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Abstract This study supports the idea that fields form around issues, and describes the roles of various stakeholders in the structuring, shaping, and legitimating of the emerging field of Corporate Social Responsibility (CSR). A model of the institutional history of the CSR field is outlined, of which a key stage is the appearance of CSR rating agencies as the significant players and Institutional Entrepreneurs of the field. We show to which extent the creation and further development of CSR rating agencies, and the activism of other significant stakeholders of the field (typically portrayed as "standard setters" and "regulatory agents"), contribute to the institutionalization of CSR. With this in mind, among various stakeholders that legitimate the field of CSR, we present the efforts of global and local stakeholders such as the European Union, the United Nations, the International Organization for Standardization, and governments and their interactions. We suggest that the different paths of CSR development and institutionalization in France and in the United States depend on the nature of local and global stakeholders' involvement in this process and their interactions.

Keywords Corporate Social Responsibility · Corporate Social Responsibility rating agencies · Institutional theory · Stakeholder theory

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Introduction

Over the past two decades, the social and ethical behaviors of enterprises more commonly known as Corporate Social Responsibility (CSR) have come under heightened scrutiny. During this time, the CSR has been progressing worldwide, but developing in a heterogeneous way. Variations might be caused by the conceptual terms of CSR, mode of emergence of the concept, paths of its development, the nature of stakeholder involvement, and by institutional aspects (regulative, normative, and cultural-cognitive pillars). This field has become the center of debates in which competing interests negotiate over issue interpretation (Hoffman 1999).

With the rise of interest in the issue of CSR, researchers have started to publish more articles on this topic (Chatterji et al. 2009; Matten and Moon 2008; Campbell 2007; Doh and Guay 2006; Freeman and Velamuri 2006), and worldwide sociological, political, and managerial reviews have devoted special issues to CSR and sustainable development. Although this stream of research has contributed a great deal of insight, there still arises the fundamental question of how the CSR field became institutionalized. In order to fill in this gap, we formulate the following research question: How did the field of CSR become institutionalized and which actors contributed to its legitimation and institutionalization? With this question in mind, we mobilize institutional theory and stakeholder theory to explain the ways in which the interactions between the stakeholders of the CSR field drive the dynamics of the CSR institutionalization in France and in the United States. Although both countries are Western democracies sharing many common values, such as freedom of action and thought, equality of all individuals, and acknowledgment of law (Maignan and Ferrell 2000), their

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approach to CSR is not the same. As compared to the United States, where CSR activities are less regulated and mainly consider voluntary initiatives by civil society without any intervention of public authorities, in France the development of CSR emanated and achieved changes via several local legislative texts such as law of NER or more informal forms of influence such as the Global Compact or the Kyoto Protocol. We explore similarities and differences in the modalities of institutionalization of the CSR field in France and in the United States as national comparisons across the liberal market and coordinated market economies may shed light on possible alternatives in the paths of CSR field development and institutionalization.

Based on institutional theory (Scott 2008; DiMaggio and Powell 1983) and stakeholder theory (Freeman 1984; Mitroff 1983), we conceptualize CSR as an emerging field (DiMaggio 1991; Garud et al. 2002) comprised of various interested stakeholders (institutional investors, governments, companies, CSR rating agencies, policy makers…) who entered into the field at different periods of time and contributed to its institutionalization. Among these stakeholders, we consider CSR rating agencies as the key players and Institutional Entrepreneurs in the field, evaluating Corporate Social Performance (CSP) by providing ranking services,[1] corporate research, and compliance and consulting services analogous to those provided by financial research service firms with a focus on CSR criteria. These agencies entered the unsettled CSR field at a specific time, interacted with other stakeholders of the field, and have since been actively vying to become the dominant definition of CSR evaluation.

With the aim of making contributions to institutional theory and stakeholder theory in CSR, we undertake a case study approach, drawing on Eisenhardt (1989) and Yin (1994). The case study methodology is based on Pettigrew's (1990) principles of longitudinal study and processual analysis. Regarding the objective of this paper, processual research is essential since it requires interpretation of patterns in events, especially when they occur in socially meaningful time cycles, and the logic, which may explain how and why these patterns occur in particular chronological sequences (Pettigrew 1990).

We use secondary data sources, such as the information provided on official websites of CSR rating agencies, the European Union (EU), the United Nations (UN), the International Organization for Standardization (ISO), and in the Guide to Sustainability Analysis Organization (published by ORSE/ADEME in 2007). This guide aims to support attempts to identify all of the CSR rating players, and help both companies and investors to select organizations by providing them with complete information concerning methodology and structure. The official websites of these CSR rating agencies are highly reliable and useful for identifying the historical evolution of those agencies. Moreover, various reports on these websites illuminate the process of different local and international mergers and acquisitions between agencies over time, proving the institutionalization of the CSR field. Our aim was to collect pluralist data, that is, data that describe competing versions of reality (Pettigrew 1990).

In data quality improvement objectives, the factuality of the information gathered from the websites was cross-verified and complemented with data drawn from press articles and previous academic studies on CSR. Thus, evidence was gathered from a variety of sources and the triangulation of data sources resulted in a comprehensive understanding of the research topic.

The paper proceeds as follows. First, we discuss the core theoretical and definitional issues associated with the context of the paper where we (1) briefly review the definitions of the terms "organizational field," "institutional entrepreneurship," and "stakeholders"; (2) present the main contributions of institutional and stakeholder theories in CSR research; and (3) explain limits and convergent insights of institutional and stakeholder theories of CSR. In the section that follows, we present the different stages of the institutional history of the CSR field, focusing mainly on the role of the EU, UN, ISO, and governments typically portrayed as "standard setters" and "regulatory agents" that contributed to the institutionalization of CSR in France and in the US. We focus particularly on the specific stage marked by the emergence and evolution of CSR rating agencies as Institutional Entrepreneurs and key players in the field. Our propositions are outlined within this part. We suggest that (1) the nature of the institutionalization of CSR depends on the nature of local and global stakeholders' involvement in this process, and that (2) the emergence and the evolution of CSR rating agencies as new institutions result from the convergence of interest of different stakeholders in the CSR field.

We conclude by demonstrating differences and similarities in the development and institutionalization of the CSR field in France and in the US, thereby refining our contribution to the literature on institutional and stakeholder theories, and proposing avenues for future research.

[1] Generally, CSR rating agencies offer two types of ranking services: investor-solicited and company-solicited notations which address, respectively, investors (fund managers and financial companies) and rated entities (companies, university/business school, community, etc.).

Central Theoretical Constructs

Institutional Theory

Defining Organizational Field

Several institutionalists point out the concept of the "field" as being central to the new institutional analysis (DiMaggio and Powell 1983; Scott and Meyer 1983; Powell 1991; Scott 2008). Within institutional theory, DiMaggio and Powell (1983, p. 143) defined an organizational field as "sets of organizations that, in the aggregate, constitute an area of institutional life; key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products." This definition makes a reference to a range of significant actors and their relations, which constitute the organizational field in the aggregate. In Scott's (2008) definition, the organizational field is described as "a community of organizations that partakes of a common meaning system and whose participants interact more frequently and fatefully with one another than with actors outside the field." These meaning systems establish the boundaries of each community of organizations, defining its membership, the appropriate ways of behaving, and the appropriate relationships between organizations (Lawrence 1999). It may include constituents such as government, critical exchange partners, sources of interest groups, and the general public—any actor that imposes a coercive, normative, or cognitive influence on a given local organization or population of organizations (Scott 1991). By including rational and cultural elements in the definition, the organizational field, in his view, is "to a large extent coterminous with the application of a distinctive complex of institutional rules" (Scott 2008), which constitute "coercive," "normative," and "mimetic" isomorphic pressures (DiMaggio and Powell 1983). Hoffman (1999) states that "more than just a collection of influential organizations, a field is the center of common channels of dialogue and interest" and "the field is not formed around common technologies or common industries."

Attempting to combine DiMaggio and Powell's focus on actors with Scott's focus on cognitive and cultural elements, Hoffmann suggests "that a field forms around the issues that become important to interests and objectives of a specific collective of organizations. Issues define what the field is, making links that may not have previously been present" (Hoffman 1999). For the objective of this paper, the definitions proposed by Hoffman (1999) and DiMaggio and Powell (1983) are the most appropriate. As mentioned above, Hoffman (1999) suggests that an organizational field forms around a central issue which, in our case, is the CSR. Regarding the definition by DiMaggio and Powell (1983), they focus on the actors (institutional entrepreneurs or stakeholders) who constitute the organizational field. Thus, it is more useful for the purposes of this paper in which, through longitudinal analysis, we are looking at the role of local and global stakeholders in the shaping of the "underorganized" field of CSR, and the driving of institutionalization.

