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**CORPORATE SOCIAL RESPONSIBILITY:
AN EMPIRICAL INVESTIGATION OF U.S. ORGANIZATIONS**

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ABSTRACT

Organizations that believe they should “give something back” to society have embraced the concept of corporate social responsibility (CSR). Although the theoretical underpinnings of CSR have been debated frequently, empirical studies often involve only limited aspects, implying that theory may not be congruent with actual practices and may impede understanding and further development of CSR. The authors investigate actual CSR practices related to five different stakeholder groups, develop an instrument to measure those CSR practices, and apply it to a survey of 401 U.S. organizations. Four different clusters of organizations emerge, depending on the CSR practice focus. The distinctive features of each cluster relate to organizational demographics, perceived influence of stakeholders, managers’ perceptions of the influence of CSR on performance, and organizational performance.

KEYWORDS. Corporate social responsibility; practices; stakeholders; U.S.; performance outcomes; survey.

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Introduction

The high ranking of corporate social responsibility (CSR) on research agendas (Greenfield, 2004; Maignan and Ralston, 2002; McWilliams et al., 2006; Pearce and Doh, 2005) is reflected by theoretical debates in academic journals (e.g., issue 1 of *California Management Review* 2004; issue 1 of *Journal of Management Studies* 2006) and books (e.g., Dunphy et al., 2003; Kotler and Lee, 2005), as well as practitioner discussions that argue, “not only is doing good the right thing to do, but it also leads to doing better” (Bhattacharya and Sen, 2004, p. 9). As a result, CSR has moved from ideology to reality, and many consider it an absolute necessity that organizations define their roles in society and apply social, ethical, legal, and responsible standards to their businesses (Lichtenstein et al., 2004; Lindgreen and Swaen, 2004). Examples of organizations pursuing CSR objectives are plentiful, including Coop Bank, Patagonia, Starbucks, The Body Shop, and the Suez Group.

However, the best conceptualizations of CSR remain embryonic. Despite the well-accepted belief that CSR is important for organizations to meet their stakeholder obligations, various unresolved issues exist in the literature, including an incomplete understanding of how organizations realize their CSR policies. For example, literature suggests a plethora of possible CSR practices, yet empirical studies tend to focus only on limited aspects of CSR, such as cause-related issues or philanthropy (Maignan and Ferrell, 2001; Matten et al., 2003). Until studies start to examine organizations’ actual CSR practices, CSR will remain perplexing to theorists and continue to elude practitioners for various reasons.

First, CSR has developed under the influence of various theories, including agency theory, institutional theory, the resource-based view of the firm, stakeholder theory, stewardship

theory, and the theory of the firm (for a review, see McWilliams et al., 2002), which results in numerous conceptualizations of CSR (Pinkston and Carroll, 1996; Snider et al., 2003). This state of affairs likely impedes a full understanding of what CSR should comprise and hinders its further theoretical development. Our study surveys and reports on actual CSR practices to overcome this limitation.

Second, though the literature is replete with advice about what constitutes appropriate CSR practices, no studies address how organizations might emphasize different aspects of CSR. This issue has remained largely unexplored in the literature, yet it involves significant subtleties for theorists who are confused about the actual use of proposed CSR practices, as well as for practitioners who lack guidance about how to formulate their CSR policies and, in turn, deploy CSR practices (Bhattacharya and Sen, 2004). For example, how do different stakeholder groups influence the adoption of certain CSR practices? To address this research gap, we identify CSR practices, the combinations of CSR practices that different organizations pursue, and the influence of different stakeholder groups on CSR practices.

Third, we respond to the “concomitant and urgent need to measure the returns to various CSR programs” (Bhattacharya and Sen, 2004, p. 10). The issue of insufficient measures is exacerbated by the complex correlation between CSR and performance outcomes, which is not as straightforward as some seem to believe (Husted and Salazar, 2006; Maignan and Ferrell, 2001). By reporting on how 401 organizations measure their various performance outcomes, we address this critical issue and thereby contribute to ensuring better congruence between CSR theory and practice.

We structure the remainder of this article as follows: First, we provide a literature review, which we use to develop a theoretical framework. Second, we describe the methodology we use, and third, we present and discuss the results of our survey of 401 U.S. organizations and

their CSR practices. Fourth and finally, we identify our study's contributions and managerial implications, as well as some limitations, and suggest avenues for further research.

Literature Review and Theoretical Framework

In this section, we consider three topics: the background of CSR, the influence of different stakeholder groups on CSR practices, and the performance outcomes of CSR practices.

The CSR concept relates closely to corporate citizenship (Bowen, 1953; Carroll, 1979; Mason, 1960), corporate social responsiveness (Ackerman and Bauer, 1976; Frederick, 1998; Strand, 1983), corporate social performance (Stanwick and Stanwick, 1998; Swanson, 1995; Wood, 1991), and stakeholder management (Donaldson and Preston, 1995; Jones, 1995). Common to these concepts is the idea that organizations should be not only concerned about making a profit but also engaged in “actions that appear to further some social good, beyond the interests of the firm and that which is required by law” (McWilliams et al., 2006, p. 1).

In this sense, CSR generally refers to business decision making related to ethical values, compliance with legal requirements, and respect for people, communities, and the environment. However, as we indicate in Table 1, though the term “CSR” gets used often (Andriof and McIntosh, 2001), multiple conceptualizations of it exist, and a single definition has yet to be agreed on (Garriga and Melé, 2004).

[Insert Table 1 around here]

The earliest conceptualizations of CSR, developed in the 1950s, pertained to business responsibility; for example, Bowen (1953) argued that businesses have an obligation to pursue policies with desirable societal objectives and values. A quarter of a century later, Carroll (1979, p. 500) specified that organizations' obligations must “encompass the

economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time.” Carroll’s conceptualization of CSR consists of four dimensions: (1) organizations should be productive and profitable and meet the needs of consumers (economic citizenship), (2) they are compelled to work within existing legal frameworks (legal citizenship), (3) organizations must follow socially established moral standards (ethical citizenship), and (4) their voluntary corporate activities must attempt to help other people and contribute to the well-being of society (discretionary citizenship).

Building on Carroll’s (1979) work, Maignan and colleagues conceptualized another version of CSR, developed an instrument to measure CSR practices, and validated the instrument in France and the United States (Maignan, 1997; Maignan and Ferrell, 2001; Maignan et al., 1999). Specifically, they replaced “society” with “stakeholder expectations” and defined CSR as “the extent to which businesses assume the economic, legal, ethical and discretionary responsibilities imposed on them by their various stakeholders (Maignan et al., 1999, p. 457). In line with Clarkson’s (1995, p. 106) suggestion, stakeholders include the “persons or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future.” Organizations exist within larger networks that consist of various stakeholder groups that exert pressure on them. A good corporate citizen must address the concerns and satisfy (some of) the demands of stakeholders who, whether directly or indirectly, can affect or be affected by the organization’s activities (Donaldson and Preston, 1995; Jones, 1995; Waddock, 2001).

