

# Corporate Social Responsibility and Psychosocial Risk Management in Europe

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**ABSTRACT.** Corporate social responsibility (CSR) is a comprehensive concept that aims at the promotion of responsible business practices closely linked to the strategy of enterprises. Although there is no single accepted definition of CSR, it remains an inspiring, challenging and strategic development that is becoming an increasingly important priority for companies of all sizes and types, particularly in Europe. Promotion of well-being at work is an essential component of CSR; however, the link between CSR, working conditions and work organisation is still found to be unfamiliar to stakeholders. As CSR is strategic and is regarded by many companies and corporate leaders as an important development, it offers opportunities for psychosocial risk management, an area that is currently among the top priorities in working environment and well-being at work debates. However, the link between CSR and psychosocial risk management has not been addressed clearly before. This paper aims to explore the potential role of CSR in promoting well-being at work through the development of a framework for the management of psychosocial risks. As part of the research, key stakeholders [including the World Health Organization (WHO), the International Labour Organization (ILO), the European Agency for Safety and Health at Work (EU-OSHA), the European Commission (EC), employers' associations, trade unions and other policy experts] across Europe participated in a survey, interviews and focus groups to assess and clarify the link between CSR and psychosocial risk management. On the basis of the findings, a CSR-inspired approach to the management of psychosocial issues at work is proposed. Such an approach can be a useful tool in contexts where, up until now, expertise and tradition in dealing with psychosocial issues have been lacking.

**KEY WORDS:** psychosocial risk management, CSR, work-related stress, well-being, Europe

## **Introduction**

There has never been a time when enterprises have had nothing to do with society; however, this relationship is now more visible than ever. The constantly changing work context, characterised by increasing globalisation, the free market, the changing nature of work, the development of information and communication technology and significant demographic changes, in which enterprises operate, forces them to adapt to their circumstances in several ways. Organisations increasingly have to cope with societal problems, which may enter the enterprise in one way or another. At the same time, enterprises are expected to solve the problems they cause by acting responsibly and by taking the consequences of their business activities for society and for specific stakeholders into account in their decisions (Hopkins, 1997). 'Shifting of responsibility' to society is no longer regarded as normal or acceptable; in fact, it is increasingly seen as unethical organisational behaviour. Driven by this and a number of European policy initiatives, corporate social responsibility (CSR) has developed tremendously in Europe during the last decade (Zwetsloot and Starren, 2004). Even though there is no universally accepted definition of CSR, the various definitions do have a commonality of themes in the context of various stakeholders, ethics, employee issues, environment, governance and policy (Blowfield and Frynas, 2005). Addressing issues arising from the nature of work and their impact on the workforce, the business itself and the community also falls within the remit of responsible business practices.

In recent years, the changing nature of work and the work environment has resulted in emerging risks

and new challenges for workers' health and safety (EU-OSHA, 2007). Psychosocial risks, which arise from the interaction between job content, work organisation and management, organisational conditions and the employees' competencies and needs have been identified as significant emerging risks (EU-OSHA, 2007; NIOSH, 2002). Linked to psychosocial risks, issues such as work-related stress and workplace harassment and violence are now widely recognised as major challenges to occupational health and safety (Leka et al., 2010). These are associated not only with other important health problems, such as depression and anxiety, musculoskeletal disorders and cardiovascular disease (Leka and Jain, 2010), but also with serious economic implications for society and all types of enterprises, irrespective of size and sector (EU-OSHA, 2009).

There has been a growing movement at a European, national and organisational level to develop policies, measures and programmes, both regulatory and voluntary, to effectively manage and prevent psychosocial risks. However, despite this trend and the continuous growth of available evidence on the effects of psychosocial risks on workers and organisations, prevention and management of psychosocial risks have not been high on the policy-making agenda (Leka et al., 2010). The increase of psychosocial risks in the society, and the increasing prevalence of mental health problems, are indeed an example of a societal development, whereby enterprises can directly contribute to reducing the societal problem by managing psychosocial risks at their workplaces effectively and promoting mental health (thereby preventing the shift of problems to society, workers and their families). However, the link between CSR and psychosocial risk management has not been assessed clearly before.

This paper aims to explore the potential role of CSR in promoting well-being at work in European enterprises and presents findings from the Psychosocial Risk Management–European Framework (PRIMA-EF) project. The PRIMA-EF project, funded by the European Commission's (EC) sixth framework programme, developed a European framework for psychosocial risk management on the basis of a review, critical assessment, reconciliation and harmonisation of methods that have proved valid in Europe for management of psychosocial risks

and the promotion of mental health and well-being at the workplace (Leka et al., 2008). Three studies from the PRIMA-EF project explored the link of CSR with psychosocial risk management and the business case underpinning it by exploring the views of key stakeholders across Europe.