Institutional Entrepreneurs of the Emerging Field

The emergence of the concept of institutional entrepreneurship has shed much light on the disquieting question within neo-institutional theory regarding the ways in which new organizations arise. Many institutionalists have defined institutional entrepreneurship as "the activities of actors (such as state and professionals) who have an interest in particular institutional arrangements and who leverage resources to create new institutions or to transform existing ones" (DiMaggio 1988; Fligstein 1997). DiMaggio (1988, p. 14, emphasis in original) states that new institutions arise when organized actors (institutional entrepreneurs) with sufficient resources see an opportunity to realize interests that they value highly. Thus, the relationships between interests, agency, and institutions are central to institutional entrepreneurship. Research on institutional entrepreneurship has started to focus more and more on emerging fields (DiMaggio 1991; Garud et al. 2002), although the concentration on relatively mature fields (Hoffman 1999; Greenwood et al. 2002; Lounsbury 2002) occurs more often in academic papers that focus on institutional processes. Studies on emerging domains (Hardy 1994; Trist 1983), which are also called underorganized domains, suggest that although members recognize some degree of mutual interest, relatively little coordinated actions exist among them. In this study, we assume CSR to be an emerging field undergoing fast expansion. The definition of "emerging domains" as found in institutional theory literature allows us to consider CSR to be an emerging, rather than a mature, organizational field undergoing fast expansion, and one lacking a well-structured configuration of actors (stakeholders). The emergent nature of the CSR field stems from the rising worldwide interest in this concept, and the sudden appearance of CSR rating agencies in the late 1980s. In emerging fields, the widespread of new practices may be problematic; there may be no leading organizations to imitate (Trist 1983) or widely shared agreement as to what is appropriate practice for actors in the field (Hardy 1994). Maguire et al. (2004) argue that characteristics of emerging fields make them an important arena for the study of institutional entrepreneurship for several reasons. First, uncertainty in the institutional order provides considerable scope for institutional entrepreneurs to be strategic and opportunistic

(DiMaggio 1988; Fligstein 1997). Second, emerging fields promise considerable rewards for success as their structuring will provide some actors with significant advantages (Garud et al. 2002; Leblebici et al. 1991). Third, emerging fields present different levels of challenges than those posed by more structured fields.

Institutional Theory on CSR

Research in CSR represents different theoretical streams. Despite advancement toward theoretical approaches of CSR (ethics-based, strategic, stakeholder-based, and economic), there is a lack of attention to the context in which organizations operate. In other words, whether institutional conditions affect the tendency for firms to behave in socially responsible ways remains unexplored. Moreover, according to Maignan and Ralston (2002), there is little research related to knowing (1) whether CSR principles are matched by similar initiatives in different countries and (2) whether CSR is the result of the application of the same principles in different countries. Institutional theory is, arguably, the dominant approach to understanding organizations (Greenwood et al. 2008). Being one of the most important theoretical currents in modern sociology, this theory examines the relationship between an organization and its broader institutional context by focusing on the constraints imposed by institutional forces such as legal, moral, and cultural boundaries. Only recently have institutional theorists begun investigating the role of local communities (Marquis et al. 2007) and national business systems (Matten and Moon 2008) in influencing CSR. Neo-institutional theory suggests that organizations and their strategies are strongly influenced by the characteristics of the institutional context within which they operate, and by the legacy reflected in the cultural beliefs, history, and policy of a specific country or region (Doh and Guay 2006). Moreover, it offers insights into the convergence of CSR within nations and the divergence across nations without discounting the possibility of global diffusion (Kostova and Roth 2002). Thus, understanding institutional differences between geographic regions will help to clarify the perceptions of CSR and identify which stakeholders are viewed as legitimate actors in this organizational field.

According to Tolbert and Zucker (1983), the adoption of a policy or program by an organization is determined by the extent to which the measure is institutionalized—whether by law (local or international) or by gradual legitimation. In addition, the recognition of national institutional frameworks for CSR and the tendency toward socially responsible corporate behavior varying across countries have called for further research to reveal the reasons for such systematic differences (Maignan and Ralston 2002). Matten and Moon (2008) argue that there are two forms of CSR: "Explicit" in the United States and "implicit" in Europe. This distinction results from the different institutional contexts and provides insight into how institutional context may influence CSR motives and practices. In the United States, companies address important social and economic issues through voluntary and self-driven corporate policies, programs, and strategies, mostly because of legal requirements that are less strict than those in Europe regarding topics such as health care provision, employee's rights, environmental protection, etc. In contrast, in Europe, the responsibility for these issues is taken as part of a company's legal responsibilities, and thus CSR is "implicit" in the way the company does business. Although the authors suggest that CSR is perhaps not truly different in terms of practice, the difference between the EU implicit approach and the US explicit approach to CSR is a logical outcome of differences in state-society relations. As stated by Doh and Guay (2006), CSR practices in the EU and the US are in a differentiation period at this moment. Furthermore, Welford (2005) argues that CSR is generally more prevalent in Europe than in the United States or Canada.

Stakeholder Theory

Defining Stakeholders

Any definition of a stakeholder must take into account the stakeholder-organization relationships. According to Freeman (1984, p. 46), a stakeholder is "any group or individual who can affect or be affected by the achievements of an organization's objectives." While insisting on the "legitimate" rather than the "legal" justification of stakeholders' involvement in the company, Freeman's (1984, p. 45) definition includes a wide spectrum of actors. Other prominent stakeholder theorists have defined stakeholder as "an individual or a group of individuals (formally recognized as such or not) that claims a share of the value created by the company's production, or holds an interest in the company's existence" (Donaldson and Preston 1995) and also as "parties holding resources that are essential to the company's existence" (Frooman 1999, p. 192).

Many interesting typologies have later been introduced aiming to clarify the stakeholder concept and increase the understanding of Freeman's extensive definition (which takes into account actors ranging from competitors to shareholders). Among them, Clarkson's (1995) typology of primary and secondary stakeholders is one of the most widely cited and accepted in academia. Taking the discussion a step further, Clarkson (1995, p. 106) defines primary stakeholders as those "without whose continuing participation the corporation cannot survive as a going concern," suggesting that these relationships are characterized by mutual interdependence. These stakeholders are directly involved in economic processes, while being simultaneously bound by explicit contracts with a company (shareholders, clients, suppliers, employees) and also with governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and other obligations may be due. Clarkson (1995, p. 107) defines secondary stakeholders as "those who influence or affect, or are influenced or affected by, the corporation, but […] are not engaged in transactions with the corporation and are not essential for its survival." In other words, stakeholders are those who have voluntary or involuntary relations with the company and can affect it within the single framework of implicit or moral contract (non-governmental organizations, local authorities, residents' associations). Other stakeholder theorists have identified stakeholder typologies to be narrow and wide (Evans and Freeman 1988) or strategic and moral (Goodpaster 1991), whereas in the business literature, stakeholders are often presented by the most straightforward distinction: internal (inside the organization) and external (outside the organization) categories. External stakeholders, in their turn, can be categorized into three types depending on the nature of their relationships with the organization: economic (suppliers, competitors, distributors, shareholders), social/political (policy makers, regulators, and governmental agencies), and technological (standard agencies, owners of competitive technologies).

