1

# Editorial

# Vanessa Ratten\*

Department of Entrepreneurship, Innovation and Marketing, La Trobe University, Kingsbury Drive, Bundoora, Melbourne, VIC 3086, Australia Email: v.ratten@latrobe.edu.au \*Corresponding author

# Carla Susana Marques

University of Tras-os-Montes e Alto Douro, Quinta de Prados, 5000-801 Vila Real, Portugal Email: smarques@utad.pt

# Vitor Braga, Marisa R. Ferreira and Alexandra Braga

CIICESI,

School of Management and Technology, Porto Polytechnic Institute, Rua do Curral, Casa do Curral, Margaride 4610-156 Felgueiras, Portugal Email: vbraga@estg.ipp.pt Email: mferreira@estg.ipp.pt Email: abraga@estg.ipp.pt

**Biographical notes:** Vanessa Ratten is an Associate Professor at the La Trobe University, Australia. She completed her PhD at the UQ Business School, The University of Queensland, Australia, which is rated as Australia's number one business school and highest ranked in the Asia-Pacific region. She is currently the Program Coordinator of the Entrepreneurship and Innovation degrees at the La Trobe Business School and teaches innovation, entrepreneurship, marketing and management courses. She has previously been on the business faculties of Deakin University, The University of Queensland, Queensland University of Technology and Duquesne University (USA). Her research interest is international entrepreneurship.

Carla Susana Marques is an Assistant Professor (with habilitation) at the University of Trás-os-Montes e Alto Douro (UTAD), Portugal. She currently coordinates the Innovation, Markets and Organization Research Group at the UTAD's Centre for Transdisciplinary Development Studies (CETRAD). Her research on innovation and entrepreneurship has been presented at numerous international conferences and journals. Her research interests include innovation, management of change and entrepreneurship.

Vitor Braga is an Associate Professor at the School and Technology and Management at the Porto Polytechnic and a researcher at CIICESI. He holds a PhD from Middlesex University Business School on Business Cooperation. His research interests also include international business and economic geography. He is the Director of the MSc in International Management and the Head of the Business Sciences Department.

Marisa R. Ferreira is an Assistant Professor at the School of Technology and Management at the Porto Polytechnic, Portugal, and a researcher at CIICESI. Her research on marketing, non-profit management, corporate social responsibility has been presented at numerous international conferences and journals. Her research interests also include strategy and volunteering. She is the Director of the MSc in Nonprofit Management

Alexandra Braga is an Assistant Professor at the School of Technology and Management at the Porto Polytechnic, Portugal, and a researcher at CIICESI. Her research on innovation and knowledge management has been presented at numerous international conferences and journals. Her research interests also include strategy, competitiveness and entrepreneurship. She is the Director of the SME Management and Business course.

## 1 Introduction

Ethics and social responsibility are becoming increasingly important in today's global society that stresses the role of humanity, dignity and the environment in businesses. This special issue focuses on the changing role of ethics and social responsibility by including some of the best papers presented at the Porto Symposium of Ethics and Social Responsibility held in June, 2017. The aim of the symposium was to address current issues around the dynamic nature of ethics and social responsibility by taking an inclusive approach that focused on the role of business. This meant that a holistic perspective integrating research from both the private and public sector was included that lead to a discussion on the various ways ethics and social responsibility are integrated in society. The symposium took place in Porto, Portugal – a place known for its emphasis on cultural heritage, business innovation but also environmental excellence. This is evident with Portugal being the world's first country to use solely renewable energy for three days, which is a good example of being more socially responsible.

Ethics and social responsibility are dynamic concepts that are defined in various ways, depending on the context. Most definitions of ethics refer to doing the right thing or acting in an appropriate manner. This assumes that the cultural context of a society is taken into account when talking about ethical behaviour. In some countries, ethics might be interpreted in different ways depending on social and moral customs. Hence, what is considered ethical in one country or social context can be different in another. Similarly, the conceptualisation of social responsibility usually refers to the environment in some way depending on the context. For some being socially responsible means producing and making things in a way in keeping with current environmental thinking. However, this can change depending on rules and regulations (institutions) in a country that impact people's perceptions about socially responsible behaviour.

