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Making a Difference?
Corporate Responsibility as a Social Movement*

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This paper explores the ways in which the current emphasis on corporate responsibility constitutes a social movement by using the elements that constitute social movements to illustrate how a group of pioneers created new organisations and institutions that push companies in the direction of greater accountability, responsibility and transparency. According to sociologists Doug McAdam, John McCarthy and Mayer Zald, social movements have three core elements: framing processes, political opportunity structures and mobilising structures. The paper illustrates the ways in which individuals, here called the difference makers (along with many others, of course), used these three aspects of social movements to forward greater attention to issues of corporate responsibility over several decades and in a wide variety of ways.

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In the last several decades of the 20th century, continuing to today, social and institutional entrepreneurs, here called the difference makers (see Waddock 2008b), have built the foundations of a corporate responsibility movement that is attempting to push corporations in the direction of greater accountability, responsibility and transparency. This paper will focus on social movements as a way of understanding how the current emphasis on corporate responsibility has emerged over the past several decades. A more complete version of this story is told in *The Difference Makers: How Social and Institutional Entrepreneurs Created the Corporate Responsibility Movement* (Greenleaf Publishing, 2008). This paper specifically explores how the establishment of new institutions helped difference makers constitute the new movement we can call the corporate responsibility movement.

Twenty-three ‘difference makers’, leading thinkers, activists and social and institutional entrepreneurs who have built well-known pioneering organisations, or done other foundational work around issues of corporate responsibility, were interviewed for this research. All of them are leaders in developing what has elsewhere been termed a corporate responsibility infrastructure (Waddock 2008a). These difference makers established a range of pioneering organisations and institutions that explicitly attempted to effect system change that would bring corporations in line with the social and ecological imperatives that difference makers and their constituencies perceived but which represent considerably different imperatives from the typical financial and economic imperatives that drive much thinking about the modern corporation. All of the difference makers can be considered activists. Unlike social activists working to change the system from outside as many NGOs, interest groups and pressure groups do, the difference makers have attempted to effect change from a position that is at the interstice between business and society, neither fully within business nor fully outside.

A social movement?

The question at the core of this paper is: does the focus on corporate responsibility (short-hand for accountability, responsibility and transparency) today in fact constitute a social movement? In what follows, I will argue that the leadership of difference makers in establishing a wide range of new organisations and institutions provided a foundation for numerous similar entities that now constitute a vast and still growing landscape of groups attempting to foster greater corporate responsibility. This emphasis on corporate responsibility does in fact represent a social movement. Social movements, according to sociologists Doug McAdam, John McCarthy and Mayer Zald (1996), have three core elements: framing processes, political opportunity structures and mobilising structures. In various ways, as will be explored below, difference makers used all three elements to construct the corporate responsibility movement.

Framing processes

Framing processes indicate that there is a debate or conversation going on between parties with different views, each trying to shape the conversation in what is a contested field (McAdam *et al.* 1996). In the case of corporate responsibility, that contest exists between the proponents of the neoclassical economic model (e.g. Milton Friedman whose famous *New York Times* headline in 1970 proclaimed ‘the business of business is to make a profit’; Friedman 1970), free trade and globalisations, and the difference makers (among many others) who believe that corporations should serve a broader, more public purpose, and should in doing so be more accountable, responsible and...
transparent. For years, Friedman advocated a strict free-market ideology, which has, according to some observers, become embedded in many places in the world, sometimes to the detriment of societal interests (e.g. Klein 2007). The difference makers perceived a need for a different way for corporations to interact with society—with greater responsibility, accountability and transparency. Arguably, each in his or her own way built entities or thought leaders to leverage change in that direction.

Of course, as with all social movements, the timing or zeitgeist needs to be right for the evolution of the movement; typically multiple actors move towards a similar goal simultaneously, even if initially their efforts are disconnected (see, for example, Paul Hawken’s (2008) wonderful description of the evolution of what he terms ‘blessed unrest’, or a move towards Earth- and people-centred values, in his book by that title). Thus, what we see in the framing processes are a number of actors—social and institutional entrepreneurs—beginning to move at approximately the same time.