## CSR in Europe

Business ethics and social responsibility are themes that are given considerable attention in companies, as well as in academic journals (Kok et al., 2001). The development of CSR in Europe has been driven both by proactive strategies adopted by pioneering businesses and by European institutions and national governments as well as by external pressures from other stakeholders such as the civil society or the investor community, among others (CSR Europe, 2010). Traditionally, the legislative and regulatory framework, particularly in Western Europe, has been inclusive of many issues that arise under CSR, following the development of the welfare state system and the European Social Model which was built on social dialogue, partnership and democratic values. These developments emphasised the role of the state as the primary provider of welfare, while companies were expected to fulfil their societal obligations mainly by complying with laws, paying taxes and providing employment (Idowu and Filho, 2009).

However, over the past decades, economic and socio-political factors in many European countries as well as the enlargement of the European Union (EU) have led to a partial redefinition of the boundaries between the public and the private sector as well as their respective roles in society. In 2000, at the Lisbon Summit, EU member states took the position that 'the European Social Model, with its developed systems of social protection, must underpin the transformation of the knowledge economy' (Vaughan-Whitehead, 2003). While the European Social Model was considered useful, it is nevertheless under attack, with several member states repeatedly trying to undermine social rights due to the belief they would be too expensive for their enterprises and result in very rigid labour markets (Vaughan-Whitehead, 2003). The EC's

Social Agenda, subsequently supported by the European Council in Nice (2001), emphasised the role of CSR in addressing employment and social consequences of economic and market integration and in adapting working conditions to the new economy. In this context, CSR as a voluntary corporate policy is a fairly recent phenomenon in the European context (Jackson and Apostolakou, 2010; Matten and Moon, 2008).

Following the Nice summit, the EC launched its green paper on CSR 'Promoting a European Framework for CSR' in 2001, which defines CSR as 'a concept whereby companies integrate social and environmental concerns in their business operations and their interactions with their stakeholders on a voluntary basis'. The EC in a follow-up to its 2001 green paper published a communication (EC, 2002a) entitled 'CSR: A business contribution to sustainable development', developing the idea that there are both internal and external dimensions of responsible business practices: 'internal' in that they are targeted at management and employees of the firm itself, or 'external' in that they are targeted at outside groups such as suppliers, the society or the environment (Bondy et al., 2004). The internal dimension of CSR policies covers socially responsible practices concerning employees, relating to their safety and health, investing in human capital, managing change and financial control (Bondy et al., 2004).

The European Multi-stakeholder Forum on CSR (EC, 2004) further extended the understanding of CSR by concluding that CSR is the voluntary integration of environmental and social considerations into business operations, over and above legal requirements and contractual obligations, that commitment of management and dialogue with stakeholders (both internal and external) is essential and that, when operating in developing countries and/or situations of weak governance, companies need to take into account the different contexts and challenges, including poverty, conflicts, environment and health issues.

In 2006, the EC reconfirmed its commitment with a new communication on CSR, stressing the potential of CSR to contribute to the European Strategy for Growth and Jobs and announcing backing for a European Alliance for CSR. The alliance serves as a political umbrella for mobilising the resources of large and small European companies

and their stakeholders (EC, 2006). So far, more than 230 companies and organisations have joined the European Alliance, which focusses on three areas of activities: raising awareness and improving knowledge on CSR and reporting on its achievements; helping to mainstream and develop open coalitions of cooperation; and ensuring an enabling environment for CSR.

Following the initiatives taken by the EC, the European Parliament in 2007 unanimously passed a resolution on 'corporate social responsibility: a new partnership' in which it recognised that, 'increasing social and environmental responsibility by business, linked to the principle of corporate accountability, represented an essential element of the European social model, Europe's strategy for sustainable development, and for the purposes of meeting the social challenges of economic globalisation' (European Parliament, 2007). The resolution also recognised the need for increasing transparency and credibility of voluntary CSR initiatives and called for 'mandatory reporting on the social and environmental impacts of businesses' by European businesses. In March 2010, the EC in its EU2020 vision for smart, sustainable and inclusive growth made a renewed commitment to 'renew the EU strategy to promote Corporate Social Responsibility as a key element in ensuring long term employee and consumer trust' (EC, 2010), again emphasising both internal and external dimensions of CSR.

