Corporate social responsibility through stakeholder engagement and entrepreneurial communication processes

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Abstract: The present work, after having built a model for understanding how multinational corporations act and behave both at the national and international level in the fields of corporate social responsibility and sustainable development, will then present how large multinational enterprises react to the increasing pressures from stakeholders to report their corporate social responsibility at the global level. This paper will then draw conclusions about how enterprises integrate ethical values and stakeholder engagement in the strategy. The article is divided into two sections: the first entails a critical review of the literature on shareholder and stakeholder management, corporate social responsibility and stakeholder engagement; the second presents a critical analysis of the corporate social responsibility reporting of five big multinational competitors in the challenging business of adhesive tapes.

Keywords: corporate social responsibility strategy; sustainable development; stakeholders; globalisation; social engagement; communication; reporting.


Biographical notes: Piero Mella in 1985 won a chair as a Full Professor and lectured in Business Economics and Administration at the Faculty of Economics of Pavia. In 1986, he was elected Head of the Department of Business Research at the University of Pavia. From 1987–1988 to 1992–1993, he was Dean of the Economics Faculty at the University of Pavia. Since it was founded in 1990, he has been the Scientific Director of the Masters in Accounting, Budget and Financial Control in Profit Organisations, set up by the University of Pavia. In 2000, he created the scientific Journal Economia Aziendale online, Business and Management Sciences International Quarterly Review. He is the author of over 250 scientific publications which include books, articles and software (on budget and accounting), the recent interests deal in the fields of systems thinking, control systems and combinatorial systems.

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1 Introduction

In an ideal world in which there are no constraints to the resources needed to produce and consume, entrepreneurs are able to design business only according to the principle of pure business rationality, which leads to maximising only economic and financial results. This form of corporate planning activity would lead to an economic system in which each operator tries to realise independent optimal results, in opposition to competitors, and seek maximum customer satisfaction.

This ideal/abstract world no longer exists because the public resources are limited and their appropriation makes them increasingly scarce, often causing them to run out. As Hardin demonstrated (Hardin, 1968; Ostrom, 1990), the rationality of individual choices may be accompanied by a collective effect that leads to a negative, even catastrophic result consisting in the exhaustion of scarce, non-renewable resources that individuals can freely appropriate and use for their business. “Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of the commons. Freedom in a commons brings ruin to all” [Hardin, (1968), p.1244].

This has given rise to an increasing ‘social alarm’ that sees in the ‘apparently rational behaviour’ of economic agents the main source of the problem concerning the sustainability of the collective behaviour of social, economic and environmental systems. The problem of sustainability is usually considered from a forward looking perspective and interpreted as a problem of the sustainable development of the macro variables of collective systems. At the start of the 1970s an important report entitled ‘The limits to growth’ (Club de Rome, 1972) initiated the international debate on how man should intervene to achieve sustainability in his activities. The most relevant and quoted definition of sustainability is the one from the report entitled, ‘Our Common Future’, published by the WCED (institutional version): “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland Commission, 1987).
Thus today “there is wide consensus that the idea of sustainability figures as one of the leading models for societal development by indicating the direction in which societies ought to develop” [Christen and Schmidt, (2012), p.411].

Thanks to the information spread by the media and educational institutions, which is also easily accessible from the internet, social culture is increasingly sensitive to the sustainability of business operations; the entire world gives increasing prominence to environmental care and the lack of natural resources. Society is always attentive to the social behaviour of firms and entrepreneurs, and this is evidenced by the more frequent social scandals of the last decades – such as those regarding the exploitation of labour in less developed countries – and by financial scandals which, together with the financial crisis in recent years, have brought several economies to their knees.

Those are all real and serious problems behind the mobilisation of national and international institutions for the creation of sustainable development models (Arvidsson, 2010).