We begin this story, however, with one individual and one organisation, specifically focused on the issue of corporate responsibility. In the early stages of the corporate responsibility movement, the focus of activity began with the Council on Economic Priorities (CEP), founded in 1969 by difference maker Alice Tepper Marlin (who later founded Social Accountability International), which ‘named names’ and published research on social issues linked to companies during the 1970s. Then, in the mid-1980s, CEP developed a book called Rating America’s Corporate Conscience with difference maker Steve Lydenberg (currently with Domini Social Investments; co-founder, KLD Research & Analytics, and the Institute for Responsible Investing at the Boston College Center for Corporate Citizenship) as lead author (Lydenberg et al. 1986).

In the late 1980s, Rating America’s Corporate Conscience, which had been the first systematic attempt at evaluating the social performance of a wide range of brand-name, consumer-oriented companies, morphed into a pocket-sized consumers’ guide called Shopping for a Better World. This guide helped consumers make pro-social choices with respect to consumer goods by providing new information that helped frame purchasing behaviour differently. Notably, in the United Kingdom, difference maker John Elkington, who later founded one of the first consulting firms in the corporate responsibility space, SustainAbility, also published the Green Consumer Guide (Elkington and Hailes 1988) during this same period.

Other pioneering efforts during this early period included the founding of the Interfaith Center on Corporate Responsibility (ICCR) in 1971, of which difference maker Tim Smith (now with Walden Asset Management, and formerly president of the Social Investment Forum) was the founding executive director. ICCR made the first organised efforts to submit shareholder resolutions seeking corporate changes on a regular basis. These social and environmental shareholder resolutions, which had been pioneered in 1970 as part of an activist campaign against General Motors, grew out of the 1960s anticorporate activism. Typically, social shareholder resolutions, which are submitted by shareholders and thus represent an ‘insider’ strategy, call on targeted companies’ management to change specific company practices that the religious investors behind the ICCR considered problematic.

To this day ICCR, now a coalition of some 275 religiously affiliated investor groups, issues more than 200 shareholder resolutions annually on a broad array of topics ranging from environment to sweatshop labour to anti-discrimination, and this type of activism has been picked up by numerous other activists with similar agendas. Such initiatives, like the social investment movement itself, began to reframe the debate about what the responsibilities of corporations were by focusing attention on specific issues that went beyond maximisation of shareholder wealth—with questions about these issues actually coming from investors, much to management’s chagrin. In particular during the 1980s shareholder activism gained a lot of momentum and visibility by focus-
ing on changing or dismantling the apartheid regime in South Africa. Later shareholder resolutions broadened to issues that social investors considered to be socially problematic, including products such as cigarettes, gaming and military contracting; ultimately various stakeholder practices such as supply chain management and employee policies also began to be targeted. Over time, as society has changed, so have the issues on which shareholder resolutions focus.

Such reframing of corporate responsibilities continues to evolve, today emphasising how companies can better serve societies, nature and the variety of stakeholders who make investments in them. More analytically sound and rigorous approaches to social investment began to emerge during the 1980s, as means of evaluating corporations, and specific issues crystallised. Early proponents of social investment included Joan Bavaria (founder, Trillium Asset Management, Ceres, Social Investment Forum and the Investor Network on Climate Change, as well as key sponsor of the Global Reporting Initiative), Amy Domini (founder, Domini Social Funds and co-founder KLD Research and Analytics) and Alice Tepper Marlin when she was one of the pioneering women on Wall Street. When these women listened to their clients, they realised that for some investors factors other than wealth maximisation, social factors in particular, were also important. This recognition triggered ideas that framed new thinking about how investors might profitably invest yet still keep social purposes in mind.

The early days of socially responsible investing (SRI), which in many ways seeded the larger movement, were largely about framing and developing the fundamentals of social investment strategies, which take what are today known as environmental, social and governance (ESG) issues into account along with financial performance. As several of the difference makers involved in SRI noted, some investors wanted to lead with their values but there were no systematic ways of doing that. Early on, social investment decisions were made on a company-by-company basis, typically on an exclusionary basis. For instance, some religious investors wanted to avoid companies that did military contracting, while others wished to avoid cigarette manufacturers or nuclear involvement. As noted above, for many during the 1980s, dismantling the apartheid regime in South Africa, through disinvestment in companies participating there, became a critical focus. While it was possible to screen out companies with such products, the lack of systematic approaches that provided information on the range of companies available to social investors was a major impediment to the growth of this segment of the investment industry.