However, despite these initiatives, the focus of CSR activities by European businesses has tended to be on the external dimension. Only recently have enterprises in partnership with other stakeholders taken voluntary initiatives to address the challenges posed by the nature of work and the work environment on workers' health and safety. Significant examples of such initiatives in Europe include the framework agreement of work-related stress (European Social Partners, 2004) and the framework agreement on harassment and violence at work (European Social Partners, 2007).

### **Increasing importance of CSR for health and safety management**

Recent occupational safety and health (OSH) promotion strategies by the EC and the European

Agency for Safety and Health at Work (EU-OSHA) have attempted to make the link between OSH and CSR clearer, establishing a business case of strategic importance for organisations (EC, 2001, 2002b). Increasingly, CSR is becoming a strategic platform for health and safety management in enterprises (Zwetsloot and Starren, 2004). Companies that are perceived to be front-runners in supporting human, social and mental resources are often viewed as employers of choice (Earle, 2003; Stuebs and Sun, 2010). They see value in promoting such resources in terms of the sustainability of the company itself, and, associated with that, the sustainability of communities and society. A lot of them address such issues not purely as an obligation in law or dealing with symptoms of ill health and absence, but within a framework of common, business sense and social responsibility. In doing so, these companies go beyond their legal obligations in relation to the management of health and safety and view the promotion of well-being as part of their usual business practices.

Looking after the workforce and developing its capacity (mentally, socially, etc.) has strategic importance for organisations and society alike, especially if one considers current challenges such as workforce ageing. In addition, addressing psychosocial issues and promoting well-being in the workplace are also relevant to human resources practices within organisations which also fall within the remit of CSR, as can be seen in the increased reporting of these issues in annual company CSR reports (Vuontisjärvi, 2006). As CSR is strategic and is regarded by many companies and corporate leaders as an important development (Lacy et al., 2010), it offers opportunities for psychosocial risk management, given recent policy initiatives in Europe both on CSR and in the area of psychosocial risk management.

### **Prevalence, impact and management of psychosocial risks in Europe: can CSR play a role?**

Psychosocial risks have been defined as those aspects of the design and management of work, and its social and organisational contexts, that have the potential for causing psychological or physical harm (Cox and Griffiths, 2005). Factors such as poor feedback,

inadequate appraisal, communication processes, job insecurity, excessive working hours and a bullying managerial style have been suggested as significant concerns for many employees. Nearly one in three of Europe's workers, more than 40 million people, report that they are affected by stress at work, an issue closely linked to psychosocial risks (EU-OSHA, 2002). According to the Fourth European Working Conditions survey, 20% of workers from the 15 EU member states (pre-2004) and 30% from the 12 new member states believed that their health is at risk because of work-related stress, while 5–6% of workers in the EU reported having been exposed to threats of physical violence either from colleagues or from others and to bullying and/or harassment at the workplace (Parent-Thirion et al., 2007).

Studies suggest that between 50% and 60% of all lost working days have some link with work-related stress (Cox et al., 2000), leading to significant financial costs to companies as well as society in terms of both human distress and impaired economic performance. In 2002, the EC reported that the yearly cost of work-related stress and the related mental health problems in 15 Member States of the pre-2004 EU, was estimated to be on average between 3% and 4% of gross national product, amounting to €265 billion annually (EC, 2002b). Stress can affect organisations by causing high rates of absenteeism and staff turnover, disciplinary problems and unsafe working practices, as well as low commitment to work, poor performance, tension and conflicts between colleagues. In addition, stress damages the image of the organisation, both among its workers and externally, and increases vulnerability to legal claims and actions by stressed workers (Leka et al., 2003). Similarly, threat of physical violence, and/or bullying and harassment at work can lead to an increase of sickness absenteeism, higher turnover rates and increased insurance premiums. In addition, workers exposed to physical violence are less satisfied with their job and are less productive than their colleagues (Di Martino et al., 2003).

The key stakeholders, namely employers, employees, governments as well as researchers, differ in their awareness and understanding of these new types of challenges in working life. Although in some EU member states there appears to be widespread awareness of the nature and impact of these issues, this situation is not reflected across the enlarged EU (Iavicoli et al., in press). The difference

in awareness, prioritisation and approach in dealing with these issues among member states can act as a barrier to achieving the aims of the 'Lisbon strategy' which aims at making the EU the most competitive economy in the world (EC, 2000). This strategy places emphasis on the need to adapt constantly to changes in the information society and to boost research and development, and advocates member states to invest in education and training, and to conduct an active policy for employment, making it easier to move to a knowledge economy. After the initial review of the Lisbon strategy in 2005, which indicated that the results achieved had been unconvincing (EC, 2005), further emphasis was laid on fostering new partnerships and encouraging social dialogue to promote best practice. The role of businesses in facilitating such partnerships and strengthening social dialogue was highlighted, as was engagement in responsible business practices.