Consumers, investors, and business leaders demand that organizations “remember their obligations to the employees, communities, and environment” (Martin, 2002, p. 69), and employees look for help dealing with myriad complex and pressing social and economic issues. In return, these stakeholders supply the elements necessary for the organization to

function, such as human, financial, and technical resources. The availability of these resources determines the organization's ability to survive.

Consumer stakeholders may exercise pressure on an organization if they believe it is not acting in a "desirable" way, especially because their access to instant and free information, as well as a multitude of alternative providers, has become even easier. Therefore, these stakeholders come to expect more of organizations in terms of corporate citizenship (McIntosh et al., 1998; Pinkston and Carroll, 1994). For example, the 2004 Cone Corporate Citizenship Study revealed that 74% of Americans surveyed consider an organization's commitment to causes important when they decide which products and services to recommend to others. In addition, 86% of those surveyed would consider dropping an organization with negative social practices.

In the supply chain, partners with CSR policies may require suppliers to document that their raw materials, components, or services meet environmental and ethical standards. Therefore, the pressure for better social and environmental performance moves upstream through the value chain (Warhurst, 2001). In some cases, especially when the stakeholder is a large, powerful organization, this influence represents a formidable force that can effectively exclude suppliers from the marketplace if they appear socially irresponsible. Within this context, the use of child labor and social diversity protections represent some of the most important issues.

Managers inside the organization constitute a third group of stakeholders. They have access to, or are themselves, the people in charge of decision making related to CSR, so they have the ability to assess the relevance and importance of stakeholder issues, select which issues should be considered, and participate in implementing the decisions. Managers also play important roles in orienting the organization and its decisions and actions (Deshpandé and Webster, 1989). The level of commitment managers hold to issues of public interest—

measured in terms of the time they spend on these issues—correlates positively with the development of management structures concentrated on social issues inside the organization (Greening and Gray, 1994). Top management support for environmental and social initiatives, as well as the presence of policy entrepreneurs (i.e., managers who bring these issues to the forefront), positively influence an organization's citizenship orientation (Drumwright, 1994). In this sense, managers have considerable influence over the organization's CSR involvement; for example, Anita Roddick and Ingvar Kamrad have been instrumental in developing the CSR visions of The Body Shop and IKEA, respectively.

Several studies consider the performance outcomes that result from an organization's investment in CSR (e.g., Abbott and Monsen, 1979; Arlow and Gannon, 1982; Aupperle et al., 1985; Stanwick and Stanwick, 1998; Ullmann, 1985), but none has established a unequivocal relationship between CSR and economic performance (Aupperle et al., 1985; Griffin and Mahon, 1997). The most commonly identified positive relationship suggests CSR offers organizations the potential to increase sales and reduce costs (Luo and Bhattacharya, 2006; Maignan and Ferrell, 2001; Orlitzky et al., 2003; Waddock and Graves, 1997; Wokutch and Spencer, 1987). However, prior research also indicates a negative relationship with performance because of the costs involved to invest in CSR (Davidson and Worrell, 1988; Vance, 1975). Yet another group of studies suggests no relationship between CSR and performance (Aupperle et al., 1985; Davidson and Worrell, 1990; McGuire et al., 1988).

These previous studies use different conceptualizations and operationalizations of both CSR and economic performance outcomes, which may explain the divergent results. They also investigate CSR in different business sectors, and there is little to suggest that the relationship between CSR and economic performance outcomes should remain the same across all contexts. Finally, it is difficult to compare these studies effectively because of the

methodological problems they contain (e.g., one-shot studies, no real longitudinal data, small sample sizes) and the challenge of controlling for many potentially important variables.

Research also addresses the impact of CSR practices on stakeholders' attitudes and behaviors toward an organization, though it remains poorly developed. In general, CSR appears to influence an organization's attractiveness to a potential employee (Turban and Greening, 1997) and the degree of current employees' commitment (Maignan and Ferrell, 2001; Maignan et al. 1999). In a survey conducted by the Conference Board, executives reported that volunteer programs improved employee productivity and morale, fostered teamwork, and built skills (Leonard, 1997). Another survey indicates that 84% of managers believe achieving a responsible image in the community is important for employee morale (*Business Ethics* 1997a). Thus, CSR initiatives may help establish a bond between the organization and its employees (Leonard 1997).

Awareness of CSR policies and practices also seems to have a positive influence on consumers' evaluations of product attributes (Brown and Dacin, 1997) and attitudes toward the organization (Brown and Dacin, 1997; Creyer and Ross, 1997; Murray and Vogel, 1997). Through customer satisfaction, CSR also affects market value (Luo and Bhattacharya, 2006). Finally, CSR practices positively influence the organization's corporate reputation (Fombrun and Shanley, 1990) and customer loyalty (Maignan et al., 1999).

Research questions

From our literature review, we derive several research questions to guide our study. Insights into these questions help us develop the CSR concept further.

- RQ1. (a) What current CSR practices exist, and (b) what relative emphasis do different organizations place on different aspects of CSR?
- RQ2. How do different stakeholders influence organizations' CSR practices?
- RQ3. How do different CSR practices relate to different performance outcomes?

Because CSR has been conceptualized in so many ways (Carroll, 1979) Griffin and Mahon, 1997; Wood, 1991), the answer to the first question will contribute to a better understanding of CSR, in particular by providing empirical evidence of current CSR practices. Also, because it is logically impossible for organizations “to maximize in more than one dimension at the same time” (Jensen, 2002, p. 238), our first research question clarifies how different organizations choose to emphasize different aspects of CSR. In addition, by answering the second question, we gain a better understanding of how different stakeholders influence organizations in choosing different CSR practices. Finally, previous studies fail to agree whether practicing CSR affects performance outcomes (Husted and Salazar, 2006; Maignan and Ferrell, 2001), so an answer to the third research question contributes to existing research by identifying organizational perceptions about the relationship between their CSR investments and performance outcomes; furthermore, using measures of organizations’ real performance, independent of the perceived impact of CSR, we can determine whether a correlation exists between CSR investments and real performance.

Methodology

Survey instrument

Questionnaire

Our survey questionnaire asks respondents to provide details about their organizations, including characterizations of the organizations’ business activities, for which respondents could choose multiple categories. Respondents also answered questions about when the organization had been established, sales revenue, the proportion of sales revenue generated by sales to export markets, the number of employees, and organizational structure.