In many developed countries, being ethical and socially responsible is ingrained in rules and regulations governing how business and individuals behave in society (Ratten, 2011a). Despite this governance mechanism there are still debates about how developed countries manage their partnerships in developing countries that may differ in ethics and social responsibility context. For some countries it may not be possible to be as ethical or socially responsible due to cost and resource constraints. Thus, the question is how developing and developed countries can work together to act and behave in a more social conscious manner. This is important as there is more emphasis on the circular economy and trade being the result of many countries rather than just one single country.

There is institutional and stakeholder pressure to be ethical and socially responsible. Institutions are increasingly being asked to report their sustainability statistics, which can include numbers about gender equality, environmental concerns and diversity initiatives. This has resulted in a trend with institutions including many different measures of ethics and social responsibility that are tailed to suit their organisational conditions. Stakeholders are also placing more importance on statistics and figures that can help them chart and evaluate the improvements with their relationships based on ethical and socially responsible conduct.

Social responsibility has become an increasingly important concept integrated into the debate on competitiveness and sustainability in the context of globalisation, and, in some cases, used to preserve common values and to increase the sense of solidarity and cohesion (Vasilescu et al., 2010).

Although there is a large number of definitions of CSR, Dahlsrud (2008) conducted a content analysis of existing definitions and identified five dimensions that are consistently present:

- 1 the environmental dimension
- 2 the social dimension
- 3 the economic dimension
- 4 the size of stakeholders group
- 5 the size of volunteering.

CSR involves a wide range of business responsibilities towards customers, employees, the local community, government, the environment and, future generations. Firms are part of a community that is expected to proceed in accordance with the society well being, acting to preserve the planet's future (Benn and Kramar, 2011). CSR refers to actions taken by institutions to promote social (and/or environmental) welfare, in addition to their interests and its legal obligations, thus improving the relationship with stakeholders (Barnett, 2007; McWilliams and Siegel, 2001). CSR is, therefore, closely related to business ethics, which requires stakeholders to be properly identified and their interests understood (Ferrell and Ferrell, 2008).

In line with the values underlying social responsibility, the UNESCO (2009) declaration contributed strongly in the principles and values of universities related to life in society (dignity, freedom, citizenship, democracy and participation, social and solidarity coexistence, common good and social equity, sustainable development and environment, acceptance and appreciation of diversity) and specifically on the

university values (commitment to truth, integrity, excellence, interdependence and interdisciplinary).

Thus, the paradigm of university social responsibility (USR) surpasses the approach of 'social projection and university extension' and focus on a full reflection of the university as an academic institution that influences the social environment (Vallaeys, 2013), through the dissemination and implementation of four key processes corresponding to their respective impacts: teaching, research, extension and internal management, through the provision of educational services and knowledge transfer of ethical principles, good governance, respect for the environment, social involvement and promotion of values, assuming the real demand for USR (Vallaeys, 2013).

The concept of USR is becoming increasingly popular given the need for the correct functioning of universities, in the development of their actions and in the achievement of their objectives as an institution that responds to requests for social development (Borja and Rodríguez, 2016).

According to Vallaeys (2007, p.11), USR is an university ethical quality policy that seeks to align four processes: management, teaching, research, extension with the university mission, values and social commitment, through coherent institutional management, transparency and participatory dialogue of the entire university community (authorities, students, teachers, administrators) with the multiple stakeholders who require a good performance of the university, for the effective transformation of the society in order to solve the problems of exclusion, inequality and sustainability.

Volunteering dimension can be considered as an important part of CSR, as previously mentioned, i.e., enterprises' encouragement or support of employee's volunteer activities during working hours and/or own time (Gatignon-Turnau and Mignonac, 2014), so that employees can participate in volunteer programs, individually or in group (Peterson, 2004).

The motivations behind this phenomenon are several and it offers great potential for strategic and human resource management, such as increasing employee engagement and teamwork, improving the ability to recruit younger employees, and increasing the company's visibility in the community, as well as potential reputational gains (Gatignon-Turnau and Mignonac, 2014). One can also identify a number of benefits for the community, such as to strengthen the stability of the local community, and to create a healthier environment where firms operate (Peterson, 2004).