A CSR-inspired approach, which strengthens partnerships and dialogue between stakeholders, when applied to the management of psychosocial risk issues can be a useful tool in contexts where, up until now, expertise and tradition in dealing with psychosocial issues have been lacking, such as in the new EU member states. It is a comprehensive concept that aims at the promotion of responsible business practices closely linked to the business strategy of enterprises. Such an approach could also be instrumental in facilitating other traditional approaches for health and safety management largely driven by regulation and thereby also promote legal compliance.

To develop such an approach, the PRIMA-EF project actively involved key stakeholders to explore the link of CSR with psychosocial risk management and the role of CSR and ethical issues in relation to psychosocial risk management and to examine the health and business benefits of investing in psychosocial risk management using a mixed methods approach (a survey, interviews and focus groups).

## Methodology

The methodology was based on an analysis of the existing literature, as well as on quantitative and qualitative research. Key stakeholders (which included representatives from the World Health Organization (WHO), International Labour Organization (ILO), the

European Agency for Safety and Health at Work (EU-OSHA), the EC, employers' associations, trade unions and other policy experts) across Europe were invited to participate in three independent studies. Participants responded to a questionnaire survey in the first study, following which semi-structured interviews were carried out in the second study. The findings from the survey and interviews were used as the basis for discussion in the third study, where stakeholder focus groups were organised to further explore the link between CSR and psychosocial risk management. The findings were used to propose the key components of a CSR-inspired approach to the management of psychosocial issues at work.

### Questionnaire survey

An online survey was conducted with key stakeholders across Europe from employers' associations, trade unions and governmental bodies. An aspect of this survey was to explore the perceptions of these stakeholders regarding the link between CSR and psychosocial risk management. Two specific questions related to CSR were included in the questionnaire:

- How would you rate the effectiveness of CSR for improving social dialogue concerning psychosocial factors in your country?
- Do you think that social dialogue and corporate social responsibility can play an important role in the management of psychosocial risks and work-related stress?

The sample was gathered through the board members and alternates of EU-OSHA, the Work Life and EU Enlargement (WLE) advisory committee and advisory board members of the PRIMA-EF project. Seventy-five stakeholders responded to the survey. The sample consisted of 43 respondents from the EU15 countries (pre-2004) and 32 respondents from the EU27 countries (post-2004 members). Government institutions made up 44% of the total sample, employers' associations 19% and trade unions 37%.

### Interviews

Key stakeholders who had been involved in the development, implementation and/or evaluation of



policy interventions at the national, European and international level in relation to psychosocial risk management were interviewed. An aspect of these interviews was to assess the role of CSR and ethical issues in relation to psychosocial risk management. A total of 19 interviews were conducted with 15 stakeholders at the national level (representing governmental organisations, trade unions and employer organisations), two at the European level (EC and EU-OSHA) and two at the international/global level (WHO and ILO).

#### *Focus groups*

Two focus groups to assess the business and societal impact of psychosocial risks were organised at a stakeholder workshop with the participation of 15 stakeholders representing the social partners (trade unions, employer organisations and governmental organisations) and researchers and academic experts in the area.

## **Results**

#### *Findings from the stakeholder survey*

All stakeholders considered CSR to be an effective tool for improving social dialogue concerning psychosocial risk factors, with trade union representatives rating it as very useful, while government agency representatives and employer representatives considered CSR as somewhat useful for improving social dialogue concerning psychosocial factors. No significant differences were found between the old and new member states. All stakeholders unanimously agreed that social dialogue and CSR could play an important role in the management of psychosocial risks and work-related stress.

#### *Findings from interviews*

Participants agreed that, in principle, CSR and responsible business practices were an important issue in relation to psychosocial risk management for companies. Engaging in responsible business practices relating to psychosocial risk management was

considered by some participants as helpful in raising awareness of the issues and of the approaches/tools that are available to help address these issues. Participants also commented that, although potentially beneficial, the link between CSR and effective psychosocial risk management has not been evaluated formally. As one interviewee stated: 'Yes of course, CSR can only enhance awareness and support the effective implementation of the recent social partner agreements [on work-related stress and on harassment and violence at work], if companies have a CSR policy which integrates psychosocial issues. But no studies have been done on evaluating this and linking the agreements with CSR'.

Although there was agreement regarding the importance of CSR, participants reported that the concept was not understood clearly in companies, even at a macro level, leading to different business practices. As commented by one of the participants, 'This term, corporate social responsibility, is understood very differently depending on whom you ask. But if you really go into the concept of it and look at what has been described in the European documents, it is social dialogue and aspects of the work environment, and psychosocial factors in the work environment that are part of it; they are embodied in corporate social responsibility as this perspective is related to the internal enterprise. So the answer is yes, CSR plays a key role'.

