Collaborating to achieve corporate social responsibility and sustainability?

Possibilities and problems

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Abstract

Purpose – The purpose of this paper is to investigate the possibilities and problems for collaboration in the area of corporate social responsibility (CSR) and sustainability. The paper explores the nature and concept of collaboration and its forms, and critically evaluates the potential contribution a collaborative approach between agencies might offer to these agendas.

Design/methodology/approach – The paper explores different forms of research on collaboration, together with a UK Government report on collaboration, to evaluate how the issue is addressed in theory and practice.

Findings – Sustainable development creates extensive challenges for a wide range of agencies, including governments, non-governmental organizations, businesses and civil society. It is unlikely, however, that solutions will be found in any one quarter. Collaboration between agencies in some form would seem a logical step in supporting measures towards a more responsible and environmentally sustainable global economy.

Originality/value – The paper offers new insights into developing a research and praxis agenda for collaborative possibilities towards the advancement of CSR and sustainability.

Keywords Corporate social responsibility, Sustainable development, Non-governmental organizations

Paper type Conceptual paper

Introduction

As we enter the second decade of the twenty-first century, we face profound challenges with respect to sustainable development and climate change. In that, it is unlikely that solutions to these complex challenges will be found in any one quarter, collaboration is necessary among the primary sectors of society: government, non-governmental organizations (NGOs), business, and civil society. For its part, business is being urged to act in a more environmentally and socially responsible manner as a means

of achieving a more responsible and sustainable economic order. However, business should not be expected to solve the problems of sustainable development and climate change on its own. The other sectors of society must collaborate with business in addressing these profound and complex problems. Such collaborative approaches involve a wide and complex range of stakeholders working together to achieve a shared outcome.

Despite a significant academic literature related to inter-organizational collaboration, the focus is predominantly on market-oriented relationships such as corporate economic strategy, strategic alliances, or collaborative leadership with little application to corporate social responsibility (CSR), sustainability, or stakeholder engagement beyond their economic implications. This paper expands the consideration of collaboration beyond the economic domain into that of CSR and global sustainability. The concept of CSR encapsulates a wide range of issues involved in the relationship between a company's actions and those affected by them. In essence, it is different forms and degrees of "responsible management". "Sustainability" is a much wider concept involving the capacity of the planet to survive, with "sustainable development" recognising the tension between economic development and sustainability, defined by the Brundtland Report (WCED, 1987), as "meet(ing) the needs of the present without compromising the ability of future generations to meet their own needs". While CSR initiatives may engage with the sustainability agenda, in many cases they do not go as far as this in terms of considering a business's relations with, and impact on, global society. We would argue, however, that issues of sustainability lie at the theoretical heart of CSR (Blowfield and Murray, 2008), because in the face of increasing evidence for climate change, if we ruin our biosphere, then all other corporate responsibility initiatives pale into insignificance.

In this paper, we investigate the problems and possibilities of CSR and sustainability found in the gap between the genres of academic literature and practitioner perspectives. We explore the concept of collaboration, consider the various forms it might take, and critically evaluate the potential contributions a collaborative approach offer to various constituency groups. We illustrate the complexities of collaborative relationships by drawing on the findings of a major study conducted by one of the authors (Hudson, 2009), under the auspices of the UK Foreign and Commonwealth Office (FCO), which examined the potential for collaborative partnerships between governments, business and NGOs. Hudson's findings are located within a wider discussion of inter-organizational collaboration, as they relate to CSR and sustainability. In doing so, we place the study in a wider theoretical context and situate it within the academic literature on collaboration. We examine the role of civil society in its relations with business and also explore linkages between the theory and practice of collaboration and wider notions of sustainability, that may offer new insights into developing a research and praxis agenda for collaborative possibilities towards the advancement of CSR and sustainability.

Before discussing these collaborative possibilities in more detail, we first set the context for the corporate responsibility and sustainability agenda.

The corporate responsibility and sustainability agenda

The CSR agenda has entered the parlance of global business in the last two decades. Indeed, in the last ten years, a department labelled as CSR (or CR) has become the norm

in the majority of public companies in all sectors and in most parts of the world (KPMG, 2008), where previously such activities were handled under the various labels of health, safety, environment, or something similar. In the same period, we have been able to observe the development of web-based corporate communications where a company's CSR strategies can be easily accessed, and where the annual free-standing CSR report, where it exists, can be downloaded and perused with ease.