Stakeholder Theory Perspective on CSR

From a stakeholder theory perspective, CSP, which is an inclusive and global concept to embrace CSR, responsiveness, and the entire spectrum of socially beneficial activities of businesses (Carroll 1999), can be assessed in terms of a company's ability to meet the demands of its multiple stakeholder groups (Ruf et al. 2001). Moreover, companies must seek to satisfy the demands of stakeholders "as an unavoidable cost of doing business" (Ruf et al. 2001, p. 143). Thus, stakeholder theory asserts that companies have a social responsibility to consider the interests of all actors affected by their business decisions. Likewise, CSR suggests that companies' responsibilities extend beyond the shareholders to include other stakeholders such as employees, suppliers, clients, consumers, and communities at large. Moreover, among different stakeholders, the CSR literature appears to prioritize responsibility toward the local community, including the welfare of employees, as opposed to the organization's responsibilities to a wider society. There has been a fundamental difficulty understanding the exact definition of the CSP concept and that which it involves. Pinpointing such a definition could provide a framework or model for systematic collection, organization, and analysis of corporate data related to this issue (Clarkson 1995), and this lack of definition, along with other problems, has slowed empirical testing of the theories (Wartick and Cochran 1985; Wood 1991). In this context, the model presented by Wood (1991, p. 693) defines CSP as the configuration of the following: principles of social responsibility, processes of social responsiveness, policies, programs and observable outcomes relative to the relations of the company with society. The definition presented by Wood (1991) makes possible the analysis of social responsibility from different focal points, and has been complemented by advocates of the stakeholder view of the firm (e.g., Clarkson 1995; Wood and Jones 1995) who argue that businesses are not really responsible to society in general, but only to their stakeholders. Building on this definition, Wood and Jones (1995) propose that stakeholder theory is the key to understanding the structure and dimensions of the firm's societal relationships. The authors use a stakeholder framework to modify Wood's definition of CSP as being principles, processes, and outcomes. By redefining outcomes as "internal stakeholder effects, external stakeholder effects, and external institutional effects," Wood and Jones (1995, p. 231) argue that stakeholders have three main roles: They define the norms for corporate behavior, experience the effects of corporate behavior, and evaluate the outcomes of companies' behaviors in terms of how the companies have met expectations and have affected the groups and organizations in their environment. Carroll (1991, p. 43) provides a link to stakeholder theory by mentioning the "natural fit between the idea of CSR and an organization's stakeholders." Moreover, he argues that the concept of stakeholder personalizes social responsibilities by specifying groups or persons to whom companies are responsible and should be responsive (ibid.). Ferrary (2009) proposes a conceptual framework to analyze stakeholders' interactions in a systematic framework of Human Resources. The author argues that the framework of stakeholder analysis enables an escape from a purely instrumental approach to Human Resource Management and avoids reducing our understanding of conflicts within companies to the idea of mere antagonism between employees and their employers. Clarkson (1995) criticizes the way in which the business and society fields are disregarded in the definition of CSR, and believes that the social issues concept was foreign to managers, while the notion of stakeholders was sensible and integral to their orientation. To overcome this issue, the author conducted a range of stakeholder studies in order to test stakeholder theory and its relationship to other economic and organizational variables. More recently, Freeman put forward that the concept of CSR should be renamed "company stakeholder responsibility" to reflect both an association with stakeholder theory and the fact that small businesses as well as large corporations have responsibilities (Freeman and Velamuri 2006). Recently, proponents of stakeholder theory focused also on the role of international organizations in CSR. The study of Janney et al. (2009), which investigates stock market reactions to a firm's joining the UN Global Compact, suggests that even though the Global Compact is not a traditional stakeholder of the company (e.g., supplier, community), its role in providing affiliation proves valuable. The article of Gilbert and Rasche (2007) reveals problems and opportunities created by standardized ethics initiatives (e.g., the UN Global Compact, the ISO, the Global Reporting Initiative, and the SA 8000) from the perspective of stakeholder theory.

Research in this field also raises the question of whether the CSR should be voluntary. For example, according to Carroll, the CSR firm should "strive to make a profit, obey the law, be ethical and be a good corporate citizen" (Carroll 1999, p. 289). In his view, this includes voluntary socially responsible actions. Stakeholder theory seeks to systematically address the question of which stakeholders do and do not deserve or require management attention, and it does so through an evaluation of relationships between organizations and stakeholders based on exchange transactions, power dependencies, legitimacy claims, or other claims (Mitchell et al. 1997). The two above-mentioned statements show that the idea of exceeding the requirements of the law is also a feature of the CSR literature. Mosley and his colleagues argue that "CSR refers to managements' obligation to set policies, make decisions and follow courses of action beyond the requirements of the law that are desirable in terms of the values and objectives of society" (Mosley et al. 1996, p. 141). Mitchell defines legitimacy as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Mitchell et al 1997, p. 865). Most of the statements mentioned above illustrate that differing interpretations of CSR encompass varying degrees of stakeholder involvement and commitment to CSR. They come to show that stakeholder theory is considered to be "a necessary process in the operationalization of CSR, as a complementary rather than conflicting body of literature" (Matten et al. 2003, p. 111).

A Theoretical Model to Explore CSR Institutionalization

The previous two sections explored the main theoretical constructs of both of the theories linked to our research objective. This section provides some limits of, and convergent insights into, institutional and stakeholder theories which justify their "complementarity" when building the dynamic theory of the institutionalization of the CSR field.

Limits of Institutional and Stakeholder Theories

While stakeholder theory has been seized upon by business and society scholars as a significant tangible research tool that can be used to organize, assess, and research issues in management by providing clarity as to whom the corporation is responsible toward, it has some limitations. One of the weakest points of stakeholder theory is that it places the firm in the center position of the main model, thus making the firm the controller of its domain despite other theoretical work to the contrary (Hannan and Freeman 1977; DiMaggio and Powell 1983; Pfeffer and Salancik 1978; Rowley 1998). This prevents the development of a fuller theory of the system/environment that impacts individual organizations, and the artificial creation of stakeholder groups limits the analysis to one level: the relationship between firm and its multiple stakeholders, and the complexity and the nature of these links.

Meanwhile, theory and research on institutionalization have generated valuable insights into the processes that define and explain institutionalization in organizational environments and their influence on organizational conformity (Oliver 1991). Through this work, a rich array of theoretical and empirical insights have also been developed regarding the ways in which new practices have become established as normal and "taken for granted" via legitimacy and isomorphic diffusion. However, the institutional theory has paid negligible attention to the institutionalization of the field that forms around an issue as well as to the role of field members (stakeholders) in this process and the nature of their interactions.

Complementarity of Institutional and Stakeholder Theories

While these two theories certainly have the limitations mentioned in the previous section, the complementarity of institutional and stakeholder theories opens interesting perspectives that can compensate for these shortcomings by examining the institutionalization process of the emerging CSR field and revealing the roles of various stakeholders and their interactions. These stakeholders arrived in the field as legitimate actors and contributed to its institutionalization. Prior studies have approached stakeholder theory from a firm level perspective. In contrast, this study approaches the role of stakeholders from a field level perspective, using the strength of institutional theory.

Institutionalization of the Organizational Field of CSR in France and the United States

This part of the paper explores the institutional history of CSR in France and in the United States by presenting it through three conventionally divided stages (Fig. 1), each differentiated by the state of the CSR discourse and members of the field.

The initiation of each stage corresponds to the arrival of important historical stakeholders that have shaped the field and its formalization. Figure 1 shows how the discourse surrounding CSR emerged and evolved increasingly as a result of global influences such as the roles of national and international laws and regulations, as well as triggering events, the appearance of stakeholders, and also the dynamism of interactions between various stakeholders in the field (such as CSR rating agencies, governments, ethical funds, NGOs, trade unions, etc.).

Overall, this part illustrates that the emergence and evolution of CSR rating agencies, and the activism and interaction of other significant stakeholders (the UN, EU, ISO, NGOs, etc.), typically portrayed as "standard setters" and "regulatory agents," provide evidence of institutionalization of the CSR field in France and in the US. Figure 2 summarizes the respective actions taken by several members of the field to makeup the institutionalization of CSR.

A Longitudinal Perspective of CSR Institutionalization

Stage 1: Before 1960

Before 1960, the amount of industry attention paid to social and environmental issues was low in both countries. With this level of attention as a backdrop, concerns about environmental and social issues started to emerge. Stakeholders such as the UN, ISO, EU, EP, and the EC, which have since massively contributed to the legitimation and institutionalization of the CSR field, had already been established by that time.

Stage 2: 1961–Present—Stakeholder Membership into CSR Field

Starting in the 1960s, many stakeholders became members of the CSR field and contributed to its institutionalization. On a European level, the executive body of the EU, the European Commission (EC), has massively contributed to the legitimation and institutionalization of CSR since it arrived into the CSR field in the 2000s, and has issued several important initiatives incorporating a new government vision to foster the concept of CSR in its member countries. First, the Green Paper of 2001, "Promoting a European framework for Corporate Social Responsibility,"