Participants criticised the loose use of the term 'CSR' by organisations, which they thought could be applied to any business practice. In addition to the differences in practice, there were also concerns that CSR could give employers an easy way out, in the case of psychosocial risk management, due to its voluntary nature. Participants reported that, when CSR was considered, companies focussed on the impact of their activities on the community and the environment but not on the health and well-being of their employees, which according to some was not satisfactory.

Participants also pointed out that the concept of CSR had been prevalent for over a decade and that many companies, especially large multi-nationals, had CSR departments and CSR featured as one of the company policies. Despite these developments, many companies with CSR policies were reported to lack clear frameworks for psychosocial risk management due to the lack of prioritisation of these issues, lack of awareness of benefits and other

competing demands on resources. A participant commented that ‘in some companies where corporate social responsibility is one of the main goals of company policy, better conditions to discuss problems of work related stress, bullying and harassment exist. But due to competition and limited resources, many companies neglect corporate social responsibility’.

Where legislation and legal requirements existed to address psychosocial issues, they were seen as a mechanism that obligated organisations to take action. The law was also seen to give authorities a tool to obligate organisations to take the first step in the process of taking actions. However, participants agreed that legislation alone can never effect a complete solution. In addition, responsible business practices were necessary to ensure the sustainability of such actions.

#### *Findings from focus groups*

Focus groups findings will be presented under two main themes: main business impacts of investing in the management of psychosocial risks, and main societal impacts of psychosocial risks emerging from enterprises.

##### *Main business impacts of investing in the management of psychosocial risks*

The signing of agreements such as the social partner framework agreement on work-related stress was considered as a step in the right direction, but participants considered that a lot needed to be done to get buy-in from organisations. As one of the participants commented, ‘It is difficult to obtain and maintain commitment from companies in relation to psychosocial risk management, even now’. The focus group participants highlighted the need to develop a clear business case for psychosocial risk management.

The participants discussed that, even though all the tripartite partners agreed that CSR was related to psychosocial risk management, the ‘win-win’ situation often discussed by trade unions and employers alike still seemed very distant. They commented that both the business and the employee benefitted from reduced sickness absence: for the worker reduced sickness meant smaller losses in earnings and better

health, while for the employer the benefit was reported to be the potential of earning higher profits. The availability of low-cost interventions for psychosocial risk management was highlighted, and the advantages of implementing such interventions were discussed. These included reduced sickness absence, reduced employee turnover and therefore reduced health insurance costs which benefitted not only the organisation but also society, as savings in social security could be allocated to other areas. Participants reported that engaging in psychosocial risk management would help to maintain a healthy workforce; such a workforce was expected to have higher job satisfaction and increased work commitment, which would lead to further reduction in organisational costs due to knowledge retention, lower staff turnover and resulting reduction in training and recruitment costs.

The participants also discussed the benefits of incorporating psychosocial risk management in responsible business practices. Benefits from such practices for the employers would include increased long-term stability for the business, better public image and improved employer reputation, while the significant benefits for workers would include better relations with clients, less confrontation between management and unions and increased worker participation in organisational aims and policies. These health and business benefits of investing in psychosocial risk management are summarised in Table I.

##### *Main societal impacts of psychosocial risks emerging from enterprises*

Participants noted that, while it was important for managers to have a ‘business case’ for psychosocial risk management, it was similarly important to have a ‘personal case’ for workers. The participants reported that enterprises could do more in managing contemporary issues such as restructuring, organisational changes and work organisation, in a more responsible and effective way. Facilitating worker participation, skills training, improvement of systems to promote better work-life balance etc. were discussed. As one participant commented, ‘There is a need to change today, in terms of current jobs and even with changing jobs. Change is a reality and is needed, but it must be managed in a responsible way. If people are informed and are assisted, for example, in finding new jobs, or helped with

TABLE I  
Health and business benefits of investing in psychosocial risk management

| Type of benefits | Health/vitality   | Business/economic   |
|------------------|---|---|
| Cost reductions  | Improved psychosocial health of workers<br>Reduced sickness absence<br>Reduced health insurance costs | Increased productivity<br>Higher job satisfaction<br>Increased work commitment<br>Knowledge retention<br>Lower staff turnover<br>Reduction in training and recruitment costs<br>Reduced employee turnover<br>Reduced early retirement<br>Less confrontation of the organisation with their workers and their unions |
| Added values     | Added quality-adjusted life years (QALYs) for employees   | Better public image<br>Increased long-term stability<br>Higher employee commitment<br>Engagement of different partners/stakeholders<br>Improved employer reputation<br>More commitment of workers to company's aims<br>Better relations with clients  |

developing new skills, then there is a possibility that they may manage the change more effectively'.