In one sense, SRI serves as a counterpart to traditional investing by attempting to leverage traditional mechanisms associated with investors for social benefit, while simultaneously reframing for investors the importance of taking ESG issues into account. Today, of course, as we will explore below, there is a vast infrastructure supporting the SRI elements of the corporate responsibility movement, and proponents of SRI claim that some one in nine investment dollars is in some sort of socially active investment (Social Investment Forum 2008). For traditional investors, responsibility is simply assumed to mean wealth maximisation within the constraints of the law, while for social investors, as several difference makers pointed out in interviews, it means investing in alignment with one’s values. Early advocates of SRI were reframing the debate to encompass other issues, issues that we might today call stakeholder and sustainability issues. As this reframing was happening, other areas of corporate responsibility and other approaches to pressuring companies for better behaviour began to evolve, particularly as various difference makers saw new opportunities in the gaps between what they perceived to be reality and what was socially desirable. To do SRI well, however, required the development of new mechanisms and systemic approaches and also ultimately meant that issues of accountability and transparency were necessarily taken into account as well as responsibility. Doing that meant moving towards the sec-
ond element of social movements by tapping into existing and developing new ‘opportunity structures’ and beginning to address specific gaps.

Opportunity structures

Opportunity structures are the established order in the existing political, social and institutional environment, with which any movement must contend, but where gaps and opportunities that can be tapped by the right social entrepreneur exist (McAdam et al. 1996). Typically applied to the political domain, this concept of political opportunity structures suggests that social movements face existing political arrangements that can either enhance or inhibit mobilisation of resources around the relevant movement. In the case of the corporate responsibility movement, the surrounding opportunity structures were more associated with business as usual, within companies, in the investment community, and with respect to social expectations from companies.

As the SRI field began to develop, one important gap was clear to Amy Domini, Peter Kinder and Steve Lydenberg, who co-founded the social research firm KLD Research & Analytics in 1990. The need for better, more systemically gathered and consistent data had become clear to Domini after she wrote one of the first books on social investing, called *Ethical Investing*, with Peter Kinder in 1986 (Domini and Kinder 1986), and suddenly found herself on the speaking circuit. People asked her two fundamental questions about SRI: What is social investing, and whose ethics are at work here as investment decisions are made? The second key question was: How much of a financial trade-off would the social investor have to make?

KLD (then called Kinder, Lydenberg, Domini) tapped into Steve Lydenberg’s experience in developing the research for and writing *Rating America’s Corporate Conscience* at CEP. When launched, KLD became the pioneering social research firm for SRI. When the company launched its first data in 1991, it covered the entire Standard & Poor’s 500 companies annually, gathering data along multiple dimensions of corporate responsibility performance, including traditional negative screens favoured by some investors, but also looking for both negative and progressive practices in other categories such as employees, products, international operations, community and environment. In the sense that it focused on various stakeholder and natural environmental practices with both positive and negative ratings, KLD went significantly beyond earlier efforts at evaluating companies, which simply screened out companies operating in particular domains.

The original idea behind KLD was to create an index that could be used to track performance against standard measures such as the Dow Jones Industrial Average, but what really kept the business alive was the research, which was sold to interested investors, at least until the index had proved its mettle. For the SRI and corporate responsibility movement more generally to go forward initially, then, involved a reframing of, for example, investors’ expectations about the relationship between company performance and responsibility, and, ultimately, new ways of fostering accountability by corporations. Pressure was put on them for better performance by creating greater transparency about their activities, this pressure coming from social activists submitting shareholder resolutions or from more widely available data such as that supplied by KLD.

The proliferation of social rating agencies such as KLD in different countries, whose work is consolidated by the umbrella organisation, Sustainable Investment Research

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1 Note that a good deal of research on this question suggests that there is, in fact, no financial trade-off.
International (SiRi Group), and the advent of other socially or environmentally oriented stock market indices (of which the Dow Jones Sustainability Index and the UK’s FTSE4Good are but two examples) provide evidence of the institutionalisation of core SRI elements of the corporate responsibility movement. Further, the numerous professional and trade associations, magazines and conferences supporting SRI attests to the growth of this segment of the investment industry and the success of these pioneering entities in fostering similar entities on a global basis (see Waddock 2008a, for a detailed listing of some of these institutions).