In recent decades many firms, particularly multinational corporations (MNC), have operated mainly with the aim of maximising their profits, paying attention to the maximisation of rewards for their shareholders. Clearly, the management of the MNCS, which strictly follows the principle of corporate economic rationality, tends to distinguish between the financial interests of shareholders and the non-financial interests of the other stakeholders. Companies constitute the economic, social and political ‘fabric’, and their management becomes closely linked to all the outside actors, since the internal processes are intrinsically connected to the outside environmental processes. The creation of a shared and efficient network of relations among the firm and its environment of reference becomes the condition for the production of value. Thus, management cannot limit itself only to pursuing the interests of the shareholders but must seek consensus from the local, national and international stakeholders, involving these social entities which, in order to advance their non-financial interests, impose constraints and conditions on the corporation’s activities.

Such behaviour causes firms and managers to be accused as the main reasons behind environmental, social and financial problems (Czinkota and Ronkainen, 2009). Hence, the main point of the discussion is now the challenge for the firm to create new business models able to create synergies among sustainability, ethics and business purposes (Scherer et al., 2013). The open-ended search of money, profits and power is no longer to be considered a sustainable model; firms have to understand the importance of a long-term perspective regarding the entrepreneurial project and give an ethical imprint to their strategies and activities (Colombo and Gazzola, 2013a). This means that entrepreneurs and companies must accept both the idea of corporate social responsibility (CSR) and the necessity to communicate their CSR policies and initiatives to their stakeholders, which implies a rethinking of the role of entrepreneurs and business in society (Hah and Freeman, 2014).

The question for the organisations is not only whether to engage in CSR but what the best way forward is for crafting CSR programs that reflect a company’s business values, while addressing social, humanitarian and environmental challenges. Considering the many disparate drivers of CSR within a company, and the many different motivations underlying the various initiatives, it is crucial that the organisations carefully integrate CSR programs into their corporate strategies (Carroll and Shabana, 2010). By planning out CSR as part of a corporate strategy (Areal et al., 2016), organisations can ensure that...
profits and increasing shareholder value do not overshadow the need to behave ethically toward their stakeholders (Colombo and Gazzola, 2012; Gazzola and Mella, 2015).

The reasons for this deep integration between the interests of shareholders and those of other stakeholders are revealed not only when the company assumes an increasingly important role in the social and occupational situation of local communities (Doh and Guay, 2006), but also when there is an increasingly strong influence of corporate reputation (Andrikopoulos and Koronis, 2007; Fombrun, 1996), which inevitably reflects the choices of investors and consumers in the first place as well as those of all other stakeholders.

This integration is explained in the last part of the paper where a critical analysis of the CSR reporting of five big multinational competitors in the challenging business of adhesive tapes is showed. The aim is to understand the relevance of these issues for a group of selected MNCs and the possibility of implementing such reporting in a company in order to close the gap with its main competitors worldwide.

2 Literature review and methodology

Stakeholder studies has grown out of the contrast between the traditional view that it is the fiduciary duty of management to support the interests of the shareholder and the stakeholder view that management should make decisions for the benefit of all stakeholders (Freeman, 2004).

With the book ‘Strategic Management: A Stakeholder Approach’ Freeman (1984) revolutionised the way of thinking about business, its purposes and approaches, proposing a multi-stakeholder vision of the enterprise. According to this view, firms are not only focused on maximising shareholder value and managers are not to be merely considered agents of shareholders’ businesses; firms are systems created to devise and implement sustainable business models and create value in the long-term by taking into account interests and needs of a plurality of stakeholder categories, which directly or indirectly could affect or be affected by the activity of enterprises.

According to Phillips (2003), stakeholder theory creates the connection between ethics and strategy. Companies that follow the interests of stakeholders will create value for the organisation itself (Campbell, 1997; Freeman et al., 2007).

The stakeholder theory is the base of the stakeholder view; it considers that companies have a social responsibility that requires them to think to the interests of the stakeholders (Lantos, 2001).

