*. London, UK: John Noon.

Höllerer, M. A. (2012). *Between creed, rhetoric façade, and disregard: Dissemination and theorization of corporate social responsibility in Austria*. Frankfurt/Main, Germany: Peter Lang.

Höllerer, M., Jancsary, D., Meyer, R. E. & Vettori, O. (2013). Imageries of Corporate Social Responsibility: Visual Recontextualization and Field-Level Meaning. In E. Boxenbaum and M. Lounsbury *Institutional Logics in Action*, Part B, Research in the Sociology of Organisations. UK: Emerald Publishing, 139-174.

Jensen, M. C. (2002). Value maximization, stakeholder theory, and the corporate objective function. *Business ethics quarterly*, 235-256.

Jensen, M. C. & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of financial economics*, *3*(4), 305-360.

Jones T. M. 1980. Corporate social responsibility revisited, redefined. *California Management Review, 22*(2), 59–67.

Jones, C., Boxenbaum, E. & Anthony, C. (2013). The Immateriality of Material Practices in Institutional Logics. In M. Lounsbury & E. Boxenbaum *Institutional Logics in Action*, Part A, Research in the Sociology of Organisations, Vol. 39A. Bingley: Emerald Group Publishing, 51-76.

Justesen, L. & Mik-Meyer, N. (2010). *Kvalitative Metoder I Organsations- og Ledelsesstudier*. Copenhagen, DK: Hans Reitzels Forlag.

Kant, I. (1781/1908). *Critique of Pure Reason, 1781*. Translated by Norman Kemp Smith. London, UK: MacMillan.

Karlby, H. & Sørensen, I. (1998). *Vandforsyning*. Copenhagen, DK: Teknisk Forlag.

Karnani A. (2011a). CSR Stuck in a Logical Trap. A Response to Pietra Rivoli and Sandra Waddock's "First They Ignore You...": The Time Context Dynamic and Corporate Responsibility. *California Management Review*, *53*(2), 105-111.

Karnani, A. (2011b). Doing Well by Doing Good. The Grand Illusion. *California Management Review*, *53*(2), 69-86.

Kaufman, A. (2002). Managers' double fiduciary duty: To stakeholders and to freedom. *Business ethics quarterly*, *12*(2), 189-214.

Kehlet, H. & Wilmore, D. W. (2008). Evidence based surgical care and the evolution of fast-track surgery. *Annals of surgery*, *248*(2), 189-198.

Kettl, D. F. (2002). *The Transformation of Governance: Public Administration in the Twenty-First Century America*. USA: The John Hopkins University Press.

King, D. S. (2000). *Stakeholders and spin doctors: the politicisation of corporate reputations*. Hawke Institute, University of South Australia.

Korhonen, J. & Seppala, N. (2005). Finland. The Strength of a High-Trust Society. In A. Habisch et al. (eds) *Corporate Social Responsibility Across Europe*. Berlin: Springer Verlag, 13-22.

Kraatz, M. S., & Block, E. S. (2008). Organisational implications of institutional pluralism. In R. Greenwood et al. (eds.) *The SAGE handbook of organisational institutionalism*. London, UK: Sage Publ. Ltd., 243-275.

Kreps, T. J. (1940). Measurement of the social performance of business. In *An Investigation of concentration of economic power for the temporary national economic commitee* (Monograph no. 7). Washington, DC: U. S. Government Printing Office.

Kress, G. (2010). *Multimodality: a social semiotic approach to communication*. London and New York: Routledge.

Kress, G., & Van Leeuwen, T. (2006). *Reading images: The grammar of visual design*. London & New York: Routledge.

Krkač, K., Mladić, D. & Buzar, S. Habitual Lying Re-Examined. *American Journal of Sociological Research, 2*(1), 1-10.

Kroeber, A. L., Kluckhohn, C., Untereiner, W. & Meyer, A. G. (1952). *Culture: A critical review of concepts and definitions* (Vol. 47, No. 1). New York: Vintage Books.

Kvale, S. (2007) *Doing Interviews*. The Sage Qualitative Research Kit. Edited by Uwe Flick. London, UK: SAGE.

Lauesen, L. M. (2011). CSR in publicly owned enterprises: opportunities and barriers. *Social Responsibility Journal, 7*(4), 558-577.

Lauesen, L. M. (2012). Sustainability Strategies in Public Service. In Güler Aras & David Crowther (eds) *Business Strategy and Sustainability*. Bingley: Emerald Group Publishing Limited 2012, 177-201.

Laughlin, R. C. (1991). Environmental Disturbances and Organisational Transitions and Transformations: Some Alternative Models. *Organisation Studies, 12*, 209-232.