In terms of obstacles one can mention that corporate volunteering is almost exclusively studied from the corporate point of view, while the perspectives of non-profit organisations are neglected (Samuel et al., 2013). At the same time, a major obstacle in developing a corporate volunteer program is the recruitment of employee volunteers (Peterson, 2004), as well as the difficulties related to covering workload, costs, and sometimes the lack of support from employees.

The potential of this dimension to CSR can be considered as very relevant, although, in some contexts and circumstances, it seems that is not among the most important ones(Gallardo-Vázquez and Sanchez-Hernandez, 2014).

Both the private and public sector are realising the importance of marketing their initiatives about ethics and social responsibility (Ratten, 2011b). This is due to consumers placing more importance on the role they have in society and their choices influencing the global economy. More innovative products and services are utilising social responsibility as a way to differentiate their business. This is evident in companies like Toms Shoes, which pioneered the one-for-one principle in which people buy a pair of

shoes and a pair is given to a child in a developing country. Whilst a profit-oriented company, Toms Shoes was seen as being very socially responsible and innovative. They have since extended this marketing to other goods that are bought then the same given to a person in less fortunate circumstances. Toms Shoes relied on word of mouth for their marketing about their ethics and social responsible behaviour, which resulted in increased interest and attention in their company.

There has also been a shift towards seeing ethics and social responsibility from a different perspective in terms of creating shared value. This is evident in organisations preferring the concept of 'shared value' as it implies a reciprocal relationship between customers, stakeholders and organisations. This is important as with social media and other digital innovations there is more co-creation among multiple members of society (Ratten, 2013). The concept of shared value is taking ethics and social responsibility into a new realm by making it an importance and obligation of all.

#### 2 Overview of articles in special issue

The first article is titled 'Collective social entrepreneurship for sustainable impact: a framework proposal' by Vanessa Mato-Santiso and Marta Rey-García. This paper aims to evaluate the extent to which the basic circumstances for achieving a collective impact are met in a collective social enterprise in the field of work integration for the most disadvantaged people. Results show an interesting potential to create a shared value ecosystem that promotes work integration, although some limitations are identified, anticipating the need for improvements in this alliance context.

The second article is entitled "Portugal, the best destination": the case study of a CSR communication that changed mentalities and increased business performance by Beatriz Casais and Bruno Sousa.

The paper shows a case study of a small digital albums business, which changed the business model and launched a digital communication campaign aiming to intensify the habits of taking and printing digital photos and, at the same time, demystifying the suspicious about Portuguese future in a critical moment of financial crisis. This action aimed to promote the nation brand image as a tourism destination to create economic value for the country and to improve the national self-esteem. Results show that the buzz marketing with a low budget investment solved the organisation's lack of awareness and lack of photography printing routines among consumers, while contributed to the Portuguese proud feeling and external public opinion about the country.

The third article is entitled 'Sustainability disclosure imbalances. A qualitative case-study analysis' by M. Isabel Sanchez-Hernandez, Flavio Hourneaux Jr. and Barbara Galleli Dias.

The aim of this paper is to identify the existence of either equilibrium or imbalance among the dimensions of sustainability and to identify the level of association between the company's sustainable practices and its performance. This work analyses the case study of the Spanish financial institution – CaixaBank, assuming that it is a leading bank with financial robustness and an acknowledged culture of sustainability. As results of the study, it is noticeable the weak link observed and the imbalance between sustainability dimensions in terms of frequency or quantity of information into the report. Social and economic actions are in some degree equilibrated but it was found a lack of reporting in

environmental actions. It was seen certain adherence to the triple bottom line placing special attention on social actions distinguishing from other companies, in which the greatest focus seems to remain on compliance.

The fourth article is entitled 'AIDA Books&More: a project beyond reading' by Elisa Baraibar-Diez, María D. Odriozola and José Luis Fernández Sánchez.

