
Editorial: Business performance and corporate social responsibility

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The International Centre for Business Performance and Corporate Responsibility at Middlesex University Business School has been established by Professors Michael Hopkins and Alan Stainer. One of the major challenges and the *raison d'être* of the Centre is to create awareness as well as provide relevant and meaningful measures and paradigms to aid in corporate social responsibility (CSR) decision making within the workplace. In order to carry this vital issue forward, the Business School held a One-Day Conference entitled *Business Performance and Corporate Social Responsibility*. This took place at the historic venue of the National Liberal Club, Whitehall Place, London, on Thursday 4 April 2002. The Conference was attended by about 80 people from various parts of the world and consisted of a blend of practitioners from both the public and private sectors as well as academics, with representatives from the International Labour Office and the European Commission.

The rationale for this Conference was to highlight that there exists a definite link between social and financial performance. This is especially true when looking at the relevance of intangible assets, such as reputation and knowledge networks, which can turn into a source of market value and a competitive advantage. Moreover, a point of focus was to portray that CSR should not be perceived simply as an add-on or as purely philanthropic but must be formulated as a major corporate strategy in the pursuit of business success.

Much debate and discussion emanated from the Conference, both for and against the CSR agenda. Performance implications of the new business imperative, that is corporate responsibility, were highlighted as well as the focus on triple bottom line issues. There was also emphasis on the fact that businesses inevitably would need to concentrate on sustainable development by continually adding environmental and social values to the economic value. As expected, there were soundings that CSR leaders ought not to ignore the core business financial objectives. What vividly transpired from the day was that

there was as much learning from the questions posed as from the answers given, as well as through the networking interaction.

The overall impression is that CSR is on the 'hot list' of emerging social phenomena. Hence, there is the need to convince organisations to behave in a socially responsible manner, through the proof that this is good for business. Moreover, it would provide the impetus for ensuring that their activities seek to increase positive and reduce negative impacts on their stakeholders – the wider stakeholder approach being perceived as the way forward.

Performance measurement and its systems must be a continuous procedure, as the benefits are considerable. Focusing on this issue would institutionalise target changes in the management process and galvanise management action. The major challenge ahead is for organisations to develop meaningful performance metrics that are both inclusive and appropriate to the business itself, without forgetting that survival and financial performance remain the ultimate yardsticks of business strategy.

The propounded thinking should be borne in mind especially in this contemporary era of globalisation, rapid technological and social change, the rise in corporate scandals as well as the societal perception of unethical behaviour by organisations and growing distrust of corporate activity. Business and society must not only co-exist in harmony but must also share responsibility for their actions through the establishment of a significant and purposeful two-way dialogue.

In this Special Issue, a selection of papers presented at the Conference reflect the thrust of the philosophies and methodologies put forward, which would aid decision making in both a theoretical and practical sense. They furnish a fresh approach and weld into the scenario of linking business performance to corporate social responsibility, contributing to the knowledge of this vital debate. As Charles Wang advocates: "Ultimately, it's not about the money we make, it's about the journey we take".