CSR with the stakeholder view allow to analyse the role of business in society. The CSR and its role in modifying the rationality of choice and the evaluation of business efficiency and effectiveness has given rise to an intense debate among scholars and practitioners over the last decades (Carroll, 1999; Pearce and Doh, 2005). The main point of the discussion is the role of business in society and the nature of CSR. Empirical tests on the relation between CSR and corporate performance have been conducted (Aguilera et al., 2007; Orlitzky et al., 2003). However, there is still a lack of studies on the process of integrating CSR into corporate strategy (Gazzola and Colombo, 2014). It can be argued that only those companies which are able to align their business strategy to their economic, social and environmental performance are creating long-term value for
business and societies and providing a socially responsible imprinting to their activity (Rochlin et al., 2005).

The present study aims to show, through data analysis, what path a company takes in developing CSR activities, what kind of challenges the companies are facing, and what solutions they are finding (Eisenhardt, 1989). This will allow us to understand how companies integrate CSR into their strategy and at what stage of development such integration is. As mentioned above, the main issue connected to CSR is that companies are not used to having a CSR strategy; there are instead a multitude of CSR programs and initiatives (Rangan et al., 2012). The gap to fill is the integration of such programs into corporate strategy (Carroll and Shabana, 2010; Galbreath, 2009). There are, in fact, businesses that are aware of the relevance of CSR integration in corporate strategy (Werther and Chandler, 2013). Along with traditional corporate functions (R&D, marketing, finance, and so on), such firms integrate the existing formal structure with CSR departments, with the strategic goal of ensuring financial value to shareholders while taking care at the same time of the need to create external value for stakeholders (Colombo and Gazzola, 2012) and focusing on communications processes and dialogue (Ayuso et al., 2006).

Corporate responsibility is becoming a worldwide movement (Ditlev-Simonsen and Gottschalk, 2011), which implies an increasing demand for transparency and the need to report environmental, social and economic performance (Norris and O’Dwyer, 2004) and create opportunities of renewal and innovation in business practices (Colombo and Gazzola, 2013b).

The close attention being paid to the CSR activities of companies is part of the work of government and NGOs, which try to understand the effects and consequences of the business practices of corporations on their environment and social system (Porter and Kramer, 2006). CSR is considered as the link between environmental and social responsibility in corporate outcomes and the financial and economic targets of their outputs (Ganescu 2012). Therefore, the intensity of the interactions between shareholder objectives and external stakeholder needs represents a measure of the effectiveness of the relationship between business and society (Waddock and McIntosh, 2009), which is essential for enabling entrepreneurs to achieve competitive advantage while maintaining the critical factors for their viability.

To conduct the analysis we have carried out a comparison of five big multinational competitors in the challenging business of adhesive tapes in order to understand how they operate at the global level to involve stakeholders in their activities and how these companies report and communicate their CSR activities. We choose the Italian firm BiesSse Group, whose core business is the production of high technological adhesive tapes, because it represents an Italian best practice in the production of high technological adhesive tapes, able to compete with competitors at the international level. The sector of the adhesive tape is interesting for the impact on the environment. We will show how all the involved firms present good stakeholder disclosure and are committed in the communication of their CSR programs. It will therefore show that all corporations believe there is a positive relationship between internationalisation and CSR, and that this represents a relevant component in their strategic vector and are not merely a charity program carried out by enterprises.
3 Rethinking the role of business in society

The strategic design managers must consider three conditions:

1. stakeholder engagement as the requisite hypothesis for the interaction with stakeholders

2. efficient professional communication to stakeholders of social and environmental activities and programs

3. Continuous dialogue between a firm’s governance and external stakeholders.

Figure 1 summarises the role of stakeholder governance, at the top of Figure 1, in driving entrepreneurial policies and strategies and the role of external communication as a fundamental output of entrepreneurial activity. In particular, it shows that the entrepreneurial function identifies, or receives from the stakeholders the vital objectives for survival and determines the policies and general programs that become the strategic objectives of managerial control, normally defined as strategic. In the external communication the role of the continuous dialogue is very critical.