Lawrence, T. B. & Suddaby, R. (2006). Institutions and institutional work. In S. R. Clegg et al. (eds.) *The Sage Handbook of Organisation Studies*. 2nd eds. London: Sage, 215-254.

Lenton, R. & Muller, M. (2009). *Integrated Water Resources Management in Practice: Better Water Management for Development*. London,UK: Earthscan.

Lounsbury, M. & Glynn, M. A. (2001). Cultural entrepreneurship: Stories, legitimacy, and the acquisition of resources. *Strategic management journal*, *22*(6 7), 545-564.

Lounsbury, M., Ventresca, M. & Hirsch, P. (2003). Social movements, field frames, and industry emergence: A cultural-political perspective. *Socio-Economic Review*, *1*, 2–33.

Lovelock, J. E. (1979). *Gaia: A New Look at Life on Earth*. New York: Oxford University Press.

Lovelock, J. E., and Margulis, L. (1974). Atmospheric homeostasis by and for the biosphere: the Gaia hypothesis. *Tellus*, *26*(1 2), 2-10.

Lovins AB, Lovins LH, & Hawken P. (1999). A road map for natural capitalism. *Harvard Business Review*, *77*(3), 145–158.

Lynn, L. E. (2006). *New Public Management Comes to America*. Chicago, USA: University of Chicago.

McWilliams, A. & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of management review*, *26*(1), 117-127.

March, J. G. & Simon, H. A. (1958). *Organisations*. USA: Wiley.

March, J. G., & Olsen, J. P. (1976). *Ambiguity and Choice in Organisations*. Bergen/Norway: Universitetsforlaget.

March, J. G., and Olsen, J. P. (1994). *Rediscovering Institutions. The Organisational Basis of Politics*. NY: The Free Press.

Martin, J. & Siehl, C. (1990). Organisational Culture and Counterculture: An Uneasy Symbiosis. In Beverly D. Sypher (eds) Case Studies in Organisational Communication, New York: The Guildford Press, 71-86.

Martin, J. (1992). *Cultures in organisations: Three perspectives*. Oxford, UK: Oxford University Press.

Martin, J. (2002). *Organisational culture: Mapping the terrain*. USA: SAGE Publications, Incorporated.

Matten, D. & Crane, A. (2005). Corporate citizenship: Toward an extended theoretical conceptualization. *Academy of Management review*, *30* (1), 166-179.

Matten, D. & Moon, J. (2004a). 'Implicit' and 'Explicit' CSR. A conceptual framework for understanding CSR in Europe. No. 29-2004 *ICCSR Research Paper Series* – ISSN1479-5124.

Matten, D. & Moon, J. (2004b). 'Implicit' and 'Explicit' CSR: A Conceptual Framework for Understanding CSR in Europe. In A. Habish, J. Jonker, M. Wegner, & R. Schmidpeter (eds.) *CSR Across Europe*. Germany: Springer Verlag, 335-356.

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.

Mead, G. H. (1934). *Mind, self, and society from the standpoint of a social behaviorist*. Chicago: University of Chicago. Renewal copyright by Charles W. Morris (1962).

Meyer, R. E. & Höllerer, M. A. (2010). Meaning structures in a contested issue field: A topographic map of shareholder value in Austria. *Academy of Management Journal, 53*(6), 1241-1262.

Mill, J. S. (1836). On the Definition of Political Economy, and on the Method of Investigation Proper to It, *London and Westminster Review*, October.

Mill, J. S. (1874). *Essays on Some Unsettled Questions of Political Economy*, 2nd ed. London: Longmans, Green, Reader and Dyer.

Miller, D. (2009). *George Herbert Mead: Self, Language, and the World*. Texas: University of Texas Press.

Mitchell, R. K., Agle, B. R., Wood, & D. J. (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.

Mitroff, I. I., & Mason, R. O. (1982). Business policy and metaphysics: Some philosophical considerations. *Academy of Management Review*, 7*(3)*, 361-371.

Morsing, M. (2005). Denmark. Inclusive labour market strategies. In A. Habisch et al. (eds.) *Corporate Social Responsibility Across Europe* – Discovering National Perspectives of Corporate Citizenship. Berlin: Springer, 23-36.

Morsing, M., Midttun, A. & Palmås, K. (2007). Corporate social responsibility in Scandinavia: A turn toward the business case? In S. May, G. Cheney & J. Roper (Eds.) *The debate over corporate social responsibility*. Oxford, UK: Oxford University Press, 87-104.

Moura-Leite, R. C. & Padgett, R. C. (2011). Historical background of corporate social responsibility. *Social Responsibility Journal*, *7*(4), 528-539.