The movement demanding greater corporate responsibility, however, did not stop with SRI. It had become clear by the middle of the 1990s that pressure from investors, while an important leverage point, was only one of the elements necessary to move corporations towards greater responsibility and, particularly, accountability for their actions. By the 1990s, globalisation was in full force and external activists, NGOs and pressure groups were making clear that the extended supply chains employed by many large multinational corporations were extremely problematic in terms of working conditions, labour standards, human rights and environmental protection.

As this activism grew, difference maker Alice Tepper Marlin became aware of another gap when her organisation, then the Council on Economic Priorities, wanted to create a students’ guide to shopping for a better world. She realised that there was very little systematic data—or even understanding outside of companies—of what was happening in global supply chains, yet, as activists and NGOs were insisting vociferously, there were significant problems in those extended supply chains. At the global level, new networks of organisations with missions similar to CEP’s had begun to form, partly under Tepper Marlin’s initiative, based on common interests—part of the creation of mobilising structures, or networks of organisations in other nations doing similar work to that of CEP. But the difficulty of finding adequate data on what was happening in supply chains led to the founding of Social Accountability International (SAI) and the eventual dissolution of CEP.

In the morphing of CEP into what is now SAI, we can see a social entrepreneurial process, with Tepper Marlin building the network of individuals surrounding her, sensing a gap and ultimately seizing an opportunity to create an appropriate mobilising structure in the form of SAI. SAI focuses explicitly on labour standards and environmental standards in companies operating in developing countries, and has developed codes of conduct, monitoring and certification protocols for extended supply chains. The seeds of SAI’s approach lie in other initiatives that are also part of the burgeoning corporate responsibility movement. For example, difference maker Bob Dunn had taken an important step at Levi-Strauss, where he was employed in the early 1990s, in leading the establishment of the first-ever company-based supplier code of conduct. As another example, the Caux Roundtable Principles (and similar initiatives on a global level, such as the Sullivan Principles) had been established in 1986 by a coalition of business leaders, and are now overseen by difference maker Steven B. Young. The Caux Principles also provided guidance about global standards of practice. As Tepper Marlin noted, one important innovation came from the ISO (International Organisation for Standardisation) quality and environmental standards, which served as a model for what SAI attempted to do in the domain of labour standards.

At about the same period of time in the UK, the attempt to establish greater corporate accountability also became the basis for the founding in 1995 of the Institute of Social and Ethical Accountability, better known simply as AccountAbility. Headed by Simon Zadek, AccountAbility, like KLD and SAI, attempts to create corporate accountability through metrics, measurement and other systematic data. Zadek had been involved in some of the earliest social audits of corporate performance (e.g. with The Body Shop and Ben & Jerry’s), drawn from the work of the New Economics Foundation (NEF), where
Zadek was then working. NEF founded AccountAbility, driven in part by Zadek’s interest in metrics, and also the Ethical Trading Initiative (ETI), a European counterpart to the US-based Fair Labor Association. The ETI and Fair Labor Association both attempted to hold companies accountable for their labour practices in developing nations, representing new mechanisms of accountability created because of an opportunity structure that existed. Another consulting company, also one of the pioneers, was The Corporate Citizenship Company, now owned by the communications company Chime, founded by David Logan, who was also one of the co-authors of an early corporate citizenship report produced in 1997 by the Hitachi Foundation—a report that serves as something of a marker, providing a model for the many such reports to come.

Some of the seeds for holding corporations accountable for their actions in developing nations had been planted much earlier. One prominent instance was the Nestlé boycott, which was generated because of the company’s problematic practice of distributing infant formula to new mothers, who could not afford it nor had adequate sanitation to use it properly, in developing countries. Difference maker Jim Post of Boston University had been one of the first academics (along with others such as Prakash Sethi of Baruch College in New York) to study the infant formula practices. For his seminal work on the infant formula problem, Post ended up as a member of the pioneering Nestlé Audit Commission, which was a first of its kind initiative formed to hold the company accountable for its distribution practices and overseen by an independent group of outsiders.