Figure 1 The functional structure of the capitalist firm (see online version for colours)
These objective act at the business and general function levels to translate the strategic objectives, defined by the entrepreneur, into operational objectives, to be achieved by means of a planning and budgeting program which is necessary for the operational control system and for the activation of the available control levers. The entrepreneurial activity is, in turn, subject to an institutional control at an even higher level, carried out by the stakeholders, who represent the stakeholders’ governance. In fact, the amount of control of the organisation and of its processes and output depends on the limits set by the stakeholders, toward whom the entrepreneur must target CSR. For this reason, the entrepreneur must integrate the stakeholders’ objectives in their strategic plans and management must translate these into the operative objectives.

3.1 Rethinking CSR: stakeholders’ engagement and communication processes

The concept of CSR became more and more important as the globalisation process of the economy advanced (Gugler and Shi, 2009). The process of globalisation (Crane et al., 2008) brought intense changes to the business environment (Cantwell, 2014), producing an era that dramatically changed the way of living and conducting business (Mella, 2014). CSR, social policies, and political and environmental policies are considered as a challenge for any economic and non-economic actor in the globalisation process. Pressures attributed to MNCs (Anderson et al., 2012) in the promotion of a new and socially responsible mindset of conducting business worldwide led the literature to define CSR as the key driver of corporate strategy (Hartman et al., 2007) and to emphasise its integration in the business model of corporations (Arjaliès and Pean, 2009). The path to achieving this integration is becoming a challenge for scholars and executives. As Simons stated in his article, Levers of control (1995), management systems represent a relevant factor in driving strategic renewals. He proposed a framework to evaluate the business strategy (in the sense of Mintzberg, 1987) and the management system of the firm in order to understand its ability to pursue the intended strategy and exploit the opportunities of the emergent strategy (Demartini, 2014; Gazzola and Colombo, 2014).

Figure 2 Controlling business strategy: key variables of analysis (see online version for colours)
Simons refers to management systems useful in serving the intended strategy of the firm (Figure 2): the boundary systems, which are useful in setting limits to managers, showing what is permitted and forbidden in order to avoid opportunity-seeking behaviour; and diagnostic control systems, useful in controlling the goals achieved by the managers and in motivating, monitoring and specific achievements.

He also refers to management systems useful in serving the emergent strategy of the firm: interactive control systems to stimulate interactions and organisational learning among managers in order to generate new business opportunities, ideas and strategies; and belief systems to inspire the direct search for business opportunities that provide managers with corporate aims and values. Therefore, management systems have to focus the attention of managers on the strategic goals of the company and improve their ability to pursue those strategic goals in a sustainable and responsible way; in other words, the integration of CSR values into corporate strategy is to be seen as the new challenge for firms. In fact, Simons already devoted significant attention in his model to the importance of values which inspire the firm in its activity and can also positively motivate people in their work and create a positive working environment. This sheds light on the importance of including CSR in business strategy. CSR should no longer be seen as a factor supporting the strategy of the firm and improving their image (Werther and Chandler, 2005) in the eyes of consumers and public opinion. The social responsibility of the firm should now be included in the strategy as a key driver to ensure a long-lasting perspective to entrepreneurial projects (Beschorner and Müller, 2007). The idea to include CSR in the culture of the firm and pursue the social engagement of business is becoming more and more important.

The creation of value for internal and external stakeholders must be integrated into the strategy of the firm and represent its values and mission (Figure 3). The integration of values into the strategy of the firm (Bondy et al., 2012) is not only to be considered a theoretical framework built up in the literature; on the contrary, it is possible to concretely summarise it in a process made up of three different classes of activity:

1. the definition of the main elements, i.e., the decisions of the top management about CSR and the objectives to achieve and resources to allocate for each objective
2. the integration of the strategic view of the firm with those main drivers, i.e., the review of the vision, strategy and value of the firm, the identification of KPI, and the monitoring of the ongoing strategy
3. the communication of the results obtained, i.e., drawing up a reporting scheme, defining the level of achievement the proposed objective, and communicating the performance to the different stakeholder categories (Roth, 2014).