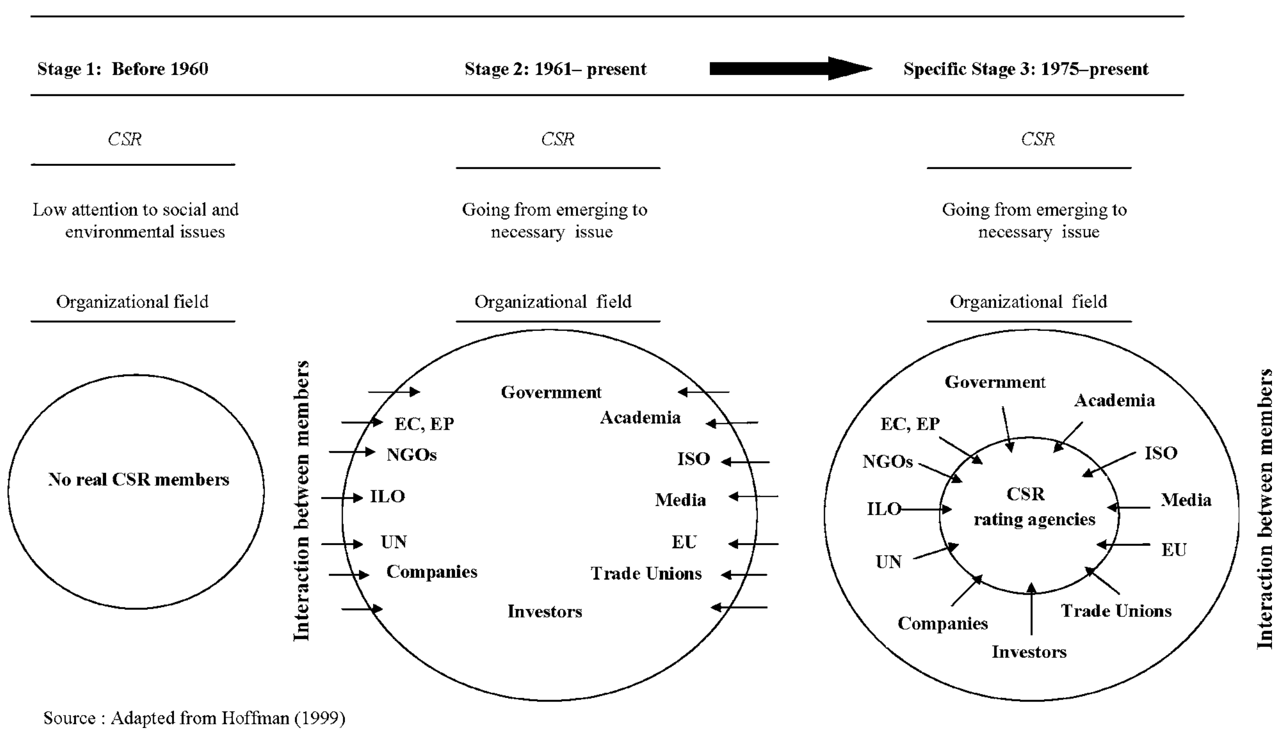

Fig. 1 The institutional history of the CSR field

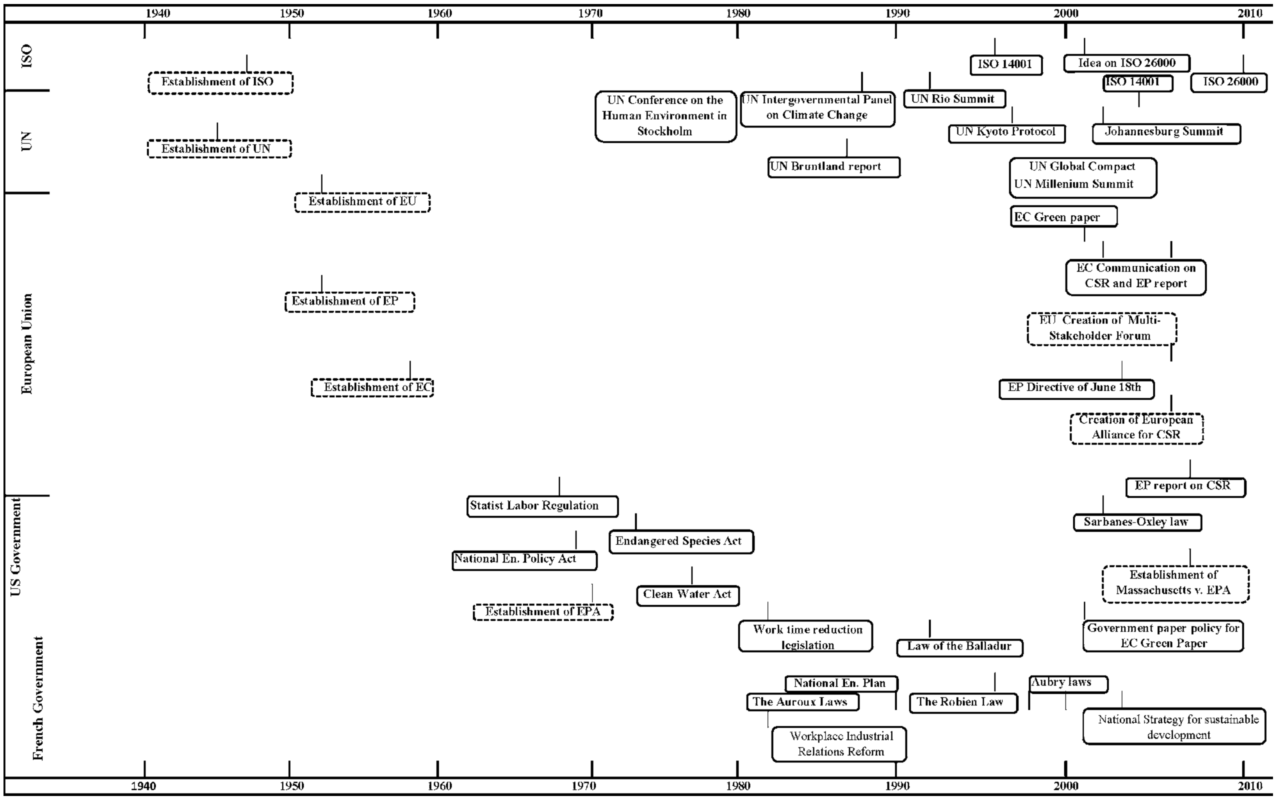

Fig. 2 Chronological display: stakeholder's implication in the institutionalization of CSR—the role of the ISO, UN, EU, and governments

was arguably the first policy document to launch a wide debate on CSR within the EU regarding the ways in which to promote CSR on European and international levels. The document gives the definition of CSR as being "[…] a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis […] not only fulfilling legal expectations, but also going beyond compliance and investing 'more' into human capital, the environment and the relations with stakeholders" (EC 2001, p. 6). It also helps to clarify the uniformity of the concept and what it involves, discusses what it labels as its internal and external dimensions (EC 2001, pp. 8–15), and calls for "a holistic approach" to CSR that incorporates social responsibility reporting and auditing, social and eco-labels, and SRI (EC 2001, p. 21). It is focused on ways to (1) make the most of existing experiences, (2) encourage the development of innovative practices, and (3) bring greater transparency and increased reliability to the evaluation and validation of the various initiatives undertaken in Europe. Also in 2001, on May 30th, the EC adopted a recommendation regarding the disclosure of environmental issues in the annual accounts and reports of companies. In 2002, the EC published the "Corporate Social Responsibility: A Business Contribution to Sustainable Development" Communication, which sets out a "European Action Framework" for CSR and discusses the following: promotion of convergence and transparency of CSR tools and practices, codes of conduct, management standards, measurement, reporting and assurance, labeling, SRI, integration of CSR into all EU policy areas, and the launching of an EU Multi-Stakeholder Forum on CSR. The latter provides a space for dialog between European stakeholders about developments in CSR, and European policy toward it. Finally, in 2006, the EC published the most recent Communication, "Implementing the Partnership for Growth and Jobs: Making Europe a Pole of Excellence on Corporate Social Responsibility," which represents the most complete statement of the EU's policy on CSR. One of the most important messages of this document is the Commission's announcement that it sees businesses as the "primary actors in CSR," arguing that the best way to achieve EU objectives with regard to CSR is by working more closely with European businesses. Against this background, a business-led European Alliance on CSR was launched the same year, aiming to promote CSR by mobilizing resources and capacities of European enterprises and their stakeholders in the interests of sustainable development, economic growth, and job creation. Among other institutions of the EU, the European Parliament (EP) could also be seen as an active stakeholder in the promotion of CSR. In particular, the directive of the EP and the

European Council of June 18, 2003, declared that the corporate annual report must contain both financial and extra-financial information. Moreover, in 2007, the EP published a report on "Corporate Social Responsibility: A new partnership." The document addresses investors and supports "full participation by investors as stakeholders in the CSR debate at the EU level." This document calls on the Commission to revisit the proposal to include social and environmental reporting alongside financial reporting as a means to "raise awareness of the provisions concerning social and environmental reporting within the 2001 Commission Recommendation on environmental disclosure."

One entity that has a global role as a stakeholder in shaping the institutionalization of CSR in France and in the United States is obviously the UN. The UN has been a central stakeholder with respect to CSR and sustainable development ever since the concept began attracting interest. Through focusing attention on the scope of businesses' responsibilities concerning human rights, it entered the field and has played an important role in the international trend toward environmental protection by hosting three significant international conferences on global environmental protection, Stockholm (United Nations Conference on the Human Environment, 1972), Rio de Janeiro (Rio Summit, 1992), and Johannesburg ("Rio" + 10, 2002), in which both France and the United States participated actively. Moreover, in 2000, the former UN Secretary-General Kofi Annan launched the UN Global Compact, which is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. Many American and French companies joined this initiative voluntarily at the beginning of the project. The UN support for the Kyoto Protocol of 1997 (which is linked to the United Nations Framework Convention on Climate Change) marks an important juncture in its promotion of CSR. France and the US both signed the Kyoto Protocol in 1998. Among other EU members, France ratified the Protocol in May of 2002, whereas the US has remained silent regarding the ratification of the Protocol. Since the publication of the Brundtland Report, which provided a key statement on sustainable development in 1987, along with the creation of the United Nations Environment Program in 1987 and the establishment of the Intergovernmental Panel on Climate Change in 1998, CSR has been a key issue on the UN agenda.