Ndebele, N. S. (1987). The English language and social change in South Africa. *The English Academy Review*, *4*(1), 1-16.

Niskanen, W. A. (1973). *Bureaucracy--servant or master? Lessons from America*. London: Institute of Economic Affairs.

Olsen, P. B. (2003). *Problemorienteret projektarbejde – en værktøjsbog*. Roskilde/Denmark: Roskilde Universitetsforlag.

Orlitzky, M., Schmidt, F. L. & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. *Organisation studies*, *24*(3), 403-441.

Osborne, D. & Gaebler, T. (1992). *Reinventing Government: How the entrepreneurial spirit is transforming the public sector*. USA: Addison-Wesley Publ. Co.

Pallot, J. (1998). New Public Management Reform in New Zealand: The Collective Strategy Phase. *International Public Management Journal*, *1* (1), 1–18.

Pedersen, E. R. (2006). Making corporate social responsibility (CSR) operable: How companies translate stakeholder dialogue into practice. *Business and Society Review*, *111*(2), 137-163.

Pedersen, E. R. and Huniche, M. (2011). Determinants of lean success and failure in the Danish public sector, *International Journal of Public Service Management*, *24*(5), 403-420.

Pedersen, J.S. (2010). *Reformerne i den offentlige sektor*. Copenhagen, DK: Jurist- og Økonomi-forbundets Forlag.

Pedersen, O. K. (2011). *Konkurrencestaten*. Copenhagen, DK: Hans Reitzels Forlag.

Persky, J. (1995). Retrospectives: The Ethology of Homo Economicus. *The Journal of Economic Perspectives*, *9*(2), 221-231.

Pollitt, C. & Bouckaert, G. (2004). *Public Management Reform: A Comparative Analysis – New Public Management, Governance, and the NeoWeberian State*. 3rd ed. Oxford, NY: Oxford University Press.

Pollitt, C. & Bouckaert, G. (2011). *Public Management Reform: A Comparative Analysis-New Public Management, Governance, and the NeoWeberian State*. 4th ed. Oxford, NY: Oxford University Press.

Popper, K. R. (1959). *The Logic of Scientific Discovery*. London: Routledge. (Translated from *Logik der Forschung*, Wien 1935).

Popper, K. R. (1996). *Kritisk rationalisme. Udvalgte essays om videnskab og samfund*. Copenhagen: Nyt Nordisk Forlag, Arnold Busck.

Porter, M. E., & Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard business review*, *80*(12), 56-68.

Porter, M. E., & Kramer, M. R. (2006). Strategy and society. *Harvard business review*, *84*(12), 78-92.

Porter, M. E. & Kramer, M. R. (2011). The big idea: creating shared value. *Harvard Business Review*, *89*(1), 2.

Post, J. E. (1978). *Corporate behavior and social change*. USA: Reston Publishing Company.

Prahalad, C. K. & Hart, S. L. (1999). *Strategies for the bottom of the pyramid: creating sustainable development*. USA: Ann Arbor, 1001, 48109.

Prahalad, C. K. & Hammond, A. (2002). Serving the world's poor, profitably. *Harvard business review*, *80*(9), 48-59.

Preston, L. E. & Post, J. E. (1975). *Private management and public policy: The principle of public responsibility*. Englewood Cliffs, New Jersey: Prentice Hall.

Preston, L. E. & J. E. Post (1981). Private Management and Public Policy, *California Management Review, 23*(3), 56–63.

Rhenman, E. (1964). *Företagsdemokrati och företagsorganisation*. SAF Norstedt: Företagsekonomiska forsknings institutet.

Rothstein, H., Huber, M. & Gaskell, G. (2006). A theory of risk colonisation: The spiralling regulatory logics of societal and institutional risk, *Economy and Society*, *35*(1), 91-112.

Rowley, T. J. (1997). Moving Beyond Dyadic Ties: A Network Theory of Stakeholder Influences. *Academy of Management Review*, *22*(4), 887 – 910.

Schubert, A., & Láng, I. (2005). The literature aftermath of the Brundtland report 'Our Common Future'. A Scientometric study based on citations in science and social science journals. *Environment, Development and Sustainability*, *7*(1), 1-8.

Scott, W. R. (1987). The adolescence of institutional theory. *Administrative science quarterly*, 493-511.

Scully, M., & Segal A. (2002). Passion with an umbrella: Grassroots activists in the workplace. In M. Lounsbury & M. J. Ventesca (Eds.) *Social structure and organisations revisited*. Oxford: Elsevier.

Sethi, S. P. (1975). Dimensions of Corporate Social Performance: An Analytical Framework, *California Management Review*, *17*(3), 58–65.