These three classes of activity are then to be split up to arrive at the definition of the CSR process, which is made up of eight different steps, each strictly interconnected with the others:
Endorsement of the top management, which refers to the decision of the top management to establish a long-lasting relationship with stakeholders. The top management of the firm has to determine the objectives and resource allocation for those socially responsible activities. This process requires energy and investments from the firm; it is therefore necessary for people to believe in social responsibility and sustain the internal process of socially responsible activities.

Identify the key stakeholders, which is a critical activity. In the literature, there is no evidence of a ranking of stakeholders according to their importance for the activity of the firm; this is a task delegated to managers, who have to determine which category of stakeholders to include in the reporting. Usually, the choice by management falls to those stakeholders that have a high interest in the activity of the firm and strong influence on the public opinion.

Create a dialogue with key stakeholders; this requires in particular a strong stakeholder orientation throughout the structure of the enterprise. Hence, a ‘stakeholder-oriented’ structure is only the foundation. It is then important to have communication channels such as a properly adapted website, offices and location, and periodical conferences for discussions with the stakeholders.

Identify key performance indicators, which refer to the economic and non-economic indicators of the firm and to building up the reporting of performance. According to the Copenhagen Charter, the performance indicators should be substantial and measurable.
Supervise performance indicators and the values of the company, which consists in the continuous monitoring of the performance of the firm regarding the selected KPI.

Determine the objectives, budget and strategic plans for improvement, which refers to the possibility of identifying changes and acting to prevent hypothetical problems with stakeholders.

Prepare and publish reports, which today are called ‘social reporting’. There can then be internal or (in the largest enterprises) external auditors to prevent situations of self-reference.

Create a dialogue with stakeholders based on feedback about the performance of the firm. This is a critical phase for the top management of the firm (Stoll, 2008), which should receive feedback from different stakeholders and install a learning cycle which enables the firm to approach the subsequent cycle process with increasing awareness (Parguel et al., 2011). As can be seen, the designed model is represented as a ‘learning cycle’, meaning that it gives the opportunity to enterprises to continuously increase their own competencies in such activities over time.

4 Analysis of competitors

The main competitors analysed represent worldwide giants in diversified industrial sectors: 3M, Lohmann, Scapa and Tesa. The Italian firm BiesSse Group, whose core business is the production of high technological adhesive tapes, represents Italian excellence able to compete with competitors at the international level. We could list many reasons behind the company’s success, mainly identifiable in:

1. the values that mark and distinguish the firm as solid and reliable, both internally and externally, in good as well as difficult economic situations
2. the entrepreneurial spirit of the family, both the founders and the subsequent generations, and of the top managers of the firms
3. the continuous search for innovation and market opportunities worldwide.

The business of adhesive tapes is definitely a critical business, particularly regarding environmental issues, like pollution and emissions, and social issues such as the health and safety of employees. It deals in fact with many chemical materials and complex production lines that require a continuous monitoring. Those tapes are mainly addressed to the automotive market, the flexographic and letterpress printing markets, and the industrial markets. In this context aspect such as CSR and triple bottom line reporting play a key role for the company’s profile assessment and sustainable development creation. This has led many firms to focus on the requirements and pressures of different stakeholder categories and report their initiatives with worldwide accepted models.

4.1 Case study no. 1: 3M

3M’s corporate vision and mission are clearly specified and defined: “3M is a science and technology company that creates. For decades, 3M scientists and engineers have developed products that solve problems. 3M is also a company that cares – improving
The mission of 3M includes the following aim: “To Improve Every Life through Innovative Giving in Education, Community and the Environment – mirroring the corporate vision: 3M Technology Advancing Every Company – 3M Products Enhancing Every Home – 3M Innovation Improving Every Life”. Moreover, all the information related to 3M and its own sustainability reporting come from the company’s website and public documents (http://www.3m.com). What is clear is that the company devotes great attention to sustainability and to environmental and social challenges and responsibilities; of course the huge size and structure of the firm facilitate the investment possibilities of 3M regarding TBL reporting. The Sustainability Report, as the aggregation of results, is thus the leading document to understand and analyse 3Ms CSR. It is 84 pages long and divided into five parts:

1. introduction of the company and its sustainability challenge
2. specification of the financial, social and environmental performance with a sustainability performance summary
3. results of the relation and engagement with suppliers and communities
4. presentation of the GRI disclosure and external auditing
5. awards and conclusions of the sustainability strategy of the firm.