The objective of this article is to present the project AIDA Books&More and to explore the reasons why such an initiative is so well received by consumers, resulting in a stable source of funding for the Spanish NGO 'AIDA, Ayuda, Intercambio y Desarrollo' (aid, exchange, and development – AIDA). AIDA Books&More represents a win-win case for all agents and serves as an example of circular economy, being (used) books that save lives. Donors give a second life to their used books so that other consumers can acquire them at lower prices lead to new opportunities coming to life through cooperation projects in developing countries. This project can serve as a model to follow, setting an example for other non-for-profit organisations.

The fifth article is entitled 'Consumer perception of corporate social responsibility: points of view from Portuguese undergraduate students' by Sandra Gomes and Pedro Graça.

The main purpose of this paper is to explore the perceptions of Portuguese higher education (HE) students towards corporate social responsibility (CSR). From the analysis of the main results it was concluded that students had some knowledge and a multidimensional vision of CSR. Undoubtedly, consumers view CSR as a fundamental issue, but they prefer to avoid products from socially irresponsible companies than to actually be willing to pay more for products from socially responsible ones.

The sixth article is entitled 'Corporate social responsibility, job satisfaction, and customer orientation in Angola' by Ana Patrícia Duarte, José Gonçalves das Neves, Daniel Roque Gomes and Gabriel Alberto Moisés. This study aims to examine the effect of CSR on employees' costumer orientation through the mediating role of job satisfaction for a sample of tourism and hospitality employees in Angola. Results show that the three dimensions of CSR (economic, social, and environmental) have dissimilar levels of association with customer orientation. Only perceptions of company engagement in social CSR practices explain employees' customer orientation, and the relationship is partially mediated by job satisfaction.

The seventh article is entitled 'Corporate hypocrisy and social responsibility: a comparative study of brand crises effect on consumer's attitude toward brands' by Ana Luísa Santos and Beatriz Casais.

This paper analyses four brands with environmental CSR that have faced a crisis on environmental domain – BP, Zara, Nestlé and Volkswagen – and discusses how CSR and perceived corporate hypocrisy change consumer attitudes after a brand crisis. All studied cases clearly show that the occurrence of a brand crisis in a CSR area in which a brand promotes leads consumers to perceive the brand as hypocritical and to diminish their attitudes towards brands. This means that CSR increases the negative impact of a brand crisis in the presence of inconsistent CSR information.

The eighth article is entitled 'Corporate social responsibility and consumer behaviour in the hospitality sector: its effects on the decision-making process' by César Sahelices-Pinto, Ana Lanero-Carrizo and José Luis Vázquez-Burguete.

This paper analyses the consideration of responsibility criteria (CSR) over the different stages of the consumer decision-making process with regard to hospitality services. Results show that, while it is true that socially responsible initiatives may

induce some consumer goodwill towards the organisation, the effects of CSR on consumer behaviour are vague and ambiguous. Responsibility actions drive to positive attitudes towards hospitality companies, but it is true as well, in the light of the results, that these responsible concerns go somewhat unnoticed by individuals at the time of booking.

The ninth article is entitled 'Impact of CSR perceptions on workers' innovative behaviour: exploring the social exchange process and the role of perceived external prestige' by Pedro Gaudêncio, Arnaldo Coelho and Neuza Ribeiro. This paper aims to show how organisational CSR can influence workers' attitudes, especially in terms of innovative behaviour. Main results show that CSR practices influence workers' innovative behaviour through a social exchange process that involves organisational trust, affective commitment and happiness; also show that perceived external prestige is a moderating mechanism in the link between CSR practices and innovative behaviour.

The tenth article is entitled 'Drivers and barriers of University Social Responsibility: integration into strategic plans' by Elva Lizeth Ramos-Monge, Xavier Llinàs-Audet and Jesús Barrena-Martínez. The paper intends to explore the integration of USR into strategic plans. Main results show that all drivers related to students training play an important role into social responsibility, as well as aspect related to social development associated to fight poverty and corruption.

#### **3** Future research suggestions

There are a number of future research directions relating to ethics and social responsibility that the articles in this special issue have discussed. Some of these suggestions are context specific but most of them are global in nature due to the interdisciplinary nature of ethics and social responsibility. Due to the increased interest in the role of global citizens in the economy, it would be useful additional research to focus on the internationalisation of ethics and social responsibility in terms of business practice. This would provide some helpful suggestions about how to progress the field and equalise the understanding about ethics without considering the country context.