The second part of the survey relates to the organizations' CSR practices, developed on the basis of an extensive review of academic and business literature to identify activities commonly considered representative of CSR (cf. Maignan et al., 1999; Swaen, 2004; Swaen et al., 2003). Using five- or seven-point Likert scales (1 = "strongly disagree"; 5 or 7 = "strongly agree"), respondents indicated the extent to which their organization had adopted specific corporate practices and how it dealt with social, environmental, and ethical issues. Another question investigated whether the organization had a specific department devoted to CSR issues or employees who regularly allocated time to such issues. This portion of the survey also requested an evaluation of the organization's standing relative to that of the industry average in its social, environmental, and ethical policies and practices (1 = "much below the average"; 5 = "much above the average"); the perceived effect of these practices (1 = "no effect at all"; 5 = "very high effect"); and the extent to which they were influenced by different stakeholders (1 = "no influence at all"; 5 = "very high influence") (Beltz et al., 1997).

Because we hope to identify the impact of CSR on performance outcomes, in the third section of the survey, we ask for details about return on investment, as well as an evaluation of the organizations' performance relative to its main competitor(s) on these two measures (1 = "much worse"; 5 = "much better"). Respondents also evaluated their organizations' performance relative to expectations with regard to improving relations with different stakeholders, improving the social and economic health of their society, attaining desired profitability, improving their corporate reputation, and gaining national and international visibility on five-point Likert scales (1 = "no effect at all"; 5 = "very high effect"). For these measures, we referred to Brown and Dacin (1997), Freeman (1984), Fombrun and Shanley (1990), Menon and Menon (1997), Sen and Bhattacharya (2001), and Turban and Greening (1996), among others.

Finally, the last part of the survey requests respondents to describe themselves in terms of their position in the organization, the length of time they had held their current position, and whether their position related to marketing, as well as their gender and age.

Questionnaire pretest

To assess the face validity of the scale items, we submitted the survey and a letter introducing our research objectives to a pretest with eight experienced marketing academics and professionals. These respondents provided feedback and qualitative comments about CSR policies and practices in general. For example, we asked the marketing professionals to describe additional practices adopted by their organization for the benefit of different stakeholder groups. As a result of this procedure, we reworded some questions to integrate terminology currently used by marketing professionals. The final CSR measurement tool includes 27 items.

Data collection

Sampling procedure

We collected data through a nationwide survey of managers of U.S. organizations, whom we contacted through e-Rewards, a Dallas-based online sample provider that has built its own consumer, business, and specialty panels with a total of 1.5 million members. The company follows strict procedures to ensure the quality of its panels; for example, e-Rewards fully owns and controls the panels, which have not been merged or acquired from other firms; verifies the physical existence of all panelists; and limits participation by the average panelist to fewer than three full surveys per year. e-Rewards also employs different methods to “weed out” professional survey takers, including making sure that respondents do not answer surveys too quickly. Therefore, e-Rewards identified respondents for our survey, hosted the survey, and collected the data.

The survey captures detailed demographic, psychographic, and geographic profile information from each panelist, which enables us to segment the panelists using up to 300 variables. We specified that our sample should cover a broad range of organizations in terms of

- Type of business activities: business-to-business and business-to-consumer, as well as physical goods and services;
- Amount of sales revenues: from US\$10 million or less to more than US\$1,000 million;
- Number of employees: from less than 20 to more than 5,000; and
- Sales revenue generated by sales to export markets: from 10% or less to more than 80%.

However, the survey targets respondents with certain functional roles, because they are better able to answer the questions as a result of their experience, knowledge of management policies, and access to operational and quality performance data. Of the functional roles captured by e-Rewards, we identify executives/owners, marketing/advertising personnel, and general management as particularly appropriate for our study purpose. We also consider five additional roles appropriate: communication/public relations, market research, customer service, sales/business development, and administration.

e-Rewards contacted all respondents via e-mail with an invitation to participate in the survey, to which they would respond online, which enables us to capture the completion time and date the questionnaire was returned. Respondents from 523 different U.S. organizations completed the survey and answered all the survey's questions. However, because preliminary tests showed that respondents would need at least 10 minutes to answer the survey, we exclude questionnaires from respondents who spent less than 10 minutes filling out the survey. We therefore retained 401 organizations in our study.

Results and Discussion

Respondent demographics

The age of the respondents averages 45 years ($SD = 10.7$ years), as we indicate in Table 2. The majority of respondents hold upper (64.7%) or middle (28.0%) management positions. On average, the respondents have spent 7.6 years in their current position ($SD = 7.3$ years).

Organization demographics and nonresponse bias

As we indicate in Table 3, the sample represents a variety of organizations, with 45.5% in business-to-business and 44.3% in business-to-consumer organizations; 10.2% of organizations operate in both markets. The products that the organizations offer are distributed as follows: physical goods (37.0%), services (57.5%), and physical goods combined with services (5.5%). In terms of duration, 29.3% of the organizations were established less than 10 years ago. The number of employees ranges from less than 20 (38.0%) to 1,000 or more (29.5%), with the remaining organizations (32.5%) employing between 20 and 1,000 persons.

Also as we indicate in Table 3, 71.3% of the organizations generate 10% or less of their sales revenue through sales to export markets. The 2004 sales revenues of 52.5% of the organizations were \$10 million or less, and 18.6% enjoyed more than \$1,000 million in sales revenue. Furthermore, 29.0% of the organizations consider their 2004 sales growth level comparable to that of their primary competitor, and 57.5% believe that their sales growth in 2004 was better their primary competitor's. Finally, 47.6% of the organizations represent a strategic business unit within a larger organization, whereas the remaining organizations constitute a division (30.7%), plant (4.7%), or subsidiary (16.9%) of a larger organization.

In 15.0% of the organizations, a CSR department deals with social, environmental, and ethical issues. Employees in another 31.2% of organizations regularly allocate some time for

these issues. The remaining 53.9% of organizations do not possess a CSR department or employees who regularly allocate their time to such issues.

With regard to nonresponse bias, we check the demographics of the organizations against the general business profile in the United States and find that the sample organizations are typical of the types of businesses prevalent there. Also, we compare early (first 25%) and late (last 25%) responses to questions relating to CSR practices and find no significant differences. Therefore, nonresponse bias does not appear to be a problem for our study (Armstrong and Overton, 1977).

[Insert Tables 2 and 3 around here]

CSR practices and relationships to stakeholders

Using factorial analysis with Varimax rotation, we identify five reliable dimensions of CSR practices that relate to customers and suppliers (explained variance = 14.3%; $\alpha = 0.912$), employees (explained variance = 17.8%; $\alpha = 0.924$), financial investors (explained variance = 10.7%; $\alpha = 0.941$), philanthropy (explained variance = 16.1%; $\alpha = 0.938$), and the environment (explained variance = 18.4%; $\alpha = 0.941$) (see Table 4). On a seven-point scale, respondents indicate that their organizations have adopted specific CSR practices relating to employees (mean = 5.25; SD = 1.43), customers and suppliers (mean = 5.22; SD = 1.29), and financial investors (mean = 5.16; SD = 1.67). To a lesser extent, they also apply CSR practices related to philanthropy (mean = 4.71; SD = 1.57) and the environment (mean = 4.62; SD = 1.54).