3M adopts the GRI model and presents a B+ Level of Disclosure according to the GRI Application Levels. This means that the firm presents a very high level of disclosure of its economic, social and environmental responsibility. The ‘+’ indicates that the report has been subject to assurance from external auditors; in particular, 3M commissioned the ISOS Group to audit the last report, in order to assess the reliability and credibility of its report in the field of both social, environmental and health and safety indicators. The GRI model is the most accepted and recognised model worldwide for sustainability reporting, and it follows the Triple Bottom Line reporting: that is, it combines in a unique model the financial sustainability, the environmental sustainability and the social sustainability of the firm. According to the definition and challenge of 3M, the firm defines:

a. economic success as building long-lasting relations with customers and providing them with solutions to their sustainability challenge
b. environmental protection as providing solutions for the environmental challenges of the firms and its customers
c. social responsibility as making efforts for stakeholder engagement and sustainability performance improvement.

Moreover, 3M identifies nine stakeholders of its activity: employees, customers, investors, government, local communities, suppliers/contractors and industry associations, NGOs, media and organisations. In the 2014 sustainability report there is also evidence of 3Ms engagement with its stakeholders. The firm conducted a survey of more than 1,500 stakeholders, both internally and externally. Internal and external stakeholders (including academia, civil society, the private sector, suppliers, trade association, media and customers) were interviewed on social and environmental issues. The results of the survey were summarised in a materiality matrix containing 3 variables; the x-axis measures the importance of the identified factors for the different stakeholder categories, while the y-axis measures the impact on the firm’s reputation of these factors;
the green bubble represents the perceived ability of 3M to make a difference (low level or high level) in those areas stakeholders identified as important and that affect their opinion of the company (Figure 4).

**Figure 4** 3M sustainability matrix (see online version for colours)

![3M Sustainability Matrix](image)

*Source: 3M*

### 4.2 Case study no. 2: Lohmann

Lohmann (http://www.lohmann-tapes.com/) dedicates a section of the company’s website to its history, its values, code of conduct, policies, environmental and quality care and ISO certificates. In all those sections, we can identify the formalisation of its own social responsibility in three main documents: *the Supplier Code of Conduct*, which represents the minimum requirements and expectations with respect to the ethical business conduct of suppliers; *the Code of Conduct*, which is a preamble of the sustainability report, since it presents and describes the values of the company and its engagement in sustainability; and *the Sustainability with Lohmann*, which is divided into three parts: environmental care, economics and social welfare. It should be noted that these documents do not follow any of the presented and recognised models for sustainability reporting; however, they are well-structured and allow the recipient to clearly understand the firm’s commitment to sustainability issues. Moreover, for Lohmann the Sustainability Report represents the most important document for understanding the company’s perception of and engagement in CSR. The document is 18 pages long and follows the TBL reporting framework; that is, it gives evidence of the commitment of the firm both to economic, environmental and social responsibility, by identifying stakeholder categories for each bottom line, and to addressing measures and indicators for each of them: employees, investors, customer, natural resources, the environment, communities, NGOs, and associations.
4.3 Case study no. 3: Tesa

Tesa’s website (http://www.tesa.com/) also contains a section dedicated to the communication of the firm’s responsibility. The company publishes the Tesa Progress Report, where the responsibility and commitment of the firm are presented and detailed; the Tesa Code of Conduct, where policies in terms of compliance, fair dealing, company assets, working environment, employee integrity and corporate citizenship are presented; and the Tesa ISO Certifications in countries where the firm operates. The firm identifies four main areas of interest in terms of sustainability: products, employees, the environment and society. The progress report, published online since 2008, is a five-part, 24-page document that gives evidence of the company’s sustainability:

1. the declaration of support for the UN Global Compact
2. human rights and labour standards
3. the environment, climate and environmental protection
4. compliance and fair competition
5. social commitment.

