Current Issues in Corporate Social Responsibility: An Introduction

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We are in an era of positive change in all areas of human existence—business, education, government and politics, charities, religion, society and many more. It has become necessary for a number of instruments we use in business and the general societal environment to be remodelled to meet the needs of modern global citizens. The sudden realisation that many of the resources we are accustomed to are exhaustible and could easily become depleted quickly has downed on us alarmingly and been responsible for why things must compellingly change from many dimensions. The Brundtland Report on *Our Common Future* which came into prominence some three decades ago—in 1987 to be precise introduced sustainability perhaps into our vocabulary but certainly into our consciousness. The Report reminds us all that we should not only live for today but think about future generations of everything around us that must continue to exist on this planet. Our failure to understand the implications of what the report requires of us all to live sustainably has serious consequences for everything existing on this planet—the name of the game and what is expected of us is embedded in *corporate social responsibility* as propagated by many CSR scholars such as Bowen (1953), Carroll (1991, 1999, 2016), Capaldi (2004, 2016), Vertigan (2015) just to mention a few.

A cursory search of the term *corporate social responsibility* (CSR) on Google by this author on the 12th September 2017 brought forth 77,000,000 results in just 48 s. This is 3.6 million less than the inhabitants of Germany in Central Europe and 11.5 million more than the inhabitants of the United Kingdom in Western Europe. What is the relevance of this, one may ask. This author is simply trying to demonstrate to his readers one of the easiest way to evident the phenomenal growth in issues, activities and documentations we can lay our hands on in a twinkle of an eye on

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CSR. It also proves that a lot is happening in CSR globally. Organisations, scholars, practitioners, international organisations, governments, NGOs etc. have continued to take issues that surround CSR seriously from the length and breadth of this planet. Not only that, new terms in the field of CSR are coined by scholars and practitioners of CSR every day, new business models and more sustainable approaches to conducting business are constantly emerging having been innovated by modern social entrepreneurs and CSR researchers and practitioners. A lot is indeed going on in the world of CSR globally. This certainly explains the need for an addition to the literature of current issues in CSR.

The book on "International Consideration of Current issues in Corporate Social Responsibility" has taken the debate on CSR to a new level looking at the contributions from these 26 scholars spread around the continent of Europe. These authors have looked at current happenings in the different areas of research as far as CSR is concerned in their different countries of abode.

The very first chapter of the book by *Mitu* and *Stanciu* two Romania tax gurus take the issue of sustainability in to tax when they argue that for any government to build a sustainable efficient economy requires that government to install a highly efficient tax system. These scholars studied the Romanian tax policies and note that the tax system of the taxation principles in the country appears to be a form lacking content.

Costa and Torrecchia two Italian scholars of repute explored the issue of Institutional Integrated Disclosure in the second chapter of the book. These two scholars looking at non-financial disclosure practices of businesses, argue that by providing non-financial information corporate entities fulfil their role of social disclosure and environmental disclosure to their stakeholders. Their chapter also delved into the theme of integrated disclosure. The core idea of the chapter by Costa and Torrecchia is that all sustainability performances are to be summarised, in a 'single' bottom line, expressed in conventional monetary terms, and not only in the customary three bottom lines without such a comprehensive synthesis.

In chapter "*Theoretical Perspectives Concerning Modeling Consumer Behavior Influences on CSR and Marketing Roles in Shaping Consumer Perceptions*", Bocean, Sitnikov and Tudor another team of Romanian scholars look at theoretical perspectives of modelling customer behaviour influences on CSR and marketing roles in shaping customer perception. Theses authors argue that consumers are stakeholders of an organization with a set of complex requirements. Consumers like other stakeholders are interested in environmental issues and fair trade, members of local community, can be employed, relatives or friends of employees, can be shareholders of the organization. Consumers can play an important role in the regulation of entrepreneurial behavior if they are willing to reward socially responsible organizations by changing their purchasing behavior (preferring products and services of those organizations that invest in social responsibility programs). Bocean et al. argue that their paper aims to create a theoretical framework to determine the influence of CSR actions on the purchasing behavior (using the seven core subjects of ISO 26000) and the impact of marketing and CSR communication (its channels and tools) on purchasing decisions. Within these bidirectional approaches the chapter focuses on three issues: consumer expectations on CSR activities, the managers' perception on these expectations, and the decisions of managers on CSR actions and marketing tools and channels used for communicating CSR. Since there is a gap between these three aspects, it is highly important not only to evaluate CSR activities but also consumer perceptions over these activities, and the effectiveness of marketing channels and tools used for communicating CSR, they note.