Again using factorial analysis with Varimax rotation, we next distinguish four groups of stakeholders, which we list in Table 5: owners (financial shareholders), CEOs, and boards of directors (explained variance = 13.3%; $\alpha = 0.658$); internal stakeholders, such as employees

and middle-level managers (explained variance = 15.9%; $\alpha = 0.845$); market stakeholders, including customers, suppliers, and competitors (explained variance = 17.1%; $\alpha = 0.771$); and governmental and other pressure groups, such as trade unions, the local community, the press and media, and national and international regulators (explained variance = 24.1%; $\alpha = 0.846$). Using a five-point scale, respondents evaluated the influence of each group of stakeholders as 3.97 (SD = 0.94), 3.34 (SD = 1.09), 3.01 (SD = 0.97), and 2.63 (SD = 1.01), respectively. In other words, respondents perceive the influence of owners, CEOs, boards of directors, and internal stakeholders as relatively high, whereas that of governmental and other pressure groups and regulators is relatively low.

On a five-point scale respondents also evaluated the CSR policies and practices of their organization relative to those of their competitors and highlight social policies and practices (mean = 3.57; SD = 1.02), environmental policies and practices (mean = 3.43; SD = 0.98), and ethical policies and practices (mean = 3.93; SD = 1.02). Phrased differently, 49.3%, 41.9%, and 62.8% of the organizations, respectively, consider their efforts with regard to these three policies and practices better than average.

Finally, respondents rated the perceived effect of their CSR policies and practices (five-point scale) in terms of various non-economic performance criteria (Table 5). That is, we survey respondents about their personal opinion of the effect of CSR on criteria other than real performance outcomes. The CSR policies and practices reportedly have some effect, with the highest score for customer satisfaction (mean = 3.81; SD = 1.09) and the lowest for governmental support (mean = 2.75; SD = 1.33). Our finding that CSR is perceived to have a positive effect on customer satisfaction, corporate image/reputation, and employee morale matches previous research, which suggests CSR plays an important role in building and maintaining corporate image (Fombrun and Shanley, 1990; Menon and Menon, 1997), offers

a way to create bonds with customers (Kennedy et al., 2001; Swaen, 2004), and motivates employees at work (*Business Ethics*, 1997b; Leonard, 1997; Maignan et al., 1999).

Our managerial respondents also declared that CSR practices could have a slightly positive impact on financial performance. Only 7.7% of the surveyed organizations believe CSR practices have no effect on financial performance, 47.9% indicate “some effect,” and 20.9% believe it has a “very high effect.”

[Insert Tables 4 and 5 around here]

It is interesting to notice that CSR practices related to financial investors, philanthropy, and the natural environment are mentioned more frequently by managers working in organizations where at least some employees allocate time to CSR issues. We also note that managers working in such organizations perceive the influence of stakeholders on their organization’s CSR practices to be high in contrast to managers in other organizations. The same is true with regard to CSR’s positive impact on performance outcomes.

Moreover, organization size appears to play a role in the development of specific CSR practices and in managerial perceptions about stakeholders’ pressures. For instance, small organizations (less than 20 employees) invest more in customer, supplier, and employee related CSR practices and less in environmental practices than do larger organizations. It could be that smaller organizations need to emphasize the well-being of their customers, suppliers, and employees more than what larger organizations do. Also, smaller organizations perceive the influence of governmental and pressure groups to be less than what larger organizations do. This could explain the smaller organizations’ little investment in natural environmental matters; as well as the smaller impact of CSR practices on these organizations’

financial performance, corporate image, support of the government, and national/international visibility.

Cluster analysis

To determine the possibility of identifying meaningful groups of organizations in terms of their CSR practices, we perform a cluster analysis on the construct scores. Prior to doing so, we confirm that the different variables used for clustering do not suffer from substantial collinearity, which would bias the analysis (i.e., collinear variables implicitly get weighted more heavily; Hair et al., 1998). All variance inflation factors are below 3.0, which is significantly less than the recommended cut-off value of 10 (Hair et al., 1998) and indicates the absence of collinearity.

Therefore, we row-center the data, as recommended by Hair et al. (1998), to remove response-style effects (e.g. yea-sayers). To gain the benefits of both hierarchical and nonhierarchical clustering methods, we use both methods sequentially (Hair et al., 1998). Specifically, we use Ward's hierarchical method to establish the most meaningful number of clusters (based on the increase in the average within-cluster distance criterion and the profile of the cluster centers identified), identify potential outliers, and minimize within-group variation. Because we find no outliers, we proceed with all observations. On the basis of hierarchical cluster analysis, we apply a four-cluster solution; the sizes of these different clusters are comparable. Organizations in the four different clusters focus on issues related to (1) employees, customers, and suppliers; (2) employees, customers, suppliers, and financial investors; (3) employees, customers, suppliers, financial investors, and the environment; and (4) financial investors, the environment, and philanthropy (see Table 6a).

Next, we cluster the organizations using K-means clustering (a nonhierarchical method), with the cluster centers identified in the hierarchical clustering as initial seed points. This

second clustering fine-tunes our results, because nonhierarchical methods are less susceptible to outliers, the type of distance measure used, and the inclusion of irrelevant or inappropriate variables (Hair et al., 1998).

In terms of organizational profiles, the results from the K-means clustering closely mirror the previous results. As we show in Table 6b, the four different clusters focus on issues related to (1) employees, customers, and suppliers; (2) employees, customers, suppliers, and financial investors; (3) employees, customers, suppliers, financial investors, and philanthropy; and (4) financial investors, the environment, and philanthropy.

[Insert Tables 6a and 6b around here]

Our results imply a kind of a continuum for the first three clusters, with the first and third at the extremes and the second in between. The fourth cluster exists in addition to this continuum (Figure 1). In addition, we find that organizations combine different CSR practices into hybrid configurations, most often by relating their CSR activities to their different core stakeholders (i.e., employees, customers, suppliers, and financial investors). At one end of the continuum, organizations invest in CSR activities that relate directly to their primary stakeholders (customers, employees, and suppliers), then include another group of stakeholders (financial investors), before eventually adding peripheral activities related to the general public (philanthropy). In the fourth cluster, CSR appears linked to the three pillars of sustainable development (economic, social, and natural environmental) rather than practices designed to satisfy customers, suppliers, or employees.

In addition, we suggest the first and second clusters refer to a traditional model of managerial capitalism, in which the organization pertains only to suppliers, employees, and financial investors, which provide basic resources that the organization employs to offer

goods and services to customers (Crane and Matten, 2004). In contrast, the third and fourth clusters take a stakeholder view of the organization, in which financial investors represent only one among several groups of stakeholders (including the general public) affected by the organization's activities (Crane and Matten, 2004).

[Insert Figure 1 around here]

In summary, by considering current CSR practices, their relationships with stakeholders, and the relative emphasis of different organizations on different aspects of CSR, we derive a four-cluster segmentation in which each cluster emphasizes different aspects of CSR. That is, CSR implementation involves various methods, not just one, which offers a response to our first research question.