Non-governmental organizations also represent significant stakeholders with respect to CSR. In this category, we include not-for-profit associations comprised of individuals or organizations that have public interest objectives related to the topic of social responsibility or any of its component topics. NGO tactics vary—appealing directly to the corporations themselves, organizing demonstrations against them, pressuring local governments to force corporations to improve their behavior, and mobilizing media campaigns to bring public attention to certain alarming corporate practices (Keck and Sikkink 1998). Campbell (2007) states that in the US, NGOs confront a federalist political structure, weak political parties, and a separation of powers among the three branches of government so the opportunities for influencing public policy are quite diffuse; whereas, in Europe (both at the national and EU levels), NGOs face more centralized political structures that often grant formal standing to interest groups. Thus, more often, European NGOs enjoy direct access to the policy-making process. Doh and Guay (2006) explore the roles that American and European NGOs have played in influencing CSR policies with respect to three areas: the trade and regulation of genetically modified organisms (GMOs), pharmaceutical pricing and distribution policies, and international environmental agreements such as the Kyoto Protocol. The authors find that the more influential position of NGOs in the EU is explained by differences in the processes of policy-making within the EU and by differences in the political legacies of the two regions. This is due to social democratic traditions in the EU versus the more individualistic and libertarian strands of political thought in the US (Doh and Guay 2006). Among various NGOs, in this research, we emphasize the role of the ISO[2] in the structuring of the organizational field of CSR in France and in the United States, particularly regarding its idea of an internationally agreed upon standard for CSR, which plays a useful role in laying out guidelines for conduct and looking at specific areas where defining conduct could be helpful. Since the beginning of the millennium, the ISO was gathering opinions on whether a standardized interpretation of CSR is desirable or feasible. Its Consumer Policy Committee created a working group to weigh the pros and cons of an international CSR standard. The working group published the final report in June 2002 and the ISO decided to proceed with the development of Social Responsibility standards. After several years of negotiation and unprecedented international mobilization (over 500 experts from 99 countries, and international organizations including the International Labour Organization, the Organization for Economic Co-operation and Development, and more), the ISO membership base, with the Association Française de Normalisation (AFNOR)

[2] ISO is a (quasi-autonomous) non-governmental organization that forms a bridge between the public and private sectors. While many of its member institutes are part of the governmental structure of their countries, or are mandated by their government, other members have their roots uniquely in the private sector (having been set up by national partnerships of industry associations).

representing France, has massively ratified the text of the standard ISO 26000, which was finally published as an international standard in early November 2010. The standard ISO 26000 was developed in response to mounting pressure from organizations worldwide as well as from academic researchers (Waddock 2008) calling for a common approach to social responsibility. A powerful guidance and frameworking tool available for use by CSR rating agencies, ISO 26000 defines and clarifies the Social Responsibility concept to make it applicable to all-size, all-sector organizations. However, the ISO should not be seen as a new stakeholder with respect to CSR as the ISO's 14000 family has had an established common reference for communication since 1996 regarding environmental management issues between organizations and their customers, regulators, the public, and other stakeholders.

With regard to this field development, CSR has become a priority topic on the French government's agenda. CSR raises the role of the government as an important stakeholder in responsible economy and as a driver adopting public policies for CSR legitimation. Governments promote and encourage businesses to behave in a responsible and sustainable manner. Although both countries, having relatively long traditions of CSR, assumed similarly active approaches in the encouragement of businesses to engage with broader international standards concerning CSR (such as the UN Global Compact, OECD, International Labour Organization, and GRI guidelines), the importance of the role of the state in business society relations varies across those two countries.

United States Government As compared to the French government, the US Federal Government does not act as a coordinator of CSR policy and does not actively promote a CSR agenda despite the establishment of the US Environmental Protection Agency, which has shed light on the protection of human health and the environment in the country. Campbell (2007) states that government deregulation during the 1980s and 1990s created an environment where US corporations began to take more liberties and act in more socially irresponsible ways than they would have otherwise. The author argues that air pollution regulations deployment in the United States during the late 1960s and early 1970s was not very inclusive with respect to business; in fact, they were more contentious, and the regulations that passed were rather impractical because they set standards that were nearly impossible to achieve given the available technologies. Hence, corporations fought implementation at every turn, in part because they did not feel they had been given an adequate voice in the process. Meanwhile, several environmental accidents, including the Bhopal gas leak, Cuyahoga River Fire, and Exxon Valdez oil spill, as well as ecological problems (ozone layer and natural resource depletion, and climate change), which struck during the last two decades, increased reflections on social responsibility in the US. In response to this, the US Congress passed a number of environmental laws, federal regulations, and common laws. Among them, the National Environmental Policy Act (1969), Endangered Species Act (1973), Clean Water Act (1977), and the Massachusetts v. Environmental Policy Act (2007) have had policy impacts on the issue. Stiglitz (2003) argues that the savings and loan crisis, the Enron debacle, the US accounting frauds, and other corporate scandals of the 1990s can all be attributed in large part to financial deregulation. In order to overcome these problems and to promote CSR, the United States has generated the Sarbanes-Oxley Act (July 2002), which constitutes the most ambitious reform in corporate law since the New Deal, with the objective of preventing repetition of such scandals and gaining back the trust of the investors. Despite this advancement, the US environmental and social laws impose standards that are lower, overall, than those in Europe. According to the 2007 CSR navigator study published by the Bertelsman Stifung Foundation, European governments act as coordinators of CSR policy and may actively promote CSR, while the explicit CSR of the US business community has emerged without coordination by the state, is driven by a long-standing philanthropic tradition, and is in response to critique of US multinationals' activities overseas. Furthermore, lacking a central focus on CSR, a myriad of approaches in the US emerge from the private sector. Until today, the US government has not ratified the Kyoto Protocol.

French Government In contrast to the United States, it has been the government in France that has taken the more active lead in the field of CSR, a position that has been attributed to the distinctive economic and political structures found in France. Historically, in France, the state has played a central role in industrial relations, leading to an extensive legal codification of industrial relations issues. Antal and Sobczak (2007, p. 13) state that, traditionally, in France, power has been centralized and there has been faith in the efficacy of regulation to change society. As a result, France has been described as a "pioneer" in CSR policy and practice, being the first country to introduce mandatory corporate social reporting—Bilan Social in 1977 (Antal and Sobczak 2007). Although many other legal instruments—such as the Statist Labor Regulation (1968), work time reduction legislation (1982), the Workplace Industrial Relations Reform and National Environment Plan (1990), the Five-Year Employment Law of the Balladur (1993), The Robien Law (1996), and the Laws of Aubry (1998 and 2000)—have raised the awareness of sustainable development and CSR policies in France, the well-established government-supported activities have been highlighted only during the last decade. In 2001, the French government generated the law no. 2001-420 of May 15, 2001, relative to the new economic regulations, so called the law of NRE. The article 116 of the law NRE for the first time compels listed companies to disclose social and environmental data in their annual reports. Similarly, the law no. 2001-152 of February 19, 2001, on employee savings, so called law of Fabius, makes SRI possible in the domain of company savings. It is, in particular, the article 21 of this law that opens the possibility of SRI. This article also specifies that: "Before the last paragraph of the article L 214–39 of the monetary and financial code, there is a paragraph inserted and drafted: The regulation specifies, if necessary, the social, environmental or ethical considerations, which management company should respect while purchasing or selling securities, as well as in its own rights practicing." Meanwhile, the government has created Fonds de Réserves pour les Retraites (established by the law no. 2001-624 of July 17, 2001), which is a public entity that manages a 28 billion Euro reserve for a long-term period (until 2020) in order to finance pensions. Subsequently, the Financial Security Law of August 1, 2003, has introduced an obligation that the presidents of the board of directors (or supervisory board) of listed and non-listed companies report about both the operating conditions of the board and the internal control procedures. The objective of these laws was to encourage the transparency of CSR and SRI and to guarantee the financial transparency of listed companies in the post-Enron context. Although, the French government's CSR policy traditionally exhibits signs of ongoing central concern (particularly for the social dimension of CSR such as employees and employment issues), the French CSR agenda had been expanded progressively to encompass other aspects of CSR such as the environment. Similarly, changes in emphasis in the US approach to CSR are also evident.