Simion and Tobă in chapter "*Impact Analysis of the Relationship: Intellectual Capital, Performance and Social Responsibility of the Organization*" which delves into intellectual capital and social responsibility. The chapter notes the profound transformations manifested in the complex global business environment that have brought about changes in the development strategy of those companies, which understand that achieving a sustainable competitive advantage is based on a competitive workforce and increasing labor productivity is possible through the global development of human capital. The chapter also argues that the development of knowledge based economy has led to a new general concept, that of intellectual capital. Intellectual capital or its components cannot act individually, but only in tandem with other resources of the company enabling sustainable value creation in the future. Sustainability is understood as satisfying both economic and non economic interests of all stakeholders, from shareholders, loan capital providers and employees up to the entire community. Thus, in recent years, there has been a notable rise in the number of companies implementing social responsibility in their strategy. Intellectual capital and corporate social responsibility have become the most powerful factors determining the firms' adaptation to the changes of business environment. This paper analyzes the impact of intellectual capital on company's performance, seen in financial and non-financial terms.

The fifth chapter of the book by Siminica and Sichigea who researched the link between CSR and social financial performance of Romanian companies notes the double perspective of CSR using what the authors describe as a pragmatic research on how Romanian companies practice CSR and disclose information on their CSR actions and empiric research on the connection between the social and financial performance of companies. The chapter draws its conclusion from the study of the corporate websites of 665 Romanian companies. The chapter notes a low interest in terms of the communication of these companies' CSR-related concerns. The study analysed these Romanian companies' causal relation between CSR and CFP. Using a linear regression model with a numeric endogenous variable (the turnover index, Romanian acronym: ICA) and a dummy exogenous variable (CSR, with value 1—for publication of information on actual involvement in CSR projects; 0—for publication of theoretical information). The results of tests show a very weak connection between ICA and CSR, while the values of variable coefficients paradoxically suggest a slight trend to disfavour companies showing CSR-related concerns, compared to those which do not have such a focus.

Stein and Wiedemann two German scholars of repute in chapter "*Risk Governance: Basic Rationale and Tentative Findings from the German Banking Sector*" look at risk governance in the German Banking sector. The chapter notes that, over and over again, companies are surprised by unanticipated risks points to a serious deficit, Stein and Wiedemann argue that neither risk management nor corporate governance has been able to avert the incurred damage. Are these two highly specialized functions unable "to see the forest for the trees?" they authors ask. For the sake of overcoming the addressed limitations, the management theory-related search for a solution leads to the proposal of a bridging function: "risk governance". The paper contributes to the development of a generic approach towards the strategic control of risk from the perspective of top management.

The seventh chapter has another team of Romanian scholars—Pirvu, Domnisoru and Vinatoru who looked at Internal Control and Social Responsibility. The chapter looks at the connection between internal control and CSR, with the sole purpose of making organisations aware that a rigorous control can actively contribute to an increase in social responsibility regarding all three relevant dimensions associated to it: economic, social and environmental. Pirvu et al. note that as a functionality of management, control includes an analytical dimension as well as a field of verification, respectively a "mastering" of contexts, mainly internal, but also external to the organisation. Bearing in mind a synthesis and antithesis of the ideas present in the field of expertise associated with control and social responsibility, of regulations provided by various institutions for example, GRI—Global Reporting Initiative.

From the multitude of indicators presented by GRI, the chapter focuses on the generation of indicators relevant to analysed subject, given that there are no indicators specific to the control function. Thus, the authors, consider the selection of those indicators which can contribute, through the mediation of internal managerial control, that of risk management and the internal control environment, to the effective increase of social responsibility and the subsequent reports provided by corporations, all these leading to achieving the desired business leadership goals so as to genuinely consider not only the interests of the shareholders but the interests of all stakeholders, and even beyond that the interests of society as a whole.

Koleva and Ocler from the United Kingdom in a chapter entitled "*Using Constructivist Grounded Theory to Construct a Substantive Theory of Corporate Social Responsibility*" argue that Grounded Theory strategy (GT) has been introduced almost 50 years ago as the approach developed significantly since that time and contributed to emergence of a variety of GT strategies. One of these variations is the constructive turn of Kathy Charmaz. In the paper Koleva and Ocler demonstrate two aspects of the theory namely—the potential of Constructive Grounded Theory (CGT) into scientific inquiry on CSR and how the approach was implemented in order to build a substantive theory for CSR by utilising a practical example from a recently completed doctoral study by the lead author of the chapter.

Dabija, Postelnicu and Dinu in chapter "*Cross-Generational Investigation of Ethics and Sustainability Insights from Romanian Retailing*" look at Ethics and Sustainability in the Romanian Retail Sector. The chapter notes that when targeting consumers, retailers have to increasingly rely on ethical principles, motivated by the need to achieve a favourable competitive position in their minds, exhibit a sustainable behavior and ensure the aesthetics and durability of sold merchandise. Business practices such as exploitation of labour, environmental pollution, enforcing inhumane working conditions etc. are sanctionable worldwide and are key factors for individuals when taking buying decisions, these Romanian authors argue. Based on a cross-generational empirical analysis in an emerging market, the chapter examines their perception level towards ethical principles implemented by fashion, footwear and sportswear retailers when defining a sustainable strategy. They argue that the results of their study clearly show that retailers concerned about respecting ethical principles in emerging markets, where consumers tend to be even more rigorous in their judgments of retailers actions and strategies. The study notes that regardless of their age, consumers select retailers which implement sustainable strategies, e.g. regarding reduction of pollution, selling green or environmentally friendly products, respect employees and working conditions.