Differences across clusters

Organizational demographics

As we indicate in Table 7, we find significant differences across the different clusters in terms of the organizations' age and number of employees. Organizations in the fourth cluster are significantly older—50.7% of them were established more than 30 years ago, and only 17.4% were established less than 10 years ago. In comparison, 25.5% or more of the organizations in the other clusters had been established less than 10 years ago. In addition, the fourth cluster contains larger organizations, with 53.5% of them employing 1,000 or more persons; in the other clusters, this size exists in a maximum of 26.5% of the organizations.

We also uncover some significant differences between clusters depending on whether employees work on CSR activities. Most organizations in the fourth cluster dedicate employees (34.7%) or even a department (31.9%) to social issues. In contrast, in the other

clusters, between 51.9% and 72.6% of organizations commit no employees to dealing with such issues.

However, we do not identify any significant differences across clusters in terms of industry, that is, whether the organizations represents a business-to-business or business-to-consumer effort or offers physical goods or services.

Possibly because they are larger and were established earlier than those in other clusters, organizations in the fourth cluster have more formalized CSR structures. Previous studies also report that such organizations invest more in CSR (Greening and Gray, 1994; Stanwick and Stanwick, 1998). Because of their greater visibility, larger organizations tend to attract more attention from the media, pressure groups, and other stakeholders, but they also have greater resources and skills to change the context in which they find themselves and meet environmental and social pressures. As a result, such organizations generally are inclined to pay special attention to their corporate image.

[Insert Table 7 around here]

Perceived influence of stakeholders

The perceived influence of different stakeholders varies across the four clusters. For example, in the first cluster, CEO influence is lower than in the third cluster, the influence of the board of directors is lower than in any other cluster, and that of owners and shareholders is less than in the second or third clusters. Thus, these results confirm the role of investors and top managers in implementing more developed CSR practices, in that the personal involvement of the CEO or directors in social and environmental issues appears to influence the extent of CSR an organization embraces (Drumwright, 1994).

The influence of competitors is greater in the fourth cluster than in the second cluster, possibly because more intense competition requires organizations to depend on their external environment in terms of relationships and corporate image (Khireche-Oldache, 1998). To attract new customers, the organization must distinguish its corporate image from those of competing organizations (McStravic, 2000), and CSR may offer a way to do so (McWilliams and Siegel, 2001) by, for example, redefining its relationships with stakeholders and the wider community or creating greater value (Andriof, 2000).

Finally, the influence of trade unions, local communities, press/media, and national and international regulators is greatest in the fourth cluster. All else being equal, larger organizations experience greater visibility and therefore tend to be the subjects of public scrutiny. As a result, these organizations must act in a responsible manner, in this case by investing in CSR.

These combined results thus provide comprehensive answers to our second research question regarding the influence of various stakeholders on organizations' CSR practices.

Managers' perceptions of the influence of CSR on performance

When organizations invest in CSR, its impact on various noneconomic performance aspects appears positive to our respondents. However, we find differences among the clusters in terms of the size of these perceived positive effects. For example, organizations in the third cluster believe CSR has a greater impact on employee morale than those in the first cluster. For the fourth cluster, the impact of CSR on national and international visibility is greater than that perceived in the first cluster, and the impact of CSR on governmental support is greater than in the first or third clusters. Again, because organizations in the fourth clusters tend to be bigger, they are relatively more concerned about their national and international visibility than are organizations in the other clusters. In the third and fourth clusters, the

impact of CSR on people's well-being appears greater than for those in the first cluster, which may be congruent with the greater CSR investments by organizations in the third and fourth clusters. Generally speaking, organizations from the first cluster—those least involved in CSR—seem less convinced of the potential benefits of CSR activities, which may explain why they do not invest as heavily in CSR practices. An alternative explanation could be that such organizations do not see the value of CSR because they do not invest in CSR practices.

Organizational performance

In the final part of the survey, respondents answered questions about objective measures of organizational performance, not just subjective measures of CSR's perceived impact on different performance elements. With these data, we can test whether organizations with similar performance levels appear in the same cluster with respect to their CSR practices. To this end, we conduct an ANOVA and post hoc contrast analysis.

In Tables 7a and 7b, we show that sales revenue is significantly higher for organizations in the fourth cluster (72.7% earn more than US\$10 million) compared with organizations in other clusters (34.1–54.5% earn more than US\$10 million). This finding is logical, because we already know that organizations in the fourth cluster are larger and have been established for longer than organizations in the other clusters.

The results in Table 8 also indicate some significant differences between clusters in terms of levels of performance relative to expectations about improving corporate image/reputation, social health, and the economic health of the local community. Organizations in the third and fourth clusters, with their more developed CSR, appear to perform better than organizations in the first and second clusters in terms of corporate image and impact on social and economic health. This result matches previous research that supports a positive link between CSR investments and corporate image (Fombrun and Shanley, 1990). Thus, we offer a

response to our third research question regarding the connections between different CSR practices and various performance outcomes.

[Insert Table 8 around here]

Conclusions

Overall, our findings demonstrate that CSR is not the result of episodic and unrelated CSR activities but rather that many organizations systematically monitor and address different stakeholder groups' demands. We expand on this finding in this section.

First, there is not one way to act responsibly. To build an image of socially responsibility, organizations pursue, at a minimum, four different types of CSR practices that target different stakeholder groups. The four clusters imply a continuum of CSR practices and indicate that the use of particular practices depends on the type of stakeholders the organization considers important.

Second, only the third and fourth clusters refer to the stakeholder view of the organization; the first and second clusters are closer to a traditional model of managerial capitalism. This interesting finding speaks to the frequent claim that organizations increasingly are investing heavily in broad-scale CSR. Our study indicates instead that different organizations emphasize different aspects of CSR, which may reflect the different power of stakeholders *versus* the organization. We also note that organizations in the fourth cluster are relatively old. Younger organizations may be more inclined to consider, first and foremost, their short-term financial performance objectives and activities, then in a later stage address their long-term survival, in which arena CSR can play an important part.

Third, our study examines the embeddedness of CSR within organizations, but the extent of CSR formalization may depend on whether the organization assigns a department or, at a

minimum, some employees to work specifically on CSR-related issues. In contrast, we acknowledge that an organization might need to develop CSR first and then as a result require employees to deal with CSR issues.

Fourth, the size of the organization and its initial economic performance may help explain the development of CSR practices. Larger organizations have more resources to monitor social demands, address them, and communicate the organization's efforts to develop and address its CSR practices (cf. Greening and Gray, 1994; Stanwick and Stanwick, 1998).