Shotter, J. (1993). *Conversational realities: Constructing life through language*. London, UK: Sage.

Silverman, D. (2001). *Interpreting Qualitative Data. Methods for Analyzing Talk, Text and Interaction*. 3rd eds. London: Sage Publications Ltd.

Simon, H. A. (1947). *Administrative Behavior: a Study of Decision making Processes in Administrative Organisation*. New York: Macmillan.

Spenner, L. & Wacker, H. (2003). Vandmarkedet. Chapter 4 in *Konkurrenceredegørelse 2003*, Copenhagen: Konkurrencestyrelsen, 101-120.

Spradley, J. P. (1979). *The Ethnographic Interview*. USA: Wadsworth Cengage Learning.
Spradley, J. P. (1980). *Participant Observation*. New York, USA: Holt, Rinehart and Winston.

Stake, R. E. (2000). Case Studies. In Denzin, N. K. and Lincoln, Y. S. *Handbook of Qualitative Research*. USA: Sage Publications, 435-454.

Steurer, R. (2006). Mapping stakeholder theory anew: from the 'stakeholder theory of the firm'to three perspectives on business–society relations. *Business Strategy and the Environment*, *15*(1), 55-69.

Steurer, R. (2010). The role of governments in corporate social responsibility: characterising public policies on CSR in Europe. *Policy Sciences*, *43*(1), 49-72.

Steurer, R., Martinuzzi, A., & Margula, S. (2012). Public policies on CSR in Europe: Themes, instruments, and regional differences. *Corporate Social Responsibility and Environmental Management*, *19*(4), 206-227.

Strand, R. G. (2009). Corporate responsibility in Scandinavian supply chains. *Journal of Business Ethics*, *85*(1), 179-185.

Strand, R. G. (2012). *In Praise of Corporate Social Responsibility Bureaucracy*. PhD Series 26.2012. Copenhagen, DK: Copenhagen Business School.

Strandgaard Pedersen, J. & Dobbin, F. (2006). In Search of Identity and Legitimation Bridging Organisational Culture and Neoinstitutionalism. *American Behavioral Scientist*, *49*(7), 897-907.

Thakur, R. (1996). The last bang before a total ban: French nuclear testing in the Pacific. *International Journal*, *51*(3), 466-486.

Tchobanoglous, G., Burton, F. L. & Stensel, H. D. (2003). *Wastewater Engineering: Treatment and Reuse*. 4th Eds. NY: McGraw-Hill Comp. Inc.

Thornton, P. H. (2004). *Markets from culture: Institutional logics and organisational decisions in higher education publishing*. USA: Stanford University Press.

Thornton, P. H., & Ocasio, W. (1999). Institutional logics and the historical contingency of power in organisations: Executive succession in the higher education publishing industry, 1958-1990. *American Journal of Sociology*, *105*(3), 801-843.

Thornton, P. H. & Ocasio, W. (2008). Institutional Logics. In Greenwood, R., Oliver, C., Sahlin, K. and Suddaby, R. (eds.) *The Sage Handbook of Organisational Institutionalism*. London: Sage Publ. Ltd., 99-129.

Thornton, P. H., Ocasio, W., & Lounsbury, M. (2012). *The institutional logics perspective: A new approach to culture, structure, and process*. Oxford, UK: Oxford University Press.

Tolbert, P. S. & Zucker, L. G. (1996). The institutionalization of institutional theory. In S. Clegg, C. Hardy and W. Nord (Eds.), *Handbook of organisation studies*. London: SAGE, 175-190.

Torfing, J (ed.) (2008). *Ledelse efter kommunalreformen: sådan tackles de nye udfordringer*. Copenhagen, DK: Djøf / Jurist- og Økonomforbundet.

United Nations (1989). Report of the World Commission on Environment and Development. *General Assembly Resolution* 42/187, 11 December.

Valor, C. (2005). Corporate Social Responsibility and Corporate Citizenship: Towards Corporate Accountability. *Business and Society Review*, *110*, 191–212.

Van Maanen, J. (1975). Police socialization: A longitudinal examination of job attitudes in an urban police department. *Administrative Science Quarterly*, *20*(2), 207-228.

Van Maanen, J. (1988). *Tales of the Field. On Writing Ethnography*. Chicago: University of Chicago Press.

Van Marrewijk, M. (2003). Concepts and definitions of CSR and corporate sustainability: Between agency and communion. *Journal of Business Ethics, 44*(2-3), Corporate Sustainability Conference 2002: The Impact of CSR on Management Disciplines (May, 2003), 95-105.

Van Wart, M. (2012). *Leadership in public organisations: An introduction*. 2nd Eds. New York: ME Sharpe Inc.