Since 2001 the firm has also been part of the UN Global Compact; therefore, as we saw above with 3M, Tesa follows the ten Principles of the Global Compact, with the aim of promoting a sustainable globalisation. A study of Tesa reveals that the company does not follow any nationally- or internationally-recognised standard nor present any integration of economic reporting and social and environmental reporting.

4.4 Case study no. 4: Scapa

Scapa is a very interesting case for our analysis. The firm presents itself as structured and globally present; however, there is very little evidence of its CSR and sustainability on its website. No sections of it are dedicated to sustainability, and the documents available are mainly focused on the firm, its products, its shareholders and customers. Hence, on the website we can find the Foundation for Growth (http://www.scapa.com/), where the entire year’s activities are presented. The main focus here is on investors and customers, with less attention paid to sustainability and employees. In addition there is the Investor Presentation, where an overview of the different market segments of the firm is presented. The focus in each market is devoted to financial performance, revenue growth and investor satisfaction. The ISO Certificates for product quality and reliability and a single page document about Health and Safety Policy, containing some of Scapa’s objectives in terms of environmental health and safety, is also presented. Therefore, the only evidence of the CSR of the firm is contained in the yearly Foundation for Growth document. This indicates the two main stakeholders of the firm, in addition to the aforementioned shareholders and customers: employees, including aspects such as the respect for diversity, talent development and the creation of a healthy working environment, and the environment, where there are some aspects dedicated to efficiency, the reduction of material waste, emissions and recycling. It should be emphasised that all these aspects are treated only from a descriptive perspective, with no data to explain them.
4.5 Case study no. 5: BiesSse Group

Established in the 1970s, the BiesSse Group is an Italian global and fast-growing company providing integrated solutions designed to optimise and provide innovation to the customer production process. In its early years BiesSse was involved in the sale of tapes for industrial applications; in 1984 the first production centre was installed in Sedriano (MI), Italy. BiesSse was the first company in Italy to produce high quality technical adhesive tapes for a wide range of industrial applications. During its growth process it has continuously focused on the internationalisation of its activities: in 2004 BiesSse do Brasil was established and in 2007 BiesSse Gmbh in Austria, which contained the first coating plant entirely designed and built internally. In 2010 BiesSse Asia was opened in Singapore followed by BiesSse China. Nowadays, BiesSse counts roughly 100 employees and covers an area of about 11,000 square meters. The adhesive tapes division deals with the design, development and sale of high technical adhesive tapes for application in major businesses (automotive, printing and industrial applications), complying with the most challenging industrial requirements. The industrial equipment division deals with the design, development and manufacturing of ‘turnkey’ customised industrial machinery, competing with the most complex industrial installations and ensuring an optimum integration of adhesive tapes. The products range from coating plants to lathes and from cutting machines to flexographic printing plants and high precision laboratory instruments. The industrial software division deals with the design and development of advanced software solutions for operating and supervising the industrial process. The range of software includes supervision systems for production, self-diagnosis software for industrial plans, and complete management control software for the integrated operation of all company processes.

In presenting and communicating its responsibility with respect to its stakeholders, there are two important sections in the website of BiesSse (http://www.biessseworld.com/) dedicated to the Value System and to the Quality and Sustainability of the firm. The former section clearly shows the Vision and Mission of the firm and its Corporate Values. The vision of the firm states that the firm is acting in order to become: “A Model and Contagious Team of Passionate Individuals Able to Create Value and Generate Satisfaction and Well-Being in Others”, whereas the mission behind the strategy and process of BiesSse declares that the firm is organised in order to “Create, Design and Build Highly Advanced Solutions to Improve, Innovate and Revolutionize Industrial Processes by Making them Highly Performing, Effective and Efficient”.