Fifth and finally, our findings suggest that managers have a relatively positive perception of CSR practices as improving, or at least not harming, business performance. For example, CSR is perceived to have a positive impact on corporate image and customers' and other stakeholders' (e.g., employees, suppliers, local communities) satisfaction. Furthermore, the more organizations invest in CSR (which moves them along our continuum of clusters), the more managers perceive the benefits associated with CSR with respect to national and international visibility, support from the government, and the well-being of people (social welfare). These "softer" benefits may be translated into "hard" benefits (e.g., profits, sales returns) in the long run and also give the organization legitimacy.

Limitations and future research directions

As is the case for most research, our study has several limitations that affect our interpretations and that therefore must be considered. First, our sample frame development, which uses panel members of e-Rewards as respondents, might favor the inclusion of respondents who are interested in a financial reward for filling out a survey but not necessarily in providing correct answers to a survey. Additional research should investigate this respondent qualification issue.

Second, we rely on single respondents from the organization and do not include any informants from organizations' stakeholder groups. Although much research takes the perspective of a single organization rather than the relationship between an organization and its stakeholders, we recognize that stakeholders might characterize an organization's CSR practices differently than the organization does. To exclude this potential bias, further research should employ a multi-informant research design. Surveys of consumers, employees, investors, and public organizations could be combined to obtain a better assessment of CSR practices and a deeper understanding of the role of different stakeholders in the development of CSR practices and their benefits.

Third, our analysis reports on managerial evaluations, not actual corporate behaviors. The gathered data reflect how managers evaluate CSR practices, stakeholders' influences, and performance outcomes but cannot assess the extent to which these perceptions are linked to actual CSR practices and performance outcomes. We assume that the respondents surveyed are sufficiently knowledgeable and willing to provide an accurate depiction of their organization, but additional research should include objective indicators of CSR practices, such as the amount of philanthropic donations or an analysis of layoff practices.

Fourth, also with regard to respondents' evaluations of CSR policies and practices, because most respondents claim their organizations perform better than competitors, we posit respondents may have decided to participate in the survey because their organization actually is involved in CSR. Therefore, our study suffers a potential self-selection bias. Alternatively, managers may want to present their organization in a better light than is accurate, which would reflect on our methodology, because our survey is based solely on statements from managers of these organizations.

Fifth, our findings do not allow us to confirm whether intermediary CSR practices represent practices in their own right or mere transition states on the path to all-inclusive

CSR. Using a longitudinal design, further research could replicate our study to capture evolutionary patterns of CSR practices and thereby contribute greater knowledge about CSR development. Longitudinal research also might help determine whether CSR develops progressively along the CSR continuum or can move in either direction. Moreover, it would enable an identification of the evolution of CSR practices with respect to the development of formalized structures inside the organization. Examining the path-dependent nature of CSR practices, according to which divergences in the past lead to different CSR practices in the future, might support calls to examine the route that organizations follow in implementing their CSR practices.

Sixth, this study involves only U.S. organizations, which means it may be used as a benchmark for analyzing CSR policies and practices in different countries. Additional research should examine cross-cultural differences in CSR practices, antecedents, and benefits. Such research would help international managers determine whether they should adapt their CSR policies to different cultures or if global practices are feasible.

These limitations should be considered when interpreting our results, but despite them, we believe our study offers several important contributions. First, through a quantitative investigation, we extend understanding of organizations' current CSR policies and practices. Second, we confirm that different organizations practice CSR differently, which suggests that organizations should manage a portfolio of CSR practices. Third, our results indicate that managers do not consider that meeting social demands come at the expense of achieving set performance outcomes. Instead, investing in CSR enables organizations to address the expectations of their stakeholders. Ultimately, our results highlight the marketing value of an active CSR policy.

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Table 1. Conceptualizations of CSR

CSR is “the firm’s consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm [...] to accomplish social benefits along with the traditional economic gains which the firm seeks” (Davis, 1973, p. 313).

“Corporate social responsibility implies bringing corporate behavior up to a level where it is congruent with the prevailing social norms, values, and expectations” (Sethi, 1975, p. 62).

CSR is defined as activities that “protect and improve both the welfare of society as a whole and the interest of the organization” (Davis and Blomstrom, 1975, p. 5).

“Corporate responsibility is the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law or union contract” (Jones, 1980, p. 59).

“Corporate citizenship is concerned with the relationship between companies and society – both the local community, which surrounds a business and whose members interact with its employees, and the wider and increasingly worldwide community, which touches every business through its products, supply chain, dealer network, and its advertising, among other things” (McIntosh et al., 1998, p. 20).

“Good corporate citizenship can be defined as understanding and managing a company’s wider influences on society for the benefit of the company and society as a whole” (Marsden and Andriof, 1998, qtd. in Andriof and Marsden, 2000, p. 2).

According to the World Business Council for Sustainable Development, “Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large” (Holmes and Watts, 1999, qtd. in Chand, 2006, p. 240).

Table 2. Respondent demographics

Demographic Variable	Number	Percentage
<i>Level of job position</i>		
Upper management	257	64.7
Middle management	111	28.0
Lower management	29	7.3
Missing	4	
<i>Number of months in current job position</i>		
Less than 36 months	106	26.4
36 months, but less than 72 months	119	29.7
72 months, but less than 120 months	68	17.0
120 months or more	108	26.9
<i>Marketing/CSR related job position</i>		
Job is marketing/CSR related	270	67.3
Job is not marketing/CSR related	131	32.7
<i>Gender</i>		
Male	399	99.5
Female	2	0.5
<i>Age</i>		
35 years old or younger	85	21.2
Older than 35 years old, but not more than 45 years old	116	28.9
Older than 45 years old, but not more than 55 years old	130	32.4
More than 55 years old	70	17.5

Table 3. Organization demographics and performance outcomes

Demographic or Performance Outcome Variable	Number	Percentage
<i>Types of goods and services</i>		
Business-to-business	155	45.5
Business-to-consumer	151	44.3
Both business-to-business and business-to-consumer	35	10.2
Missing	60	
<i>Types of products</i>		
Physical goods	126	37.0
Services	196	57.5
Both physical goods and services	19	5.5
Missing	60	
<i>Establishment of organization</i>		
Less than 10 years ago	115	29.3
10 years ago, but less than 30 years ago	134	34.1
30 years ago or more	144	36.6
Missing	8	
<i>Organizational structure</i>		
A strategic business unit in a larger corporation	121	47.6
A division in a larger corporation	78	30.7
A plant in a larger corporation	12	4.7
A subsidiary of a larger corporation	43	16.9
Missing	147	
<i>Number of employees</i>		
Less than 20 employees	151	38.0
20 employees, but less than 100 employees	60	15.1
100 employees, but less than 1,000 employees	69	17.4
1,000 employees or more	117	29.5
Missing	4	
<i>Number of employees in marketing</i>		
Less than 20 employees	247	66.8
20 employees or more	123	33.2
Missing	31	
<i>Proportion of sales generated by sales to export markets</i>		
10% or less	249	71.3
More than 10%	100	28.7
Missing	52	
<i>Sales revenue</i>		
US\$ 10 million or less	192	52.5
More than US\$ 10 million	174	47.5
Missing	35	
	Mean	SD
<i>Growth in sales revenue relative to competitors^a</i>	3.72	1.13
<i>Return on investment relative to competitors^a</i>	3.64	1.12
<i>Performance relative to expectations^a</i>		
Improving relations with customers	3.82	0.92
Improving relations with employees	3.55	1.02
Improving relations with local community	3.35	0.86
Improving social health of local community	3.31	0.89
Improving economic health of local community	3.29	0.88
Improving stakeholder relations in general	3.44	0.90
Attaining desired profitability	3.58	1.11
Improving corporate image / reputation	3.68	0.93
Gaining national and international visibility	3.38	1.03

^aScale used was [min 1; max 5].