Vannini, P. (2008). The Geography of Disciplinary Amnesia: Eleven Scholars Reflect on the International State of Symbolic Interactionism. *Studies in Symbolic Interaction*, *32*, 5–18.

Visser, W. (2006). Revisiting Carroll's CSR pyramid. *Corporate citizenship in developing countries: new partnership perspectives*. Copenhagen: Copenhagen Business School Press, 29-56.

Visser, W. (2010a). *The Age of Responsibility. CSR 2.0 and the New DNA of Business*. Wessex, UK: John Wiley and Sons Publications.

Visser, W. (2010b). The Age of Responsibility: CSR 2.0 and the New DNA of Business. *Journal of Business Systems, Governance and Ethics*, *5*(3), 7-22.

Waddock, S. (2004). Parallel universes: Companies, academics, and the progress of corporate citizenship. *Business and society Review*, *109*(1), 5-42.

Wartick, S. L., & Cochran, P. L. (1985). The evolution of the corporate social performance model. *Academy of management review*, *10*(4), 758-769.

Wartick, S. L., & Wood, D. J. (1998). *International Business and Society*. Oxford: Blackwell Publisher Inc.

Weick, K. E. (1969). *The Social Psychology of Organizing*. USA: McGraw Hill.

Weick, K. E. (1989). Theory construction as disciplined imagination. *Academy of management review*, *14*(4), 516-531.

Weick, K. E. (1995). *Sensemaking in organisations*. (Vol. 3). Thousand Oaks, CA: Sage Publications, Incorporated.

Weick, K. E., & Sutcliffe, K. M. (2007). Managing the unexpected: Resilient performance in an age of uncertainty. San Francisco: Jossey-Bass.

Whitcombe, J. (2008). Contributions and Challenges of 'New Public Management': New Zealand Since 1984. *Policy Quarterly, 4*(3), 7-13.

Willums, J. O. (2005). Norway. Voluntary Partnerships as a Social Asset. In Habisch, A. et al. (eds.) *Corporate Social Responsibility Across Europe – Discovering National Perspectives of Corporate Citizenship*. Berlin: Springer, 37-50.

Wind, J., Polle, S. W., Fung Kon Jin, P. H. P., Dejong, C. H. C., Von Meyenfeldt, M. F., Ubbink, D. T., ... & Bemelman, W. A. (2006). Systematic review of enhanced recovery programmes in colonic surgery. *British journal of surgery*, *93*(7), 800-809.

Wood, D. J. (1991). Corporate social performance revisited. *Academy of management review*, *16*(4), 691-718.

Wood, D. J. (2008). Corporate responsibility and stakeholder theory: challenging the neoclassical paradigm. In Agle, B.R. et al. *Dialogue: toward superior stakeholder theory*. *Business Ethics Quarterly*, Charlottesville, *18*(2), 153-190.

Wood, D. J., & Jones, R. E. (1995). Stakeholder mismatching: A theoretical problem in empirical research on corporate social performance. *International Journal of Organisational Analysis*, *3*(3), 229-267.

Votaw, D. (1964). *The six-legged dog: Mattei and ENI--a study in power*. California: University of California Press.

Yin, R. K. (2009). *Case Study Research. Design and Methods*. 4th eds. Thousand Oaks, CA: Sage.

TITLER I PH.D.SERIEN:

2004

1.   Martin Grieger
     *Internet-based Electronic Marketplaces
     and Supply Chain Management*

2.   Thomas Basbøll
     *LIKENESS
     A Philosophical Investigation*

3.   Morten Knudsen
     *Beslutningens vaklen
     En systemteoretisk analyse of mo-
     derniseringen af et amtskommunalt
     sundhedsvæsen 1980-2000*

4.   Lars Bo Jeppesen
     *Organizing Consumer Innovation
     A product development strategy that
     is based on online communities and
     allows some firms to benefit from a
     distributed process of innovation by
     consumers*

5.   Barbara Dragsted
     *SEGMENTATION IN TRANSLATION
     AND TRANSLATION MEMORY
     SYSTEMS
     An empirical investigation of cognitive
     segmentation and effects of integra-
     ting a TM system into the translation
     process*

6.   Jeanet Hardis
     *Sociale partnerskaber
     Et socialkonstruktivistisk casestudie
     af partnerskabsaktørers virkeligheds-
     opfattelse mellem identitet og
     legitimitet*