In chapter "*The Correlation Corporate Governance: Financial Performances in the Romanian Banks*" Manta, Bădîrcea and Ramona look at the issue of corporate governance and financial performance in Romanian Banks. The chapter examines the impact of corporate governance on the financial performances of the banks. To undertake the research study, the three scholars compiled a database which includes 23 commercial banks in Romania. Starting from a vast reference literature available, Manta et al. identified three characteristics of the board (dimension, the structure from the point of view of the women and of the non-residents) which might have an impact on the financial performance and these characteristics were used as independent variables. The Ordinary Least Squares (OLS) regression from Eviews was used to estimate the relationship between bank performance measures and the independent variables. After the empiric testing, the hypotheses considered within the theoretical section were accepted. Within the first econometric model, the size of the board represented by the supervisory board and the executive board determined a positive and significant impact on the performance. One showed that a numerous board contributes to the increase of the financial value of the considered banks because it assures an efficient supervisory. The second considered model enforced the results provided by the first model, so that the structure of the board determines a positive effect on the performance by means of the non-resident members (the conflicts of interest are reduced) and the presence women in management (new ideas and approaches).

Marcu another Romania scholar in a chapter entitled "*Principles and Ethical Values in Public External Audit Activity*" argues that ethics in the public external audit is not an academic subject or one for public debate. The author analyses the impact of ethics impact in the field of public external audit and the potential consequences of breaching ethics in the exercise of function by a public external auditor. To underline public external auditor's general ethical values and principles, the chapter presents, in general, the conceptual approaches of ethics and, in particular, the activity of the external audit.

In chapter "*Integrated Reporting in Small and Medium Enterprises: Issues and Perspectives from Italy*", the work of an Italian prolific author and scholar Del Baldo on Integrated Reporting in Italian SMEs is showcased. The chapter discusses the most critical issues faced by SMEs in releasing an integrated report and adapting the Integrated Reporting (IR) principles to their needs and features. After presenting the literature framework, the chapter analyses a case-study relative to a medium-sized company belonging to the Italian Network Business Reporting working group, which has been involved in the drafting process of the Guidance for IR in SMEs. Del Baldo's results emphasize the need for simplifying concepts such us materiality, integrated thinking and connectivity and understanding the benefits emanating from the IR adoption. Del Baldo's study has both theoretical and practical implications, since it contributes to nourish a research field which has not been adequately investigated and support the IR diffusion IR among SMEs and practitioners, by emphasizing the SMEs' possible approaches toward the IR journey.

The penultimate chapter of the book by Brabete, Drăgan and Dindiri focuses on Profitability, Accounting, Accountancy Profession and Corporate Social Responsibility. These three Romanians argue that a major objective of accountancy and professionals from the field consists of supporting the durable economic development by meeting the public interest, under the conditions of observing the ethical principles imposed on the profession. The study these authors note is intended to illustrate and analyze certain factors which can perturb the fulfillment of the role of accountancy and accounting profession, seen in terms of meeting the public interest and assuming the social responsibility. In order to meet the proposed objective of the research undertaken, the authors support their reasoning and the ideas expressed starting from the specific problematic of the profit tax, which they consider significant for the given context. In order to intercept some relevant images on the approached topic, they adopted an analysis oriented in double sense, aiming the national rules on the one hand and the international rules regarding the determination and the accounting of profit tax on the other hand.

The very final chapter of the book by Koleva looks at the conceptual gaps and challenges of corporate social responsibility literature in the Middle East. Koleva argues that corporate social responsibility is a research area of burgeoning focus for international business and yet it is mostly dominated by its Western perspectives. However, she notes that the CSR movement can have global ramifications and thus it is important to examine its potential variations in different socio-cultural contexts. The chapter chooses to examine the status of CSR in the Middle East by utilising extant secondary sources in the field. The results highlight two interconnected yet contradictory issues: namely that CSR as a concept does not appear to be well-researched or well-developed in the Middle Eastern context however it is highly possible that the CSR movement as understood in the Western context may not be particularly relevant in this socio-cultural context and maybe alternative interpretations of CSR are needed in the context of Middle Eastern communities. Koleva's review identifies gaps in the literature, discusses possible research directions that can enrich people's knowledge of CSR by developing unique nuances that will augment the knowledge domain with new theoretical insights for the phenomenon, she concludes.

As noted above, the 14 chapters that make up this book agree with this author's contention that a lot is going on in the world of corporate social responsibility. Scholars in the length and breadth of this planet are contributing to knowledge into how the field continues to evolve and reorient our understanding of what more we need to do and how we must do them to make our world fits for purpose not just for this generation but also for future generations of inhabitants of planet Earth.

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