Table 4. Organizations' CSR practices and relationship to identified stakeholder(s)

CSR Practices	Identified Stakeholder(s)	Score	
		Mean	SD
<i>Practice^a</i>			
Provide all customers with the information needed to make sound purchasing decisions	Customers and suppliers	5.54	1.51
Satisfy the complaints of our customers about products or services	Customers and suppliers	5.65	1.42
Incorporate the interests of our customers in our business decisions	Customers and suppliers	5.48	1.37
Treat suppliers, regardless of their size and location, fairly and respectfully	Customers and suppliers	5.35	1.50
Incorporate the interests of our suppliers in our business decisions	Customers and suppliers	4.77	1.61
Inform our suppliers about organizational changes affecting our purchasing decisions	Customers and suppliers	4.76	1.62
Average	Customers and suppliers	5.26	1.22
Support our employees who want to pursue further education	Employees	5.22	1.72
Provide procedures that help to insure the health and safety of our employees	Employees	5.55	1.52
Treat our employees fairly and respectfully, regardless of gender or ethnic background	Employees	5.81	1.56
Help our employees balance their private and professional lives	Employees	5.02	1.75
Incorporate the interests of our employees in our business decisions	Employees	4.98	1.69
Provide our employees with salaries that properly and fairly reward them for their work	Employees	5.16	1.67
Average	Employees	5.29	1.38
Provide our investors with full and accurate financial information about the organization	Financial investors	5.29	1.77
Incorporate the interests of our investors in business decisions	Financial investors	5.19	1.71
Inform our investors of changes in corporate policy	Financial investors	5.09	1.76
Average	Financial investors	5.19	1.64
Incorporate the interests of the communities, where we operate, in our business decisions	Philanthropy	4.82	1.66
Financially support education in the communities where we operate	Philanthropy	4.45	1.88
Stimulate the economic development in the communities where we operate.	Philanthropy	4.64	1.76
Help improve the quality of life in the communities where we operate	Philanthropy	4.83	1.73
Give money to charities in the communities where we operate	Philanthropy	4.89	1.81
Financially support activities (arts, culture, sports) in the communities where we operate	Philanthropy	4.57	1.86
Average	Philanthropy	4.70	1.53
Voluntarily exceed government-imposed environmental regulations	Environment	4.81	1.69
Incorporate environmental concerns in our business decisions	Environment	4.92	1.64
Incorporate environmental performance objectives in our organizational plans	Environment	4.73	1.72
Financially support environmental initiatives	Environment	4.26	1.77
Measure our organization's environmental performance	Environment	4.31	1.82
Minimize the environmental impact of all our organization's activities	Environment	4.54	1.77

Average	Environment	4.60	1.50
<i>Organization's standing relative to that of competitors^b</i>			
Social policies and practices		3.57	1.02
Environmental policies and practices		3.43	0.98
Ethical policies and practices		3.93	1.02
<i>Perceived effect of social, environmental, and ethical practices^b</i>			
Corporate image / reputation		3.68	1.18
Financial performance		3.47	1.16
Morale of its employees		3.68	1.10
Satisfaction of its customers		3.81	1.09
Satisfaction of other groups, for example employees, suppliers, and local community		3.54	1.05
The wellbeing of people in general ('social welfare')		3.36	1.09
National and international visibility		2.98	1.32
Support from the government		2.75	1.33

^aScale used was [min 1; max 7].

^bScale used was [min 1; max 5].

Table 5. Stakeholder influence

Stakeholder^a	Relates to...	Mean	SD
Employees	Workers	3.33	1.17
Middle-level managers	Workers	3.34	1.18
Average	Workers	3.34	1.09
Chief executive officer	Directors and owners	4.35	0.98
Board of directors	Directors and owners	3.70	1.43
Owners / shareholders	Directors and owners	3.86	1.23
Average	Directors and owners	3.97	0.94
Customers	Market stakeholders	3.47	1.15
Suppliers	Market stakeholders	2.78	1.18
Competitors	Market stakeholders	2.79	1.20
Average	Market stakeholders	3.01	0.97
Trade unions	Government and pressure groups	2.14	1.25
Local communities	Government and pressure groups	2.87	1.23
Press / media	Government and pressure groups	2.78	1.26
National regulators	Government and pressure groups	2.98	1.33
International regulators	Government and pressure groups	2.38	1.34
Average	Government and pressure groups	2.63	1.01

^aScale used was [min 1; max 5].

Table 6a. Hierarchical four-clusters solution (Ward's method)

Clusters	Variables	N	Minimum	Maximum	SD	Mean	Conclusion
Organizations focus on CSR activities related to customers, suppliers, and employees	Market_CSR	106	1.67	7	1.18	5.26	High
	Empl_CSR		1	7	1.51	5.23	High
	Invest_CSR		1	6.67	1.66	3.73	Low
	Philan_CSR		1	7	1.51	4.59	Medium
	Envir_CSR		1	7	1.56	4.37	Medium
Organizations focus on CSR activities related to customers, suppliers, employees, and financial investors	Market_CSR	168	2.50	7	1.10	5.47	High
	Empl_CSR		1.83	7	1.24	5.47	High
	Invest_CSR		2.33	7	1.09	5.95	High
	Philan_CSR		1.17	7	1.55	4.69	Medium
	Envir_CSR		1.00	6.83	1.43	4.08	Medium
Organizations focus on CSR activities related to customers, suppliers, employees, financial investors, and natural environment	Market_CSR	42	3.83	7	0.98	5.77	High
	Empl_CSR		3.67	7	0.98	5.84	High
	Invest_CSR		4.00	7	1.02	6.03	High
	Philan_CSR		1.50	6.67	1.52	4.06	Medium
	Envir_CSR		3.67	7	1.02	5.58	High
Organizations focus on CSR activities related to financial investors, natural environment, and philanthropy	Market_CSR	85	1	7	1.33	4.59	Medium
	Empl_CSR		1	7	1.45	4.74	Medium
	Invest_CSR		1	7	1.53	5.10	High
	Philan_CSR		1	7	1.42	5.17	High
	Envir_CSR		2.17	7	1.19	5.40	High

Notes: The thresholds applied are as follows: Low < 4; Medium [4;5], and High > 5.