Other opportunities for creating greater corporate accountability lay in what became a rather extensive array of new standards, principles and codes of conduct that provide standards of business practice, of which we have already seen some examples. Of course, an early effort in this arena had been the OECD Guidelines for Multinational Corporations, and another had been the Sullivan Principles, which articulated how companies should deal with involvement in South Africa during the apartheid era. As already mentioned, Levi-Strauss had pioneered a supplier code of conduct in the early 1990s, which provided some insight into how issues might be dealt with from a company perspective. Further, when the Exxon Valdez had spilled millions of gallons of oil in Alaska in 1989, difference maker Joan Bavaria and others seized the opportunity to name a set of environmental standards already in development the Valdez Principles (now renamed the Ceres Principles). Bavaria, who had earlier founded a pioneering social investment firm called Franklin Research and Development (now Trillium Asset Management), later founded Ceres, the Coalition for Environmentally Responsible Economies. Ceres provided what became the Ceres Principles and began signing up companies committed to live up to those principles.

In 1999, then UN Secretary-General Kofi Annan attended the World Economic Forum in Davos, Switzerland, and called for a new ‘compact’ between business and society, in a speech drafted by difference makers John Ruggie (then Special Assistant to the Secretary-General, now a professor at Harvard’s Kennedy School of Government and at the time of writing also Special Assistant to the UN Secretary-General for Human Rights and Business) and Georg Kell (then working at the UN at a junior level to Ruggie, now Executive Head of the UN Global Compact). Although initially Annan had not intended to create an actual initiative around the social compact that he had articulated, business response was so strong and positive that two years later, through the work of Ruggie and Kell, the UN Global Compact (UNGC) was launched. Clearly, Annan, through the work of Ruggie and Kell, had tapped into another gap: a need for an entity with global stature such as the United Nations to speak up from its ‘bully pulpit’ about the responsibilities of corporations to the societies that created and supported them.

The UNGC’s ten principles have since framed what is characterised as the world’s largest corporate citizenship initiative, with more than 4,000 corporate signatories at
the time of writing (and well over 5,000 total signatories). Of course, along with the Global Compact, dozens of other standards and principles began emerging during this period. Further, hundreds, if not thousands, of companies have now developed their own internal codes of conduct, which, working with suppliers, they often seek to push down the supply chain. In addition, there are now numerous organisations that have issued more general sets of principles, codes of conduct and standards, some of which are industry-specific, by this point in time making it somewhat of an imperative particularly for large businesses to be associated with one or more such standards of practice. Of course, these developments came about in part because of external activism by NGOs and interest groups, who were placing significant public attention on issues related to supply chain management and globalisation, but also in part because such initiatives had been modelled by some of the pioneers.

By the late 1990s, Bob Massie, who had become executive director of Ceres, with Allen White of Tellus Institute, who had worked on metrics pro bono for Ceres as it developed the Ceres Principles, sensed another opportunity. In effect, the pair identified another gap in standardised reporting for environmental, social and governance (ESG) issues. Recognising the importance of the common metric of the financial report, which follows generally accepted accounting principles (GAAP), they determined that what was needed was a similar common framework around ESG. The result of that insight was the founding, with Ceres’s backing, of the Global Reporting Initiative (GRI), which created a ‘big tent’ in the words of Allen White, and brought in a wide range of stakeholders to help with its development, thereby enhancing buy-in even from critics. GRI has since become the de facto global standard for standardised ESG reporting.

Of course, gaps continue to exist and numerous new entities and institutions continue to be developed by the difference makers and, of course, many, many others. But as these early institutions evolved, so did mechanisms and means for mobilising the many others interested in the same types of issue through what are called mobilising structures, the third core element of social movements.

Mobilising structures

Mobilising structures involve the use or creation of networks of interested parties, including individuals and organisations, some of which are newly created to tap into the opportunities identified by social entrepreneurs, to move the social movement’s agenda forward (McAdam et al. 1996). Mobilising structures in the political domain might be activist organisations, protest groups, or in recent years use of the Internet to foment action on a cause. Of course, all of these vehicles have been used by various groups in the anti-globalisation and anti-corporate movements. The difference makers created their own mobilisation structures via linkages with each other in trade and professional associations, networks of forward-looking businesses and other types of alliance. These alliances, networks and coalitions served the functions of creating positive role models, exerting peer pressure, raising issues and providing forums for learning, dialogue and the generation of new insights about accountability, responsibility, transparency and, increasingly, sustainability. One early example of such a mobilising structure in the corporate responsibility arena was the formation of a professional association for SRI, the Social Investment Forum (SIF) in 1981, by difference maker Joan

2 Some would claim, of course, that simply signing on to a code is insufficient and may in fact be nothing more than window dressing. Nonetheless, it is clear that some of the most progressive companies take these codes very seriously and are working hard to integrate the principles and values stated in them into their strategies and practices.
Bavaria with others. SIF is now the leading US-based professional association for social investors, and has counterparts in both the UK and Europe.