The French government adopted a National Strategy of Sustainable Development in June of 2003, which incorporates both sustainable development and CSR issues, while at the same time recognizing the value of voluntary initiatives. The National Strategy aims at promoting CSR within three objectives: creating a reference table at a national level, analyzing practices, and developing SRI. In this context, the Ministry of National Education, Higher Education and Research contributes to the institutionalization of the CSR field by systematically promoting various projects and educational programs in universities and business schools in order to raise the awareness of the new generation regarding the challenges both of and to sustainable development and CSR. Many prestigious French universities and business schools bring legitimacy to the field by (1) offering masters programs on sustainable development and CSR designed to educate "responsible" students (e.g., Université Paris IX Dauphine, SKEMA Business School), (2) applying for the Association to Advance Collegiate Schools of Business accreditation, and (3) creating responsible campuses (e.g., car-sharing programs) as well as associations that promote sustainable development and CSR. The description of the role of different "standard setters" and "regulatory agents" in the institutionalization of CSR leads us to consider our first proposition as follows.

Proposition 1 The different paths of CSR development and institutionalization in France and in the United States depend on the nature of local and global stakeholders' involvement in this process and their interactions.

Specific Stage 3: 1975–Present—Emergence and Evolution of CSR Rating Agencies

The creation of this specific stage is explained by the market opportunity, which emerged naturally on the creation of new Institutional Entrepreneurs: CSR rating agencies that later contributed greatly to the legitimation and institutionalization of the CSR field together with all the other CSR members of the field presented in stage 2.

On the one hand, the appearance of CSR rating agencies and their further development is often seen as a part of the Socially Responsible Investments (SRI) movement as initially those organizations mostly worked for socially responsible investors who were gradually cutting investment in companies engaged in sectors or practices considered irresponsible, and privileging the investments in companies presenting good social and environmental practices. Many investors consider CSR as a crucial value for success (Hart and Milstein 2003, p. 57), while looking for a greater transparency in relation to company performance (Harrison and Freeman 1999). They have a variety of motives for socially conscious investment, especially as they associate social responsibility with better financial performance. That a positive relationship between CSP and Corporate Financial Performance exists is convincingly argued in several empirical studies (Russo and Fouts 1997; Griffin and Mahon 1997; Margolis and Walsh 2003; Orlitzky et al. 2003).

In the context of their limited capacity for handling viable information on companies' CSP, the ranking of the firm by a specialized agency that lies at the center of an issue-based field can help investors to select the most ethical or responsible companies for their portfolio. Investors were also interested in evaluating country risks based on indicators other than financial in order to have a different vision on a country's "state of health." Déjean states that SRI indexes (e.g., ASPI Eurozone, DJSI, FTSEE4Good) created by CSR rating agencies became reference points for SRI asset managers and contributed to bringing SRI into the mainstream of stock markets. Another study conducted by Novethic in 2011 analyzing 256 European Asset Owners across 11 European countries representing a total of EUR 4540 billion supports this claim (Avetisyan and Hockerts 2012). The authors state that the study of Environmental, Social and Government (ESG) perceptions and integration practices shows that 43 % of institutional investors believe that rating agencies are the primary way to access ESG information, among other sources of information such as investment managers, companies, non-governmental organizations, brokers, etc.

On the other hand, governments as clients of CSR rating agencies are mainly interested in country ratings, given the increasing interest in SRI bonds funds. According to the Novethic 2007 survey "Perspectives of SRI institutional market", 47 % of French institutional investors plan to invest in SRI bond funds as compared to 23 % in 2007. A credible ranking by a CSR rating agency will reveal vulnerability and emerging needs of the countries issuing the bonds based on extra-financial criteria and will help investors to better control their risks. Governments started to foster the development of CSR by launching several standards, laws, and regulations which contributed to increase the transparency of CSR information in the market. Particularly, in France, the law of NER (presented in the previous section) had a significant positive impact on the CSR reporting communication. The French government actively participated in the preparation of the Green Paper by submitting its policy paper as a part of the Green Paper consultation, where it highlighted the role of CSR rating agencies as a challenge of competitiveness.

Obviously CSR rating agencies contributed to make companies more aware of their responsibilities and influenced the way companies were meeting the requirements of reporting on the sustainability. The influence of CSR rating agencies was more visible on the medium level CSR engaged companies as well on the laggard companies which could benefit from a structured approach to CSR measurement. The FTSE4GOOD, a responsible investment index, is seen as a de facto standard for good CSR practices by included companies (Slager et al. 2012). Accepting that a more integrated risk management approach can become for companies an element of their immaterial capital increase, they created special CSR policies and valorized more CSR ratings. High level CSR rating agencies are able to capture even weak signals of problems which may end up being a mainstream concern.

Finally, multinational companies were often being accused of having conflicts concerning human rights and environmental issues with their operations in developing countries. When Nike was criticized for having poor working conditions that involved very low wages, child labor, and sexual harassment in Chinese and South-East Asian factories, it led to a large-scale boycott of Nike's goods by consumers, several not-for-profit organizations, and the media, all of which consequently had a negative impact on the company's profits. Companies needed to be assessed on their social and environmental performance with the objective of improving their actions in CSR and communicating the results to various interested stakeholders. A solid CSR ranking would enhance the reputation in the eyes of investors and the public at large and thereby increase the sales. Based on a very negative profile that Innovest painted on Chevron's continuous environmental destruction and human rights abuses in the emerging markets countries where it operates, the research and consulting firm ECO:FACT ranked Chevron fourth among five North American companies in its "Most Controversial Companies Full Year Report 2008." The extensive media attention centered on the company's Burma pipeline, the killings in Nigeria, and environmental contamination in the Philippines, the US, and Ecuador had a dramatically bad impact on Chevron's reputation.

Similarly, when KLD dropped Coca-Cola Co. from its Broad Market Social Index (BMSI) in July 2006 because it saw problems regarding the company's marketing of soda products to children, its labor practices, and its environmental practices at overseas bottling plants, the Teachers Insurance and Annuity Association—College Retirement Equity Fund (TIAA–CREF) divested from its CREF Choice Account[3] 1.25 million shares of Coca-Cola (NYSE: KO) common stock estimated at more than $50 million.[4]

The above-mentioned statements lead us to consider the emergence and evolution of CSR rating agencies as a response to the increasing demand not only from investors and companies, but also from governments, and to formulate our second proposition as follows.

Proposition 2 The emergence and evolution of CSR rating agencies as new institutions result from the convergence of interest of different stakeholders of the CSR field.

According to the 2007 Guide to Sustainability Analysis Organization by ORSE/ADEME, there were a total of 30 CSR rating agencies located throughout Europe, North America, and Asia and 12 groups of SRI stock indexes worldwide. Among them, 3 CSR rating agencies were headquartered in France (BMJ Ratings, Ethifinance, and Vigeo) and 3 in the US (Calvert, Innovest, and KLD). Moreover, many other CSR agencies had their offices in

[3] CREF Choice Account is the world's largest socially screened fund for individual investors with $7.9 billion in assets and more than 200,000 investors.

[4] Coke dropped from KLD's Broad Market Social Index | Atlanta Business Chronicle, Tuesday, July 18, 2006.