However, what passes for CSR varies among companies with each company outlining their own interpretation in corporate releases and publications, and web sites. In its broadest sense, CSR encompasses a wide range of activities which commonly include product safety, community involvement, stakeholder engagement, environmental management, and the like. Programmes are designed for an equally wide range of reasons often to do with deriving legitimacy, reputation enhancement and management, notions of corporate citizenship, etc.

Often, companies maintain an entity focus, where the emphasis is clearly on its own business case, which for many is now accepted and no longer problematic, vindicated by a plethora of texts extolling the virtue of the approach (Carpenter and White, 2004; Grayson and Hodges, 2004; Luken and Stares, 2005; Mowat, 2002; Smith, 2003; Vogel, 2005a, b; Zadek and Board, 2000). At its simplest, becoming more efficient in the use of energy and other resources, adopting policies of re-use or recycling, and involving staff in voluntary community projects seems, intuitively, to make business sense.

There is also an emerging trend for companies to acknowledge wider societal issues and the part that corporate activity plays in this respect. Corporate reports also now increasingly acknowledge the challenges brought to bear by global warming and climate change, and show some degree of awareness of responsibility for sustainable development. However, the link between social responsibility agendas and imperatives of sustainability are not always made explicit, and in many cases "sustainability" still has a distinct entity focus, concerning whether the company can sustain itself, and eschewing the systemic nature of the sustainability debate, which relates to the sustainability of the planet. It seems likely that a more informed and broader approach to sustainable development will be an emerging trend in the next decade, in the same way as CSR developed in the last.

This is suggested as a likely development because of the weight of scientific evidence which points to two rather stark, and at present, depressingly finite conclusions. First, that we are consuming more than the planet can sustain. Economic development, at this stage, is clearly not sustainable. Already, as we approach "peak oil", indications are that other key resources are also under severe pressure (Meadows *et al.*, 2004; Millennium Ecosystem Assessment, 2005; WWF, 2008), and this pressure is likely to increase as the world recovers from the recession at the end of the first decade of the twenty-first century, exacerbated by a world population that has expanded by 700 million in the same decade[1].

Second, industrial activity is damaging the Earth's biosphere at a rate which creates a threat to humanity we have not had to deal with in history: climate change. Despite the weight of scientific evidence, linking industrial activity with global warming (IPCC, 2007), and the images regularly portrayed in the popular media of melting glaciers, collapsing ice shelves, flooding, and drought, attempts to wrest a unified response by nations seem destined to end in confusion and disunity. In the same way that company executives are reluctant to look beyond the boundaries of the entity, thus risking the ire

of shareholders, so politicians are reluctant to engage with initiatives which may heap upon them the disapprobation of their electorates. In addition, within nation states policy decisions, which emerge from various departments are themselves part of a process which can appear to be insular and disjointed. For example, in the UK, following the establishment of a Committee on Climate Change (CCC) and a report calling for a cut in emissions by 80 per cent by 2050 (CCC, 2008), confirmation was given of a third runway at Heathrow, London's major airport, (Hansard, 2009), potentially making Heathrow the greatest single source of CO_2 emissions in the UK[2].

This example of government departments seemingly working towards conflicting ends is not confined to the UK, but highlights the complexity of the problems which have to be confronted before progress can be made. It also suggests that if we are to make any progress towards creating a form of development which is sustainable in the terms of the Brundtland Report (WCED, 1987), new collaborative approaches which draw policymakers into contact with other agencies and interested parties seem to be overdue.

In essence, sustainable development requires an understanding of the interconnected systems which need to be considered when economic decisions are made. Whether made by governments or businesses, economic decisions, however beneficial within a specific context, have to be viewed also in terms of the environmental, and social, implications. The link between CSR, or behaving in a more socially responsible manner, and planetary sustainability needs to be much stronger. Responsible management requires such consideration, and the business case is clear: if responsible decisions are not made, in aggregate, then regulation must follow, usually at greater cost. For many companies, this is uncharted territory. The traditional business model of "take, make, and waste", externalising as many costs as possible along the way, is outdated and discredited, yet many companies struggle for guidance in innovation and in the development of new approaches. Hence the need, and value, in collaboration, between and across business, NGOs and governments in particular, to develop new advances towards sustainable development and help businesses to engage with these agendas more effectively.