7.   Henriette Hallberg Thygesen
     System Dynamics in Action

8.   Carsten Mejer Plath
     Strategisk Økonomistyring

9.   Annemette Kjærgaard
     *Knowledge Management as Internal
     Corporate Venturing*

     *– a Field Study of the Rise and Fall of a
     Bottom-Up Process*

10. Knut Arne Hovdal
     De profesjonelle i endring
     Norsk ph.d., ej til salg gennem
     Samfundslitteratur

11. Søren Jeppesen
     *Environmental Practices and Greening
     Strategies in Small Manufacturing
     Enterprises in South Africa
     – A Critical Realist Approach*

12. Lars Frode Frederiksen
     *Industriel forskningsledelse
     – på sporet af mønstre og samarbejde
     i danske forskningsintensive virksom-
     heder*

13. Martin Jes Iversen
     *The Governance of GN Great Nordic
     – in an age of strategic and structural
     transitions 1939-1988*

14. Lars Pynt Andersen
     *The Rhetorical Strategies of Danish TV
     Advertising
     A study of the first fifteen years with
     special emphasis on genre and irony*

15. Jakob Rasmussen
     Business Perspectives on E-learning

16. Sof Thrane
     *The Social and Economic Dynamics
     of Networks
     – a Weberian Analysis of Three
     Formalised Horizontal Networks*

17. Lene Nielsen
     *Engaging Personas and Narrative
     Scenarios – a study on how a user-
     centered approach influenced the
     perception of the design process in
     the e-business group at AstraZeneca*

18. S.J Valstad
     Organisationsidentitet
     Norsk ph.d., ej til salg gennem
     Samfundslitteratur

Effectiveness of Grocer Media Advertising
Measuring Ad Recall and Recognition, Purchase Intentions and Short-Term Sales

11. Allan Mortensen
Essays on the Pricing of Corporate Bonds and Credit Derivatives

12. Remo Stefano Chiari
*Figure che fanno conoscere
Itinerario sull'idea del valore cognitivo e espressivo della metafora e di altri tropi da Aristotele e da Vico fino al cognitivismo contemporaneo*

13. Anders McIlquham-Schmidt
*Strategic Planning and Corporate Performance
An integrative research review and a meta-analysis of the strategic planning and corporate performance literature from 1956 to 2003*

14. Jens Geersbro
*The TDF – PMI Case
Making Sense of the Dynamics of Business Relationships and Networks*

15 Mette Andersen
*Corporate Social Responsibility in Global Supply Chains
Understanding the uniqueness of firm behaviour*

16. Eva Boxenbaum
Institutional Genesis: Micro – Dynamic Foundations of Institutional Change

17. Peter Lund-Thomsen
Capacity Development, Environmental Justice NGOs, and Governance: The Case of South Africa

18. Signe Jarlov
Konstruktioner af offentlig ledelse

19. Lars Stæhr Jensen
Vocabulary Knowledge and Listening Comprehension in English as a Foreign Language

An empirical study employing data elicited from Danish EFL learners

20. Christian Nielsen
*Essays on Business Reporting
Production and consumption of strategic information in the market for information*

21. Marianne Thejls Fischer
Egos and Ethics of Management Consultants

22. Annie Bekke Kjær
*Performance management i Proces-innovation
– belyst i et social-konstruktivistisk perspektiv*

23. Suzanne Dee Pedersen
*GENTAGELSENS METAMORFOSE
Om organisering af den kreative gøren i den kunstneriske arbejdspraksis*

24. Benedikte Dorte Rosenbrink
*Revenue Management
Økonomiske, konkurrencemæssige & organisatoriske konsekvenser*

25. Thomas Riise Johansen
*Written Accounts and Verbal Accounts
The Danish Case of Accounting and Accountability to Employees*

26. Ann Fogelgren-Pedersen
The Mobile Internet: Pioneering Users' Adoption Decisions

27. Birgitte Rasmussen
Ledelse i fællesskab – de tillidsvalgtes fornyende rolle

28. Gitte Thit Nielsen
*Remerger
– skabende ledelseskræfter i fusion og opkøb*

29. Carmine Gioia
A MICROECONOMETRIC ANALYSIS OF MERGERS AND ACQUISITIONS

A case study of the Fashion and Design Branch of the Industrial District of Montebelluna, NE Italy

12. Mikkel Flyverbom
Making the Global Information Society Governable
On the Governmentality of Multi-Stakeholder Networks

13. Anette Grønning
Personen bag
Tilstedevær i e-mail som inter-aktionsform mellem kunde og med-arbejder i dansk forsikringskontekst

14. Jørn Helder
One Company – One Language?
The NN-case

15. Lars Bjerregaard Mikkelsen
Differing perceptions of customer value
Development and application of a tool for mapping perceptions of customer value at both ends of customer-suppli-er dyads in industrial markets