Such networks, professional associations and alliances include the Boston College Center for Corporate Citizenship (CCC), founded in 1986 by Edmund Burke as the Center for Corporate Community Relations, and converted into the broader agenda CCC by difference maker Brad Googins in the late 1990s. Another very important such mobilising structure in the US is Business for Social Responsibility (BSR), founded in 1991, derived from New England Business for Social Responsibility, which was established in 1988 by difference maker Laury Hammel (CEO of Longfellow Clubs in the Greater Boston area). BSR was later expanded and refocused on large companies by difference maker Bob Dunn, who ran it for many years. With the refocusing of BSR on large businesses and away from small businesses such as his own, Hammel went on to establish other networks that also serve as mobilising structures, including co-founding the BALLE, the Business Alliance for Local Living Economies, which now has chapters throughout the United States, and also the annual International Symposium on Spirituality in Business.

Similar networks have proliferated. For example, difference makers David Grayson and Jane Nelson have been involved in the UK’s Business in the Community and the International Business Leaders Forum, and difference maker Malcolm McIntosh held several of the first conversations on corporate citizenship at the University of Warwick, while he served as first hired director of the Corporate Citizenship Unit at Warwick University (the Unit had been created by former executive Chris Marsden) in the early 2000s. More recently, McIntosh continues his thought leadership in his post at Coventry University, where he has been organizing conferences aimed at rethinking the global economic system to enhance social justice, sustainability, peace and security. The dozens and dozens of conferences, multi-stakeholder dialogues, colloquia, academic centres and even whole programmes around issues of corporate responsibility that have proliferated around the globe attest to the rapid growth of these ideas—as well as to the solid foundation on which the corporate responsibility movement now stands.

That networks serve as mobilising structures is highlighted even more by the work that difference maker Steve Waddell has done in establishing the Global Action Network-Network (GAN-net). GAN-net is an entity that brings together the work of other networks with global scope and attempts to help them do their work more effectively. As an entity GAN-net links people in networks such as the Forest Stewardship Council or the Ethical Trading Initiative (see www.gan-net.net for a listing of the numerous GANS identified by GAN-net) with others in GANS so that they can learn how to better manage their GAN as an organisation and have more impact in their work.

Other mobilising structures involve establishing centres such as the Corporate Social Responsibility Initiative at Harvard’s Kennedy School of Government, directed by difference maker Jane Nelson, which provides a kind of ‘bully pulpit’ at a notable university for issues related to corporate responsibility. Hundreds of universities have now established similar centres with titles ranging from business ethics to corporate social responsibility to corporate citizenship. Malcolm McIntosh of Coventry University founded the Journal of Corporate Citizenship (while he was at Warwick University) in 2001 to provide a scholarly/practitioner outlet for thinking about corporate responsibility and to help shape the debate. Numerous academic and practice-based publications now exist that highlight the work of corporate responsibility, some of which had been established earlier, but took on new life with the growth of the movement, and others that are new and try to reach different audiences.

A few universities have even established programmes on corporate responsibility or sustainability, pushed in part by the attention that the work of difference maker Judith Samuelson has brought to bear on management education. Samuelson established what
is now the Aspen Institute’s Business and Society Program, which has focused explicitly on bringing sustainability and responsibility issues into management education, through ratings such as the Beyond Grey Pinstripes ranking of business schools on sustainability and business in society dimensions, the Faculty Pioneer Awards, which highlight the work of academics in the corporate responsibility arena, and others surveys of MBA graduates that have received considerable public attention.

Another example of an explicit mobilising structure is the Institute for Responsible Investing (IRI), the brainchild of KLD co-founder Steve Lydenberg within the Boston College Center for Corporate Citizenship. A small institute, initially operating under the radar on a shoestring budget, the IRI specifically focused on convening thought leaders around issues that were important to SRI but that had no forum in which to be heard: for example, the responsibility implications of mergers and acquisitions, real estate development and the bond markets.