Universities have also become a focus of attention in recent years, concerned with sustainable and/or responsible campus, publishing institutional reports on SRU and trying to relate academic training and research with social participation that supports a more humane, inclusive and sustainable development model. Studies confirm that the student is the most interested stakeholder (Jongbloed et al., 2008; Mainardes et al., 2013), reinforcing the need to concentrate USR efforts in this group, which is not commonly carried out by university management bodies. Studies about USR need to take into account cultural differences, stages of economic and social development and issues such as religion and ethnicity. It is also fundamental to conduct longitudinal analyses to establish stronger causal interpretations from global USR perception and student satisfaction, along with university strategy actions to attract and retain students. The students' perceptions on SR are another interesting field of research, with very limited studies on how students see the SR activities through the lens of HE institutions. This also provides the opportunity to explore further the academic staff perspective.

It is interesting to consider that, in terms of the social exchanges, future research could include psychological contract fulfilment, perceived organisational support, and leader member exchange.

Another opportunity for future research is to integrate consumer perceptions about the brand, comparing the image of the brand with a responsible and sustainable positioning. In this context, for instance, social entrepreneurship is informed by common areas of interest to management scholars like entrepreneurship, public/non-profit management, and social issues, all of which represent fruitful venues for future research efforts (Short et al., 2009).

Future research could use some qualitative methodologies to a better understanding of consumers' meaning and behaviour towards CSR. Future studies could also look at how social responsibility is taught in HE institutions and how this may influence student assessment of CSR strategies.

Future research can also explore other possible psychosocial mechanisms to explain how CSR practices influence customer orientation. For example, within social identity theory, organisational identification can be a relevant mediating variable. A qualitative approach to the study of employees' perceptions of CSR practices and their impact on job attitudes and behaviours could also facilitate a fuller understanding of this matter. As discussed by Dana and Dana (2005), qualitative approaches can complement more quantitative ones and provide a better understanding of how a given process occurs.

# 4 Conclusions

This article has discussed the importance of ethics and social responsibility in society with an emphasis on its contextual embeddedness in business. Future research trends and directions about the changing nature of ethics and social responsibility were stated, which demonstrated the fluid nature of the subject and its global impact. It is hoped that the articles included in this special issue will pave the way for more research combining both an ethical and social responsibility perspective. We encourage more research on this interesting and engaging research area and we hope to continue the debate in the future about this important topic.

There is, in fact, a growing interest in the topic of CSR or USR, which denotes how it has impacting on the real world and on the society. Therefore, SR is a topic of interest beyond the academic production, and it is a prominent topic in the corporate world. It is important to understand the extent to which such practices are voluntaristic actions of firms or they are means to achieve further reputation. The question that is raised becomes, thus is social responsibility the 'new black'?

#### References

- Barnett, M.L. (2007) 'Stakeholder influence capacity and the variability of financial returns to corporate social responsibility', Academy of Management Review, Vol. 32, No. 3, pp.794–816.
- Benn, S. and Kramar, R. (2011) 'Introduction and interviews', *Journal of Management & Organization*, Vol. 17, No. 5, pp.574–582.
- Borja, A.R.B. and Rodríguez, F.M. (2016) 'La responsabilidad social universitaria. Tratamiento en la UMET', *Revista Conrado [seriada en línea]*, Vol. 12, No. 53, pp.111–118 [online] http://conrado.ucf.edu.cu/ (accessed 18 September 2018).