16. Lise Granerud
Exploring Learning
Technological learning within small manufacturers in South Africa

17. Esben Rahbek Pedersen
Between Hopes and Realities: Reflections on the Promises and Practices of Corporate Social Responsibility (CSR)

18. Ramona Samson
The Cultural Integration Model and European Transformation.
The Case of Romania

2007
1. Jakob Vestergaard
Discipline in The Global Economy Panopticism and the Post-Washington Consensus

2. Heidi Lund Hansen
Spaces for learning and working
A qualitative study of change of work, management, vehicles of power and social practices in open offices

3. Sudhanshu Rai
Exploring the internal dynamics of software development teams during user analysis
A tension enabled Institutionalization Model; "Where process becomes the objective"

4. Norsk ph.d.
Ej til salg gennem Samfundslitteratur

5. Serden Ozcan
EXPLORING HETEROGENEITY IN ORGANIZATIONAL ACTIONS AND OUTCOMES
A Behavioural Perspective

6. Kim Sundtoft Hald
Inter-organizational Performance Measurement and Management in Action
– An Ethnography on the Construction of Management, Identity and Relationships

7. Tobias Lindeberg
Evaluative Technologies
Quality and the Multiplicity of Performance

8. Merete Wedell-Wedellsborg
Den globale soldat
Identitetsdannelse og identitetsledelse i multinationale militære organisatio-ner

9. Lars Frederiksen
Open Innovation Business Models Innovation in firm-hosted online user communities and inter-firm project ventures in the music industry
– A collection of essays

10. Jonas Gabrielsen
Retorisk toposlære – fra statisk 'sted' til persuasiv aktivitet

12. Claus Bajlum
    *Essays on Credit Risk and
    Credit Derivatives*

13. Anders Bojesen
    *The Performative Power of Competen-
    ce – an Inquiry into Subjectivity and
    Social Technologies at Work*

14. Satu Reijonen
    *Green and Fragile
    A Study on Markets and the Natural
    Environment*

15. Ilduara Busta
    *Corporate Governance in Banking
    A European Study*

16. Kristian Anders Hvass
    *A Boolean Analysis Predicting Industry
    Change: Innovation, Imitation & Busi-
    ness Models
    The Winning Hybrid: A case study of
    isomorphism in the airline industry*

17. Trine Paludan
    *De uvidende og de udviklingsparate
    Identitet som mulighed og restriktion
    blandt fabriksarbejdere på det aftaylo-
    riserede fabriksgulv*

18. Kristian Jakobsen
    *Foreign market entry in transition eco-
    nomies: Entry timing and mode choice*

19. Jakob Elming
    *Syntactic reordering in statistical ma-
    chine translation*

20. Lars Brømsøe Termansen
    *Regional Computable General Equili-
    brium Models for Denmark
    Three papers laying the foundation for
    regional CGE models with agglomera-
    tion characteristics*

21. Mia Reinholt
    *The Motivational Foundations of
    Knowledge Sharing*

22. Frederikke Krogh-Meibom
    *The Co-Evolution of Institutions and
    Technology
    – A Neo-Institutional Understanding of
    Change Processes within the Business
    Press – the Case Study of Financial
    Times*

23. Peter D. Ørberg Jensen
    *OFFSHORING OF ADVANCED AND
    HIGH-VALUE TECHNICAL SERVICES:
    ANTECEDENTS, PROCESS DYNAMICS
    AND FIRMLEVEL IMPACTS*

24. Pham Thi Song Hanh
    *Functional Upgrading, Relational
    Capability and Export Performance of
    Vietnamese Wood Furniture Producers*

25. Mads Vangkilde
    *Why wait?
    An Exploration of first-mover advanta-
    ges among Danish e-grocers through a
    resource perspective*

26. Hubert Buch-Hansen
    *Rethinking the History of European
    Level Merger Control
    A Critical Political Economy Perspective*

2009
1. Vivian Lindhardsen
    *From Independent Ratings to Commu-
    nal Ratings: A Study of CWA Raters'
    Decision-Making Behaviours*

2. Guðrið Weihe
    *Public-Private Partnerships: Meaning
    and Practice*

3. Chris Nøkkentved
    *Enabling Supply Networks with Colla-
    borative Information Infrastructures
    An Empirical Investigation of Business
    Model Innovation in Supplier Relation-
    ship Management*

4. Sara Louise Muhr
    *Wound, Interrupted – On the Vulner-
    ability of Diversity Management*

31. Fumiko Kano Glückstad
Bridging Remote Cultures: Cross-lingual concept mapping based on the information receiver's prior-knowledge

32. Henrik Barslund Fosse
Empirical Essays in International Trade

33. Peter Alexander Albrecht
Foundational hybridity and its reproduction
Security sector reform in Sierra Leone

34. Maja Rosenstock
CSR - hvor svært kan det være?
Kulturanalytisk casestudie om udfordringer og dilemmaer med at forankre Coops CSR-strategi

35. Jeanette Rasmussen
Tweens, medier og forbrug
Et studie af 10-12 årige danske børns brug af internettet, opfattelse og for-ståelse af markedsføring og forbrug

36. Ib Tunby Gulbrandsen
'This page is not intended for a US Audience'
A five-act spectacle on online communication, collaboration & organization.