The participants also discussed the advantages of linking psychosocial risk management and CSR in relation to workers' health and work-life balance; these are summarised in Table II. They reported that engaging in responsible business practices which incorporated psychosocial risk management would lead to low stress among employees, as well as increased work ability and employability. Other related benefits for employees were reported to include more secure jobs, thereby reducing the fear of lost wages. Also, effective changes in work organi-

sation, such as flexible schedules, were expected to help improve work-life balance for employees. Employees were also expected to experience better well-being and lead happier lives owing to improved physical and mental health.

*Main stakeholders in psychosocial risk management: beyond traditional stakeholders*

The participants discussed the role and involvement of stakeholders in OSH, which may be important to communicate with and/or to involve in psychosocial risk management. According to the participants, traditional stakeholders included trade unions,

TABLE II  
Health and business benefits to workers of investing in psychosocial risk management

| Type of benefits                     | Health and well-being of workers                 | Broader benefits to workers   |
|--------------------------------------|--|---|
| Less problems (and associated costs) | Lower stress<br>Improved health                  | Better work-life balance<br>Increased work ability and employability  |
| Personal benefits (and added values) | Longer, healthier work life<br>Better well-being | Increased self-esteem<br>Increased job security<br>Sense of being valued<br>Better satisfaction<br>Better quality of life |



employer organisations, government agencies, researchers and academics and OSH services. The traditional stakeholders were considered to be very important in the area of OSH and also more specifically in psychosocial risk management. Non-traditional stakeholders with a clear interest in the business impact and/or societal impacts of psychosocial risks identified were also identified; they are listed in Table III, which includes a concise explanation of their respective stakes.

## Discussion

The findings highlighted a number of important issues in relation to the link between psychosocial risk management and CSR. While there was unanimous agreement that CSR and responsible business practices were an important issue in relation to psychosocial risk management, the concept might not be clearly understood in companies, even at a macro level, leading to different/unclear practices. These findings are similar to those found in previous research by Segal et al. (2003), who in a study of the link between CSR and working conditions found that the concept of CSR was still relatively unfamiliar. The findings from the focus groups also indicated that, even though companies engage in responsible/good business practices, they are not always encapsulated within the CSR framework, which again confirms findings from past research (Leka and Churchill, 2007; Segal et al., 2003). Adopting a single definition of CSR (Blowfield and Frynas, 2005; Kok et al., 2001) and raising awareness of the benefits of engaging in responsible business practices would help improve understanding of the concept. The EC's definition of CSR could potentially be accepted as the common definition, at least for Europe.

The findings indicated that, even though all the tripartite partners accepted that the internal dimension of CSR was related to psychosocial risk management, the 'win-win' situation, where employers would voluntarily implement policies to promote workers' health due to positive business benefits, still seemed very distant. This can potentially be due to the difference in the use of the term CSR. This was also reported by Nordestgaard and Kirton-Darling (2004) in an article on CSR within the European sectoral social dialogue.

Leka et al. (2003) reported the negative effects of stress which can affect organisations. In addition, stress also damages the image of the organisation, both among its workers and externally, and increases the vulnerability of the organisation to legal claims and actions by stressed workers. The authors therefore recommended that stress prevention be critical for enterprises. The findings from the interviews and focus groups indicated similar views. The participants supported the view that linking psychosocial risk management and CSR had numerous advantages. Engaging in psychosocial risk management was considered to benefit both the business and the employee in terms of reduced sickness absence, reduced employee turnover, reduced health insurance costs, reduced early retirement, increased job satisfaction and work commitment. These benefits would lead to further reductions in organisational costs due to knowledge retention, lower staff turnover and resulting reduction in training and recruitment costs, leading to the much discussed 'win-win' situation.

The findings also indicated that engaging in responsible business practices which incorporated psychosocial risk management would lead to increased long-term stability for the business, a better public image and improved employer reputation. However, despite the known and accepted benefits of engaging in psychosocial risk management, many organisations still do not have policies in place which promote such practices. The lack of availability of a common framework for action and unavailability of easy-to-use tools and standards can be some of the factors contributing to the current situation.