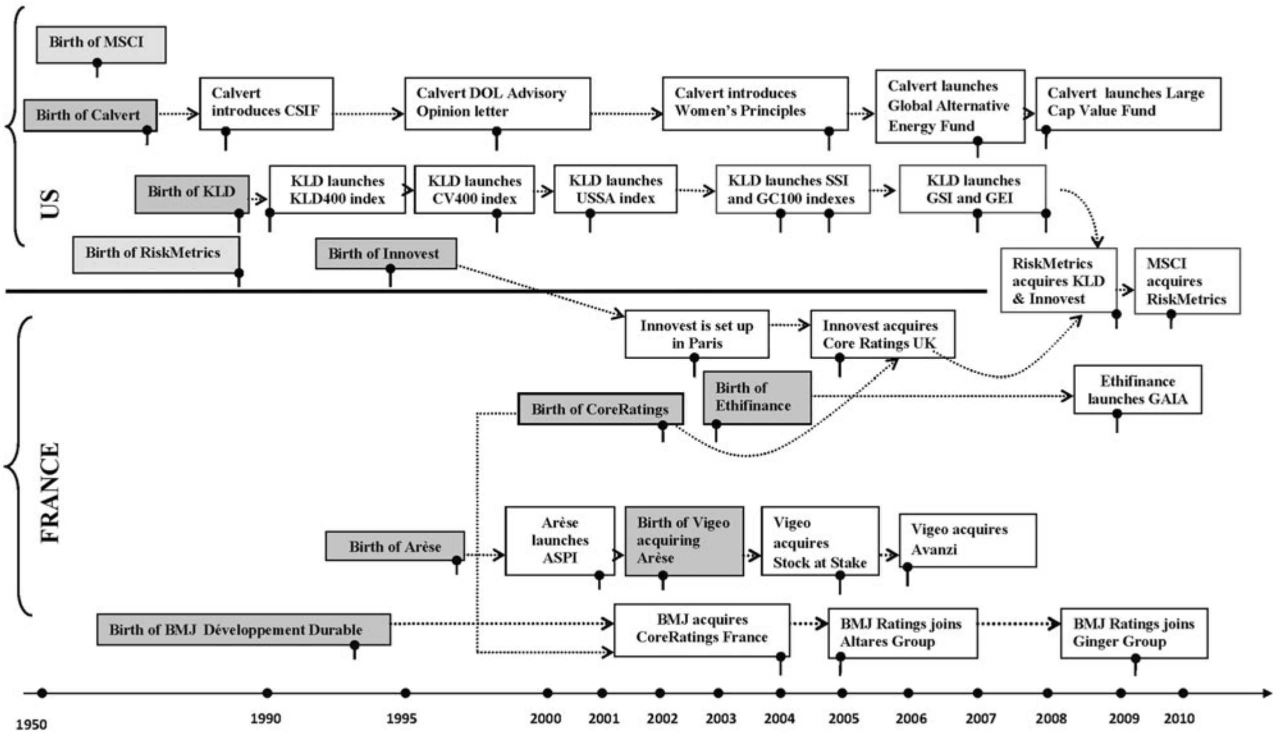

Fig. 3 A few clues to the institutionalization of CSR in France and in the United States: emergence and evolution of CSR rating agencies

Paris (e.g., Eiris, Deminor ratings, Innovest). Progressively, the agencies have widened their activity and the audience that they are looking to serve, which ranges from investors and listed and non-listed large and small companies to, more broadly, communities and countries. This facilitates international comparisons either to attract companies seeking to implant or to convince the governments to implement a particular project in the territory of their authority. The rating agencies make several partnerships with higher educational institutions by emphasizing the importance of the research in this field. These partnerships include sponsoring projects related to CSR and providing necessary information on their data to researchers.

US Market of Social Ratings The first market of social ratings emerged in North America given that the first forms of SRI were born there. The roots of social ratings in the United States can be traced to the eighteenth century when Quakers withdrew their business from companies involved in debatable sectors (e.g., tobacco, weapons, alcohol, oil, nuclear energy, gambling) in order to meet their religious convictions. In the late 1980 s, the market of social ratings in the US was divided between KLD Research and Analytics Inc. (KLD) and Calvert. At that time, there were no CSR rating agencies in France. Figure 3 illustrates the emergence and evolution of the main CSR rating agencies in France and in the United States as clues to the institutionalization of CSR.

Founded in 1976, Calvert manages over $14.5 billion in assets in over 50 portfolios for 400,000 investors. As reported on the company's official website, Calvert offers over 40 equity, bond, cash, and asset allocation strategies for institutional investors, workplace retirement plans, financial intermediaries and their clients. In 1976, Calvert introduced the First Variable Rate Fund in the US, which sought to combine short-term, fixed-rate securities with long-term, variable-rate securities to provide both attractive yields and a strong measure of safety. Calvert has one of the largest teams of sustainability research analysts in the US; the company reports ratings for the top 100 largest companies, rating the firms on a 1–5 scale across five categories: the Environment, Workplace, Business Practices, Human Rights, and Community Relations. Figure 3 provides more detailed information about Calvert's evolution over the last two decades.

Founded in 1988 by Peter D. Kinder and Amy L. Domini, KLD is one of the oldest and most respected independent CSR rating agencies in the world. Sharfman (1996) encourages researchers interested in studying CSP to have confidence in the KLD measures and feel secure in the idea that the data do tap into the core of social performance.

For more than 20 years, KLD was specialized in the social analysis of listed American firms with the objective of creating and marketing benchmark indexes and providing institutional investors with the same quality of research and analytical services in order to facilitate the integration of environmental, social, and governance factors into their investment process. In May 1990, KLD launched the Domini 400 Social Index, which was the first equity benchmark for measuring the impact of social screening on financial performance for social investors. It has contributed to KLD's overall approach, becoming one of the most prominent indices of this domain. In 1992, the firm published *The Social Investment Almanac*, the first comprehensive overview of social investing worldwide, and in 1993, *Investing for Good*. In 1994, it produced SOCRATES (The Corporate Social Ratings Monitor), the first social investment research database, and has since launched several other indexes. In November 2009, KLD was acquired by RiskMetrics Group Inc., a leading provider of risk management and corporate governance services to the global financial community. Furthermore, in 2010, RiskMetrics was acquired by Morgan Stanley Capital International (MSCI), which is the foremost provider of investment decision support tools to over five thousand clients worldwide ranging from large pension plans to boutique hedge funds.

Environmental ratings from KLD are the largest multidimensional CSP databases available to the public (Deckop et al. 2006, p. 334). Being among the oldest and most influential ratings, they have been widely used in studies of CSR and SRI (Berman et al. 1999; Margolis and Walsh 2003) and have become the standard for quantitative measurements of corporate social actions by academics. KLD assesses a series of qualitative indicators grouped in the following categories: Governance, Community, Diversity, Human Rights, Products, Employee Relations, and Environment.

The third American CSR rating agency of our study, Innovest Strategic Value Advisors (hereafter referred to as Innovest), was founded in 1995 by Matthew Kieran, a former associate of KPMG and one of the first presidents of the World Business Council for Sustainable Development. Innovest was set up in seven major cities, including Paris, where the research was dedicated to the values of the SBF 120. Innovest had assessed the CSR of more than 2000 companies worldwide in four areas: EcoValue (environmental issues), Human Capital, Stakeholder Capital, and Sustainable Governance. It was analyzing CSR factors in the context of the ways in which they affect financial performance, as the agency considered there to be a correlation between environmental and economic performances. Starting with the principle that the market value of a company cannot be evaluated only by classic financial analysis, and that intangible (incorporeal) assets represent an increasingly important part of this value, the group was engaged in a systematic analysis of the control lever of intangible assets value creation. In 2005, following Vigeo's example, Innovest acquired Core Ratings UK activity from Det Norske Veritas. Like KLD, Innovest was acquired by RiskMetrics Group Inc. in 2009.

French Market of Social Ratings In France, the first-known CSR consumer evaluations date back to the late 1980 s when SRI became a new financial market. Based on logic that differs from that of Anglo-Saxon culture, the French method of information processing is more ethical-axis (positive or best in class) oriented than the religious (exclusionary or negative) oriented screening of the US. If historically, Calvert, KLD, and Innovest privileged criteria of exclusion[5] for companies involved in debatable sectors or practices considered immoral or non-responsible, French rating agencies introduced a clear break by applying positive screening. It consists of selecting companies based on the acceptability of the sector of activity according to definite social (e.g., programs of non-discrimination, respect of human rights), environmental (e.g., minimization of environmental impacts, risk management, protection of natural resources), and financial criteria (e.g., financial sustainability). When this practice analyzes business sector by sector, it takes the name of best in class (valedictorians of the sector).

In the 1990s, two CSR rating agencies existed in France: BMJ Ratings and Arèse created, respectively, in 1993 and 1997 (Fig. 3). Today, this market is divided between three main local actors: (1) Vigeo, founded by Nicole Notat in 2002 after having absorbed Arèse, (2) Ethifinance, created in 2003 and specializing in the assessment of CSR of small and medium companies, and (3) BMJ Ratings founded in 1993, and later absorbing a French subsidiary of British Core Ratings.

Founded by Geneviève Ferone (the former president of Arèse) and financed by Marc Ladreit de Lacharrière, manager of Fimalac (holding owner of Fitch, the third worldwide financial ranking agency behind Moody's and Standard and Poor's), CoreRatings France aimed to evaluate the global risk by associating financial notation, realized by Fitch, with social and environmental risks. Vigeo was founded in 2002 by Nicole Notat (former manager of one of the main French labor unions: La Confédération Française Démocratique du Travail) as a limited company under French law, acquiring the activities of Arèse (founded in 1997 by Geneviève Férone at the behest of Caisses d'Epargne savings group and Caisse des Dépôts et Consignations bank). Déjean et al., (2004) argue that Arèse constructed and imposed a quantified CSP measurement system for the French market, which was accepted as it satisfied the actor's preference for

[5] Exclusion was, most of the time, applied to companies which made over 5 % of their turnover from debatable industries.

standardization over accuracy (Porter 1994) and was in accordance with the fund manager's professional standards. Vigeo occupies a particularly important place in the European extra-financial evaluation market since its fusion with the Belgian company Stock at Stake (Belgium's leading SRI analysis agency, which later became Vigeo Belgium) in 2005 and then with the Italian company Avanzi SRI Research in 2006 (Italy's leading extra-financial rating agency, which later became Vigeo Italia). Vigeo offers a wide range of products and services both for investors and companies. Vigeo assesses companies' CSP in the five main domains which existed at the time of Arèse: Environment, Human Rights, Clients and Suppliers, Shareholders, and Civil society. These domains were partly renamed; for example, Shareholders became "Corporate Governance" and civil society became "Community Involvement" and "Human rights," which was added later by Nicole Notat.