Finally, a forward-looking mobilising structure was developed by difference maker Allen White of Tellus Institute with collaborator Marjorie Kelly, also of Tellus and former editor of Business Ethics magazine, which had created the Best 100 Corporate Citizens ranking.\(^3\) This initiative is called Corporation 20/20 and it is an explicit multi-stakeholder effort, drawing on some of the learning that came from establishing the GRI, about how to ‘build a big tent’ to incorporate many stakeholders with differing ideas, to use White’s words. Corporation 20/20’s goal is to rethink and re-purpose the corporation to better meet 21st-century needs. It brings together thought leaders around these important questions and launched a major conference in Boston’s famed Faneuil Hall in 2007 to openly address these questions. Such initiatives play an important role in bringing actors in a field together to develop new framings of the issues, as well as fostering knowledge, shared understanding and dissemination of ideas.

The corporate responsibility movement?

What I have characterised as the corporate responsibility movement has, as has hopefully become apparent, all of the core elements of a social movement. Space constraints prohibit the inclusion of the hundreds of initiatives that the pioneering efforts described in this paper have spawned (though see Waddock 2008a for a much more comprehensive descriptive picture of the corporate responsibility infrastructure that exists at the time of writing). But what the difference makers were able to accomplish through their early efforts—of course along with many, many others, whose work has not been covered here—was to establish the foundational seeds of the infrastructure that has now emerged.

Difference makers accomplished their goals in a wide range of ways. One way was through developing the social investment movement, by reframing the debate about whom corporations serve and how they do so—and broadening that debate to include different stakeholders and the natural environment, using familiar mechanisms (new investment options, indices, shareholder resolutions) and focusing on the issues that mattered to traditional, values-based investors. The difference makers worked by creating markets for data that did not previously exist: for example, the data from social research firms such as KLD and those in the umbrella SiRI organisation. In creating this

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3 In the interest of full disclosure, I would note that my colleague Samuel Graves and I used the generously granted data from KLD to construct this rating. The ranking has, however, now been taken over by the CRO (Corporate Responsibility Officer) and no longer uses the same methodology that we designed.
data, they recognised a gap in the market that could be filled, finding a new 'opportunity structure' not previously seen by others.

They worked by mobilising the many other people who cared about the same types of issue—social justice, equity, sustainability, and corporate accountability, responsibility and transparency—in various forms of mobilising structures, networks of relatively like-minded individuals who can learn from each other and spread the word about their own best practices. Other approaches involved creating new data on corporate responsibility that could be used in a variety of ways by investors, scholars and others to track corporate performance along lines beyond the strictly financial. Another route was creating coalitions of like-minded parties, or creating forums in which parties with different views could come together in dialogue and learning.

Of course, questions still remain about just how deeply corporate responsibility is embedded in practice and whether this alternative and more expansive view of the purposes and responsibilities of corporations can supplant the dominant economic perspective, with its narrow focus on maximisation of shareholder wealth. But that the movement has had some impact can be little doubted if you consider the fact that the CEOs of two of the world’s most successful, intensely competitive, and largest corporations have turned their attention to issues related to corporate responsibility. Lee Scott, CEO of Wal-Mart, a company known for its 'low prices always' and strongly competitive focus on efficiency, has now committed the company to a path of sustainability that encompasses driving sustainability issues not only through its own operations but also throughout its massive supply chain (Scott 2008). And Microsoft founder Bill Gates, whose company is known for its aggressive competitive tactics, called, in January 2008, for a more ‘creative capitalism’ that ‘takes . . . interest in the fortunes of others and ties it to our interest in our own fortunes in ways that help advance both’ at the World Economic Forum (Gates 2008).

Further evidence of the inroads that the corporate responsibility movement has made comes from the conservative magazine The Economist, which in 2005 issued a special report panning corporate responsibility. In January 2008, however, The Economist had to admit that, despite the fact that too few companies are actually doing it well, corporate responsibility is here to stay (Franklin 2008). This paper has explored some of the origins of the wave of corporate responsibility that is with us today. It tries to provide a foundation for suggesting that The Economist is correct that corporate responsibility is here to stay—and is only likely to become more important to companies given the growing array of institutions and organisations with an interest in fostering corporate responsibility, the seeds of which can be found in the institutions created in the social movement explored above.

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