- Dahlsrud, A. (2008) 'How corporate social responsibility is defined: an analysis of 37 definitions', Corporate Social Responsibility and Environmental Management, Vol. 15, No. 1, pp.1–13 [online] https://doi.org/10.1002/csr.132
- Dana, L.P. and Dana, T.E. (2005) 'Expanding the scope of methodologies used in entrepreneurship research', Int. J. Entrepreneurship and Small Business, Vol. 2, No. 1, pp.79–88.
- Ferrell, O.C. and Ferrell, L. (2008) 'A macromarketing ethics framework: stakeholder orientation and distributive justice', *Journal of Macromarketing*, Vol. 28, No. 1, pp.24–32.
- Gallardo-Vázquez, D. and Sanchez-Hernandez, M.I. (2014) 'Measuring corporate social responsibility for competitive success at a regional level', *Journal of Cleaner Production*, Vol. 72, pp.14–22 [online] https://doi.org/10.1016/j.jclepro.2014.02.051
- Gatignon-Turnau, A-L. and Mignonac, K. (2014) (Mis)using employee volunteering for public relations: implications for corporate volunteers' organizational commitment', *Journal of Business Research* [online] https://doi.org/10.1016/j.jbusres.2014.05.013.
- Jongbloed, B., Enders, J. and Salerno, C. (2008) 'Higher education and its communities: interconnections, interdependencies and a research agenda', *Higher Education*, Vol. 56, No. 3, pp.303–324.
- Mainardes, E., Alves, H. and Raposo, M. (2013) Identifying Stakeholders in a Portuguese University: A Case Study (La identificación de los stakeholders en una universidad portuguesa), Revista de Educación, p.362, DOI: 10-4438/1988-592X-RE-2012-362-167.
- McWilliams, A. and Siegel, D. (2001) 'Corporate social responsibility: a theory of the firm perspective', Academy of Management Review, Vol. 26, No. 1, pp.117–127.
- Peterson, D.K. (2004) 'Recruitment strategies for encouraging participation in corporate volunteer programs', *Journal of Business Ethics*, Vol. 49, No. 4, pp.371–386 [online] https://doi.org/ 10.1023/B:BUSI.0000020872.10513.f2.
- Ratten, V. (2011a) 'Ethics, entrepreneurship and the adoption of e-book devices', *International Journal of Innovation and Learning*, Vol. 10, No. 3, pp.310–325.
- Ratten, V. (2011b) 'Fundación Maquipucuna: an entrepreneurial Ecuadorian non-profit organisation', *International Journal of Business and Globalisation*, Vol. 6, No. 2, pp.217–224.
- Ratten, V. (2013) 'Social e-entrepreneurship and technological innovations: the role of online communities, mobile communication and social networks', *International Journal of Social Entrepreneurship and Innovation*, Vol. 2, No. 5, pp.476–483.
- Samuel, O., Wolf, P. and Schilling, A. (2013) 'Corporate volunteering', *Nonprofit Management & Leadership*, Vol. 24, No. 2, pp.163–179 [online] https://doi.org/10.1002/nml.
- Short, J.C., Moss, T.W. and Lumpkin, G.T. (2009) 'Research in social entrepreneurship: Past contributions and future opportunities', Strategic Entrepreneurship Journal, Vol. 3, No. 2, pp.161–194.
- UNESCO (2009) Conferência Mundial sobre Ensino Superior 2009: As Novas Dinâmicas do Ensino Superior e Pesquisas para a Mudança e o Desenvolvimento Social, Paris, 5–8 July [online] http://portal.mec.gov.br/index.php?option=com\_docman&view=download&alias= 2722-cmes-unesco-comunicadofinal-paris-2009&category\_slug=janeiro-2010-pdf&Itemid= 30192 (accessed 20 September 2017).
- Vallaeys, F. (2007) Responsabilidad social universitaria. Propuesta para una definición madura y eficiente, Instituto Tecnológico de Estudios Superiores de Monterrey, Programa para la Formación en Humanidades, Consultado el, 20 [online] http://www.bibliotecavirtual.info/wpcontent/uploads/2011/12/Responsabilidad\_Social\_Universitaria\_Francois\_Vallaeys.pdf (accessed 20 September 2017).
- Vallaeys, F. (2013) La responsabilidad social de la Universidad, Consultado em [online] http://repositorio.pucp.edu.pe/index/handle/123456789/11974 (accessed 20 September 2017).
- Vasilescu, R., Barna, C., Epure, M. and Baicu, C. (2010) 'Developing university social responsibility: a model for the challenges of the new civil society', *Procedia-Social and Behavioral Sciences*, Vol. 2, No. 2, pp.4177–4182.