BMJ Ratings (BMJ Développement Durable at that time) was created in 1993 and acquired CoreRatings France in 2004. The purpose of BMJ Ratings is to provide independent and highly valued evaluation of sustainability management by means of a methodology that focuses on the management practices within the organization. Neglecting any moral or activist approach, it crosses the main levers of managerial performance with the different fields of corporate responsibility. Over time, BMJ Ratings has actively expended its activity, and today its universe of analyses covers not only listed and non-listed companies, but also public administrations (cities, districts, regions, and states), financial institutions, higher education institutions, foundations, and associations. It became the first European sustainability rating agency in the field of solicited notation as well as the first agency to evaluate local administrations, foundations, and higher education institutions. In 2009, BMJ Ratings joined the Ginger Group, a leading French prescription engineering group in the environmental planning sector.

The activities of the above-mentioned CSR rating agencies show their permanent interaction with other stakeholders of CSR field particularly investors and companies as the majority of their products and services are addressed to those two types of clients (while they offer various other products and services to cities, districts, regions and states, foundations, associations, higher educational institutions, etc.). Moreover, CSR rating agencies have regular interactions and professional partnerships with international organizations such as the UN, ISO, EU, and local governments as the ranking criteria of those agencies often stem from standards, declarations, reports, laws, and regulation created by those "standard setters" and "regulatory agents."

Some CSR rating agencies have institutionalized the interactions with their stakeholders by including them in shareholding structure and scientific committees. Vigeo's shareholding structure is composed of CAC40 companies, asset and pension fund managers, trade unions, and persons or entities recognized for their skills to measure environmental and social responsibility. It has permanent representatives from Academia and professional sectors in the Scientific Board, who examine the principles and rules of the methodologies, insure the scientific monitoring of the rating, and express an opinion in case of any conflict related to the implemented methodology between Vigeo and the rated company.

Explanations, Conclusions, Limitations and Further Research

A growing body of literature has examined cross-national similarities and differences of CSR development across countries. To our knowledge, there have been neither comparative studies exploring the institutionalization of CSR nor studies showing the role and contribution of various significant stakeholders in this process. Herein lies the main contribution of our study. When juxtaposed with prior work on stakeholder theory, our study draws attention to the role and influence of stakeholders on the field level and not the company level.

Theoretical Contribution

As such, the paper is an interesting synthesis of neo-institutional and stakeholder theories and how they contribute to the study of organizational fields and institutional entrepreneurship, as well as, more broadly, institutional theory. First, the paper contributes to the understanding of the institutionalization process of the emerging organizational field of CSR, which has yet to develop certain institutional features—such as clearly defined leading actors, a coherent discourse, a structure of cooperation and domination, sets of adopted norms, and stable interorganizational relationships (Maguire et al. 2004). A second implication concerns the study of institutional entrepreneurs by providing a more detailed, contextualized view of their activities, which are geared toward the institutionalization of CSR. This paper suggests that the organizational field of CSR did not become institutionalized automatically in response to state regulations or environmental contingencies, but was a result of various local and global stakeholders' implications in this process. It also shows that the stakeholders involved in the institutionalization of CSR in France and in the United States are not the same. Here, our study supports the Matten and Moon (2008) categorization of "explicit" CSR in the United States and "implicit" in Europe, which clarifies the influence of institutional context on companies' CSR motives and practices. In extension of their work, we suggest not only that there are differences between the CSR motives and practices of the two nations, but also that the institutionalization process of CSR in the United States differs from that of France, a difference which is a result of different stakeholder involvement. The institutionalization of CSR in the United States is more market driven (influenced by companies and investors), whereas in France we witness the high implication of the government in the promotion of CSR and guiding right practices. However, global stakeholders such as the UN, EU, ISO, and other NGOs presented in this paper contributed almost similarly to the shaping and structuring of the CSR field in both countries.

The ambition of this paper was to analyze the process of the institutionalization of CSR by revealing the role of the different stakeholders in the field, and focusing mainly on the role of Institutional Entrepreneurs—CSR rating agencies. Being comparatively new and powerful actors in this organizational field, they strive to make Environmental, Social, and Governance analyses an integral part of mainstream investment research by developing specific measurement tools for the assessment of CSP.

Contribution to the Existing Literature on CSR

The historical evolution of the CSR field in both countries, in terms of various stakeholder implications in this process, gives plausible explanations for the differences between the various emergence and evolution processes of CSR rating agencies. The first CSR rating agencies emerged in the United States in the late 1980s, whereas in France the first social rating agency, BMJ Ratings, was created only in 1993. This is due to the fact that North America is the continent where the first forms of SRI and the market of social rankings emerged. However, this time discrepancy in the founding periods of the two countries' rating agencies also reflects the differences in the relative degree of interest that each side of the Atlantic has in CSR and its measurement tools. The majority of CSR rating agencies were founded at the end of the 1990s, and since then, this sector has developed significantly and experienced a certain number of movements regarding structuralization and concentration.

As presented in the second section of the paper, the emergence and further evolution of those specialized agencies were a result of market demand, and were explained mainly by the convergence of interests of various stakeholders such as institutional and private investors, companies, and also governments. Today, the increasing number of CSR rating agencies worldwide (and the evolution of their activity in terms of profits, proposed products and services, and the universe of analysis) greatly contributes to a systemic approach to CSP, and perhaps underscores a strong indication of the institutionalization of CSR, as well as that of the SRI movement worldwide. As illustrated in Fig. 2, over the past 20 years, all stakeholders of our study became more active in the promotion and legitimization of CSR. The acceptance of a shared definition of social reality (Scott 1987), as well as a reciprocally shared understanding of appropriate practice, permits ordered exchanges (Greenwood et al. 2002). A level of institutionalization of this field in France and in the United States has taken place, reflecting the relative power of organized interests and the actors who mobilize around them (DiMaggio 1988, p. 13).

With this respect, we presented the EU's efforts to foster the concept of CSR in its member States and highlighted the role of the French government in the creation of the 2001 Green Paper of the EC. We also presented the role of the ISO, emphasizing the importance of the ISO 26000 certification. Similarly, we highlighted the role of both governments, arguing that in France, where CSR concerns have usually been embedded in the regulatory and institutional framework, the state plays a much more central role in the construction and embedding of CSR policies and practices than in the United States, where the social responsibility approach has relied on more a voluntary approach. Thus, two different governments with quite distinct ideologies regarding this topic led to differences in the development and institutionalization process of CSR in both countries. All of the above-mentioned institutional entrepreneurs specific to the CSR field created technical and cognitive norms, models, scripts, and patterns of behavior consistent with their identity and interest, and established them as standard and legitimate to others (DiMaggio 1988; Zimmerman and Zeitz 2002).

Limitations

Although in this paper we present the role and the influence of a limited number of stakeholders in the legitimization and shaping of the institutionalization of CSR in France and in the United States, we accept that various other stakeholders also largely contributed to this process (pension funds, mutual funds, trade unions, local collectivities, consumer advocate groups and associations, as well as actors coming from structures dedicated to CSR or sustainable development, and especially NGOs interested in environmental and social issues). Their degree of influence in France and in the United States should be studied carefully. Alternatively, we accept that other small CSR rating agencies—including the research and evaluation institute CFIE and Ethifinance rating agency in France, and the evaluation and profiling agency Citizen Advisers and the research institute IRCC in the United States—also played a role in structuring the organizational field of CSR. However, their market share remains rather small and their contribution to the institutionalization of CSR has been limited.

Further Research

A significant step of the organizational field concept is that it includes many different types of actors and the relationships between them (Reay and Hinings 2009). Thus, we certainly encourage other researchers in their efforts to explore the role of additional players in the field. Further exploration of why and how their respective power and interest toward CSR has changed in those countries over a certain period of time would be a natural extension of the study and would enable a more complete assessment of the contribution. We suggest a similar comparative study of French (e.g., the French Democratic Confederation of Labour, General Confederation of Labour) and American (e.g., the Change to Win Federation, American Federation of Labor, and Congress of Industrial Organizations) trade unions, which could yield equally interesting insights on this topic. Additional research illuminating the patterns of CSR rating agencies and CSR development and institutionalization in other EU member countries is also very much needed because of the social-political construction of CSP assessment and in view of the paucity of studies in this context. Such cross-national differences in this linkage would also shed light on understanding the "Europeanization" of CSR.

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