The firm’s website includes an important section dedicated to stakeholders entitled values of the firm, which can be summarised as follows:

1. keeping people at the centre of the entrepreneurial project, enhancing their personal and professional growth, the sharing of ideas and self-fulfilment
2. a strong inclusion of the corporate vision, mission and values in the strategy of the firm
3. critical attention and care to the environment and its resources.

The other section of the website, dedicated to Quality and Sustainability, aims to give evidence of the commitment of the firm to sustainable growth and to a global approach; in fact, we can identify important values that the firm is trying to advance parallel to its
economic activity, while expanding both internally and externally the enterprise’s boundaries.

Table 1 Summary of results and interpretation

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<th>Scapa</th>
<th>BiesSse</th>
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<td>Germany</td>
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<td>UK</td>
<td>Italy</td>
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<td>USA, Europe, Asia and Pacific, Middle East and Africa</td>
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<td>Code of conduct supplier code of conduct sustainability with Lohmann</td>
<td>Tesa code of conduct Tesa ISO certification s Tesa progress report</td>
<td>Foundation for growth investor presentation ISO certificates</td>
<td>None</td>
</tr>
</tbody>
</table>

5 Conclusions, results analysis and interpretation

In the present section, presents a comparison of the main competitors of the BiesSse Group in the field of social reporting and sustainable behaviour, with the aim of understanding the relevance of these issues for a group of selected multinational corporations and the possibility of implementing such reporting in the BiesSse Group in order to close the gap with its main competitors worldwide. The case study was performed by analysing all the sections and documents presented in the company websites and the behaviour of these firms in communicating via social media. Below is a summary of the results obtained:

The consolidated results of our analysis can be summarised in six points and interpretations:

1. All the firms analysed have subsidiaries and manufacturing plants worldwide, and their attention to global sustainability reveals that globalisation and CSR are two aspects that can be carried on jointly.
2 Despite the fact that only 3M uses the GRI model, all the other firms do not currently adopt any of the nationally- or internationally-recognised social reporting models. This indicates two important factors: on the one hand, the drafting of such recognised models requires energy and resources that not all firms (even if they are MNCs) can utilise; and on the other that there is nevertheless evidence of the importance of this topic at the international level.

3 Particularly interesting is the consideration these MNCs give to their stakeholders. As summarised in Table 1, we can analyse two different situations: on the one hand, 3M and Lohmann, which have a high number of stakeholders to look after, involving both primary and secondary stakeholders; on the other hand, Tesa and Scapa, with almost half of the stakeholders of 3M and Lohmann, and these mainly primary stakeholders.

4 All firms pay increasing attention to the environment. This is an interesting aspect for many customers, who more and more are looking at companies that are environmental-friendly in an industry, and that deal with complex production processes using chemical components with significant emissions in the atmosphere.

5 Even if 3M presents itself as the most structured firm, with globally-aggregated sustainability reporting (following the GRI model) and different reporting in each country where the company is present, Lohmann and Tesa publish many different documents in order to communicate their sustainability, including a Code of Conduct for the company and its suppliers. The communication of such activities by all the companies is revealed both on their internet website and through the social media.

6 BiesSse represents Italian excellence that is able to base its success on the inclusion of corporate values in the strategy of the firm. A high engagement of all employees at all levels ensures the best results for the firm. This integration of values and the continuous research for quality in the internal processes have laid the groundwork for business success and allowed the firm to be defined as a champion that is able to compete with the largest global players. One limit of the research is that we have only analysed the sustainable report or the documents of the companies about CSR, but we have not made interviews to top managers, stakeholders, etc. Future research will increase the number of companies and made through a kind of a ‘rating system’ built on the basis of a quantity-quality analysis of the social reporting disclosed.

References