Lastly, it was pointed out by participants that CSR as described in the European documents included elements such as social dialogue and aspects of the work environment of relevance to the psychosocial arena (EC, 2001, 2002b). There was unanimous agreement that CSR and responsible business practices could play a key role in the promotion of psychosocial risk management at the workplace. Findings from the interviews suggest that health and safety at work can be looked at through a CSR perspective and that companies cannot be socially responsible externally without being socially responsible internally (HSE, 2005; Zwetsloot and Starren, 2004). However, there is still a lot that needs to be done to clearly address this link between CSR and psychosocial risk management and to achieve

TABLE III  
Non-traditional stakeholders in psychosocial risk management and their main interests

| Stakeholders                             | Main stakes  |
|--|--|
| Social security agencies                 | Good psychosocial risk management may reduce the burden of psychosocial problems and help to reduce rising costs of psychosocial problems on social security arrangements (for workers compensation, societal costs of mental disabilities and associated unemployment)<br>Social security agencies have a clear stake in prevention   |
| Health insurers                          | Good psychosocial risk management may reduce the rise of health care costs for treatment of psychosocial problems<br>Health insurers have a clear stake in (primary and secondary) prevention  |
| Families/partners                        | The psychosocial health of the workers is a very important issue for partners and their families. Firstly, the stress of a traumatised partner will have a strong impact on family life. Secondly, they are economically dependent on workers' earning capacity, which can be seriously threatened by exposure to psychosocial risks   |
| (Mental) health care institutions        | The rising prevalence of psychosocial problems is a challenge and burden to health care systems and institutions. Increasing treatment activities may trigger greater interest in prevention   |
| Customers/clients                        | In many jobs people work with clients. If workers suffer from psychosocial illnesses, this is likely to affect the way they work and communicate with customers. This is likely to reduce customer satisfaction  |
| Shareholders                             | In some industries psychosocial problems lead to high levels of sickness absence. In companies with severe psychosocial problems, it may also be more difficult to attract talent. As a result the productivity and competitiveness of the company may be affected, implying reduced shareholder value   |
| NGOs                                     | Non-governmental organisations (NGOs) represent civil society groups. Several civil society groups may have an interest in good psychosocial risk management by companies. These may range from organisations of patients of psychosocial disorders to local groups requiring socially responsible business practices from companies in their neighbourhood  |
| Communities                              | See item above   |
| Business schools and universities        | Good psychosocial risk management clearly has a link with good business practice. This is important for the education of present and future business leaders. Psychosocial risk management should therefore be integrated in the curricula of business schools and universities  |
| Employment agencies                      | Psychosocial disorders are increasingly relevant as a cause of reduced work ability and rising unemployment. In some countries, many long-term unemployed people suffer from mental health problems. Recent literature shows that (re)activation of this target group is more successful when it is combined with work than in the traditional model of treatment and cure before people start working. This implies that employment agencies have a clear interest in tertiary prevention |
| Human resources departments and officers | Within companies, psychosocial issues are relevant for well-being at work, company climate, employee satisfaction and retention of existing employees. Though coming from another tradition compared with OSH experts, Human Resources Management (HRM) officers are increasingly involved in the management of psychosocial issues at work  |

TABLE III  
continued

| Stakeholders                        | Main stakes  |
|-------------------------------------|--|
| Media                               | Psychosocial risk management is a societal issue with ever-growing impact. It is important to many people (workers, their families etc.). As a result, the issue is of growing importance to mass media (magazines, television, Internet etc.)   |
| Actors of (in) the judiciary system | Psychosocial risks are increasingly having economic implications for both companies and their workers. This is likely to lead to a boost in legal cases, on liability issues. This may form a burden to parts of the juridical system but might be a source of potential income to lawyers |
| Business consultants                | As psychosocial risks are increasingly having business impacts, advising on these issues will probably not remain the exclusive domain of psychologists and occupational health and safety services. Business consultants are likely to develop a growing interest in this area            |

the critical mass that will drive change and encourage employers to engage in practices above and beyond mere compliance.

**Conclusion: a CSR-inspired approach to the management of psychosocial issues at work**

On the basis of the work focussing on CSR and psychosocial risk management conducted through the PRIMA-EF project (Leka and Cox, 2008) a number of resulting opportunities for future activities can be identified. Firstly, it is important for further guidance and standards to be identified and indicators to be formalised and used in the area. These will allow clarity among enterprises and policy-makers to be achieved and benchmarking to be promoted across companies, sectors and countries. It will then be possible for appropriate actions to be taken to address gaps in practice. These tools should be promoted across experts, practitioners and enterprise networks on the one hand, and government officials and policy-makers on the other. Further research should be conducted into defining a business case for psychosocial risk management as well as into addressing ethical dilemmas in the psychosocial risk management process. A CSR-inspired approach to the management of psychosocial issues at work, as described below, can serve as a starting point.