37. Kasper Aalling Teilmann
Interactive Approaches to Rural Development

38. Mette Mogensen
The Organization(s) of Well-being and Productivity
(Re)assembling work in the Danish Post

39. Søren Friis Møller
From Disinterestedness to Engagement Towards Relational Leadership In the Cultural Sector

40. Nico Peter Berhausen
Management Control, Innovation and Strategic Objectives – Interactions and Convergence in Product Development Networks

41. Balder Onarheim
Creativity under Constraints
Creativity as Balancing 'Constrainedness'

42. Haoyong Zhou
Essays on Family Firms

43. Elisabeth Naima Mikkelsen
Making sense of organisational conflict
An empirical study of enacted sense-making in everyday conflict at work

2013
1. Jacob Lyngsie
Entrepreneurship in an Organizational Context

2. Signe Groth-Brodersen
Fra ledelse til selvet
En socialpsykologisk analyse af forholdet imellem selvledelse, ledelse og stress i det moderne arbejdsliv

3. Nis Høyrup Christensen
Shaping Markets: A Neoinstitutional Analysis of the Emerging Organizational Field of Renewable Energy in China

4. Christian Edelvold Berg
As a matter of size
THE IMPORTANCE OF CRITICAL MASS AND THE CONSEQUENCES OF SCARCITY FOR TELEVISION MARKETS

5. Christine D. Isakson
Coworker Influence and Labor Mobility Essays on Turnover, Entrepreneurship and Location Choice in the Danish Maritime Industry

6. Niels Joseph Jerne Lennon
Accounting Qualities in Practice Rhizomatic stories of representational faithfulness, decision making and control

7. Shannon O'Donnell
Making Ensemble Possible
How special groups organize for collaborative creativity in conditions of spatial variability and distance

6.   Linne Marie Lauesen
      Corporate Social Responsibility
      in the Water Sector:
      How Material Practices and their
      Symbolic and Physical Meanings Form
      a Colonising Logic

TITLER I ATV PH.D.-SERIEN

1992
1. Niels Kornum
   Servicesamkørsel – organisation, øko-nomi og planlægningsmetode

1995
2. Verner Worm
   Nordiske virksomheder i Kina Kulturspecifikke interaktionsrelationer ved nordiske virksomhedsetableringer i Kina

1999
3. Mogens Bjerre
   Key Account Management of Complex Strategic Relationships An Empirical Study of the Fast Moving Consumer Goods Industry

2000
4. Lotte Darsø
   Innovation in the Making Interaction Research with heteroge-neous Groups of Knowledge Workers creating new Knowledge and new Leads

2001
5. Peter Hobolt Jensen
   Managing Strategic Design Identities The case of the Lego Developer Net-work

2002
6. Peter Lohmann
   The Deleuzian Other of Organizational Change – Moving Perspectives of the Human

7. Anne Marie Jess Hansen
   To lead from a distance: The dynamic interplay between strategy and strate-gizing – A case study of the strategic management process

2003
8. Lotte Henriksen
   Videndeling – om organisatoriske og ledelsesmæs-sige udfordringer ved videndeling i praksis

9. Niels Christian Nickelsen
   Arrangements of Knowing: Coordi-nating Procedures Tools and Bodies in Industrial Production – a case study of the collective making of new products

2005
10. Carsten Ørts Hansen
    Konstruktion af ledelsesteknologier og effektivitet

TITLER I DBA PH.D.-SERIEN

2007
1. Peter Kastrup-Misir
   Endeavoring to Understand Market Orientation – and the concomitant co-mutation of the researched, the re searcher, the research itself and the truth

2009
1. Torkild Leo Thellefsen
   Fundamental Signs and Significance effects A Semeiotic outline of Fundamental Signs, Significance-effects, Knowledge Profiling and their use in Knowledge Organization and Branding

2. Daniel Ronzani
   When Bits Learn to Walk Don't Make Them Trip. Technological Innovation and the Role of Regulation by Law in Information Systems Research: the Case of Radio Frequency Identification (RFID)

2010
1. Alexander Carnera
   Magten over livet og livet som magt Studier i den biopolitiske ambivalens