Table 6b. K-means four-clusters solution (solution from Ward's method)

Clusters	Variables	N	Minimum	Maximum	SD	Mean	Conclusion
Organizations focus on CSR activities related to customers, suppliers, and employees	Market_CSR	95	1.67	7	1.27	5.19	High
	Empl_CSR		1	7	1.58	5.08	High
	Invest_CSR		1	6.67	1.70	3.50	Low
	Philan_CSR		1	7	1.59	4.47	Medium
	Envir_CSR		1	7	1.60	4.50	Medium
Organizations focus on CSR activities related to customers, suppliers, employees, and financial investors	Market_CSR	99	2.83	7	1.06	5.40	High
	Empl_CSR		2.33	7	1.17	5.39	High
	Invest_CSR		3.33	7	1.02	5.93	High
	Philan_CSR		1.33	6.67	1.39	3.98	Low
	Envir_CSR		1.50	7	1.29	4.92	Medium
Organizations focus on CSR activities related to customers, suppliers, employees, financial investors, and philanthropy	Market_CSR	135	2.50	7	1.06	5.58	High
	Empl_CSR		1.83	7	1.18	5.67	High
	Invest_CSR		2.33	7	1.13	5.85	High
	Philan_CSR		1.17	7	1.48	5.08	High
	Envir_CSR		1	6.83	1.48	4.03	Medium
Organizations focus on CSR activities related to investors, natural environment, and philanthropy	Market_CSR	72	1	7	1.33	4.54	Medium
	Empl_CSR		1	7	1.46	4.71	Medium
	Invest_CSR		1	7	1.45	5.16	High
	Philan_CSR		1	7	1.31	5.28	High
	Envir_CSR		2.17	7	1.24	5.34	High

Notes: The thresholds applied are as follows: Low < 4, Medium [4;5], and High > 5.

Table 7. Differences across clusters (chi-square analyses)

Variables	Cluster 1 N (% within the cluster)	Cluster 2 N (% within the cluster)	Cluster 3 N (% within the cluster)	Cluster 4 N (% within the cluster)	Chi- square	p-values
Organization age					15.834	0.015
Less than 10 years	31 (33.3%)	25 (25.5%)	47 (35.3%)	12 (17.4%)		
Between 11 and 30 years	30 (32.3%)	31 (31.6%)	51 (38.3%)	22 (31.9%)		
More than 30 years	32 (34.4%)	42 (42.9%)	35 (26.3%)	35 (50.7%)		
Organization size					43.462	0.0001
Less than 20 employees	50 (53.2%)	30 (30.6%)	59 (44.0%)	12 (16.9%)		
Between 20 and 99	11 (11.7%)	15 (15.3%)	24 (17.9%)	10 (14.1%)		
Between 100 and 999	13 (13.8%)	27 (27.6%)	18 (13.4%)	11 (15.5%)		
1000 or more	20 (21.3%)	26 (26.5%)	33 (24.6%)	38 (53.5%)		
CSR department?					38.702	0.0001
A separate department	11 (11.6%)	12 (12.1%)	14 (10.4%)	23 (31.9%)		
Employees	15 (15.8%)	34 (34.3%)	51 (37.8%)	25 (34.7%)		
Neither	69 (72.6%)	53 (53.5%)	70 (51.9%)	24 (33.3%)		
Sales revenue in 2004					28.746	0.0001
10 million or less	56 (65.9%)	40 (45.5%)	78 (61.4%)	18 (27.3%)		
More than 10 million	29 (34.1%)	48 (54.5%)	49 (38.6%)	48 (72.7%)		
Business-to-business or business-to-consumer?					5.985	0.112
Business-to-business	35 (51.5%)	30 (39.5%)	52 (49.1%)	34 (60.7%)		
Business-to-consumers	33 (48.5%)	46 (60.5%)	54 (50.9%)	22 (39.3%)		
Goods or services?					3.602	0.308
Goods	27 (38.0%)	38 (46.3%)	38 (33.3%)	23 (41.8%)		
Services	44 (62.0%)	44 (53.7%)	76 (66.7%)	32 (58.2%)		

Table 8. Differences across clusters (ANOVA analyses)

Variables	Cluster 1	Cluster 2	Cluster 3	Cluster 4	Fisher	p-values
	Mean	Mean	Mean	Mean		
Stakeholders' influence						
Employees	3.27	3.31	3.42	3.28	0.407	0.748
Middle-level managers	3.04	3.46	3.44	3.38	2.097	0.102
Chief executive officer	4.13	4.41	4.53	4.21	3.855	0.018
Board of directors	3.17	3.94	3.85	3.78	6.131	0.002
Owners / shareholders	3.52	4.08	4.01	3.72	4.646	0.007
Customers	3.38	3.41	3.59	3.47	0.732	0.533
Suppliers	2.61	2.78	2.88	2.82	1.017	0.385
Competitors	2.65	2.58	2.88	3.08	3.220	0.023
Retailers	2.36	2.21	2.59	2.88	5.000	0.001
Trade unions	2.02	2.02	2.07	2.58	3.830	0.010
Local communities	2.65	2.67	2.90	3.38	6.181	0.0001
Press / media	2.58	2.58	2.79	3.31	6.070	0.0001
National regulators	2.66	2.95	2.92	2.56	6.735	0.0001
International regulators	2.12	2.26	2.36	2.94	5.992	0.001
Perceived CSR impact on...						
corporate image / reputation	3.49	3.74	3.71	3.76	1.015	0.386
financial performance	3.22	3.49	3.54	3.61	1.997	0.114
employee morale	3.44	3.64	3.83	3.75	2.479	0.099
customer satisfaction	3.78	3.77	3.90	3.75	0.428	0.733
the satisfaction of other groups, for example employees, suppliers, and local community	3.56	3.42	3.70	3.64	2.614	0.060
the wellbeing of people in general ('social welfare')	3.11	3.25	3.53	3.51	3.766	0.011
national / international visibility	2.66	2.94	3.05	3.32	3.642	0.013
support from the government	2.55	2.80	2.65	3.15	3.283	0.015
Performance relative to expectations over 2004 in terms of...						
customer relations	3.77	3.73	3.94	3.79	1.223	0.301
employee relations	3.57	3.47	3.67	3.41	1.199	0.310
environment relations	3.40	3.29	3.28	3.51	1.354	0.257
social health of the local community	3.29	3.10	3.36	3.51	3.159	0.015
economic health of the local community	3.30	3.07	3.33	3.50	3.395	0.008
relations with stakeholders in general	3.25	3.46	3.53	3.49	1.759	0.155
profitability	3.54	3.44	3.61	3.75	1.148	0.329
corporate image / reputation	3.61	3.51	3.85	3.68	2.845	0.038
national and international visibility	3.32	3.30	3.41	3.51	0.654	0.581

Figure 1. Continuum of CSR practices