*Make sure that the strategic importance of the management of psychosocial issues is recognised*

Traditional approaches to psychosocial risk management start with a focus on concrete and operational problems (health problems, hazards and risks in specific workplace, of specific activities etc.). The strategic relevance of such approaches is often unclear. As a result, leadership support is lacking or is only temporary. To develop top management support, the strategic relevance of the management of psychosocial issues needs to be clarified. A first step is to develop a business case. It is best to develop such ‘strategic business cases’ in an interactive way (see Zwetsloot and Van Scheppingen, 2007). That is likely to require a ‘resource perspective’ on work health, rather than the ‘protection perspective’ that is usually dominant in risk management approaches. Therefore, it might be relevant to involve human resource staff of internal business strategy consultants as complementary to experts in psychosocial or health risks, as they have valuable experience with the resource perspective.

*Integrate psychosocial issues in strategies, plans and processes for organisational development*

Sustainable organisational strategies include external as well as internal challenges, for now and the future (Hart and Milstein, 2003). When it is clear what the

goals of organisational development are, it is possible to assess what requirements in terms of work organisation, work processes, staffing, working environment, new competencies that need to be developed, etc. will be helpful or even essential for their realisation. As the goals of organisational development will require a timeframe of some years, the option arises to anticipate these changes, and to include psychosocial issues from the start in the design and decision-making processes thereof. In this way, lessons learned from dealing with psychosocial risk can be taken into account in organisational development. This is likely to lead to better (primary and secondary) prevention, while saving costs and delivering strategic added value to the enterprise.

*Organise a good balance between implementation of systems, internalisation of values and organisational learning processes*

The management of psychosocial issues and risks requires systematically planned activities (Leka and Cox, 2008). This can and should be integrated in the management systems the company may have to manage risks in general, e.g. via integrating it in OSH management systems, or in the planning and control cycle or other existing procedures. For their realisation, the plans and measures have to be 'implemented'.

The management of psychosocial issues and risks is also about ethics and values, about doing the right things (as complementary to doing things right; see Zwetsloot, 2003), i.e. it is about awareness, responsible behaviour and walking the talk. Plans or technical and organisational measures are usually not very helpful in bringing about such behavioural change. That is usually greatly influenced (positively or negatively) by social interactions (including leadership) and the organisational culture. In fact these factors greatly influence, in an informal but often surprisingly effective way, behaviour, i.e. 'how things are done around here'. While the keyword for systems and plans is 'implementation', for values and for ethical and behavioural aspects it is 'internalisation'. As part of CSR policy many companies provide training to their employees about corporate values and how to deal with ethical dilemmas. Values related to psychosocial issues, and ethical dilemmas could easily be integrated into such CSR approaches.

The implementation of plans and procedures and the internalisation of values and responsible behaviour cannot be achieved without individual and collective learning processes. Learning may be from experience, without knowing or managing it consciously. The EU Directive 89/911 on health and safety, addresses not only the personal responsibility of the employer and the employees, but presupposes that these key agents reflect on existing workplaces and work processes, and the associated hazards and risks. In this way, EU legislation attributes a central role to the employer and the employees as responsible key agents in a process of self-regulation and self-reflection.

*Be aware of the societal impacts of psychosocial risks at the workplace, but also of the business impact of psychosocial issues in society*

For enterprises there are two kinds of impacts that should be managed in relation to psychosocial issues (Frick and Zwetsloot, 2007):

1. The impact of business activities on psychosocial risks and workers' health and its potential societal impacts, and
2. The impact of psychosocial health of employees on the business.

Health in itself is rarely a primary business interest. However, the health of employees does often strongly influence the business. This can, for example, work through employees' capacity and motivation to work, etc. While the primary concern of the workers is the management of the first kind of impact, the primary concern for management is often the second kind. This emphasises once more that a combination of the two perspectives is needed for successful management of psychosocial issues.

*Engage with stakeholders, including non-traditional stakeholders*

Non-traditional stakeholders that play a role in psychosocial risk management include social security agencies, health insurers, families and partners of employees and (mental) health care institutions and professionals. As CSR strategies always include engaging with stakeholders, it seems a logical step for

enterprises to start engaging with this range of key stakeholders. From the CSR literature it is known that this type of stakeholder engagement may have its own dynamics: from trust, via inform, to involve. The greater the involvement of key stakeholders such as social security agencies, health insurers, families and partners of employees and (mental) health care institutions and professionals, the more likely it is that the management of psychosocial issues will be and remain of strategic importance to the enterprise.

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