The nature and scope of collaboration

In its simplest form, collaboration is a type of a cooperative, inter-organizational relationship and refers to any situation in which people are "working across organizational boundaries towards some positive end" (Huxham and Vangen, 2005, p. 4). Collaboration inherently involves more than one person or group working with another person or group, using their combined strengths to secure their own interests, or the interests of somebody or something else, or both. A number of terms, such as "partnership", "cooperation", "alliance", "coalition", describe this phenomenon of different parties coming together to achieve a goal within a collaborative arrangement. Some types of collaboration, such as a "partnership", imply a more formal quasi-legal arrangement or an actual legally formed partnership. Public-private partnerships, for example, may originate as pragmatic responses to institutional failures, where governments find themselves unable or unwilling to finance public investment, and look to the private sector to leverage finance into public services (Zadek and Radovich, 2006). However, although collaboration is often associated with large multi-stakeholder, public-private endeavours to draw on the combined strengths of a range of organizations, sometimes involving multiple parties, working on multiple issues at multiple levels, the phenomenon of collaboration can just as easily be focused on a single issue with just two players.

Collaborative relationships may pose some degree of complexity, because while collaboration often involves parties with a similar interest or stake in the outcome of endeavours, it need not always involve parties with shared values, shared goals or even the same interests and objectives. What is held in common may not be the same across all collaborations between the same parties. Moreover, collaboration may imply both commonality and difference between the parties: a shared goal is the focus of the collaboration, but something less than complete integration or unification takes place, such that it is the relationships between parties working together which are important (Meades and Ashcroft, 2005). Although collaboration may occur within hierarchies and market conditions, it relies on ongoing communicative processes, rather than market or hierarchical mechanisms of control, to ensure cooperation and negotiation, such that parties act as members of the collaboration while being accountable to their separate organizational hierarchies (Hardy *et al.*, 2005; Phillips *et al.*, 2000). As Lotia and Hardy (2008) point out, collaboration has a social dimension, in requiring the negotiation of relationships and tensions, and a political dimension, in that collaborative parties play a dual role as members of both collaboration and organization. These relationships offer a degree of complexity between parties and stakeholders, which encompasses variable objectives, power structures and opportunities, as we shall go on to discuss.

Businesses may choose to collaborate with their various stakeholders in order to meet various shared objectives, though it is clear that business is often the stronger party in this regard (Hertz, 2001; Korten, 1995). However, collaboration between some parties is not always a choice, and collaborative acts may operate as a lever to secure working together. Governments, for example, may work with other governments in the hope that there will be common ground on which to build a joint agreement for action but do not always start from that position. In international institutions, a country can choose to collaborate, but it can also be manoeuvred or forced into collaboration, through the pressure of other powerful countries or through a need for international aid or support. Organizations receiving funding might want to collaborate, or be required to do so, as a condition for receiving funding. Businesses are to some degree bound by global markets to demonstrate some collaboration with stakeholders. Arguably, collaboration is more pervasive and durable when the requirement, or the will, to work together is persistent enough to have different people or groups work together for collaborative advantage, which refers in a broad sense to achieving something "that could not have been achieved by any one of the organizations acting alone" (Huxham and Vangen, 2005, p. 60).

Collaborative activities include planning and consultation as well as action and implementation, and take a number of forms over a wide spectrum from specific time-bound alliances to longer term partnerships. Cropper *et al.* (2008) suggest that the number and type of organizations involved (business, NGO, and government), and the motivations of each partner, are other dimensions that affect the nature of the collaboration and the form it takes. They also suggest that the nature of the relationship can be broken down into three dimensions – content (flows of information and resources), governance mechanisms (such as the degree of trust, contracts and other controls) and structure (the diversity, intensity, and clustering of relationships within a collaboration). Collaborations also operate with different degrees of public visibility. Collaboration can be very public, or it might take place in private between two institutions sharing similar goals, but different profiles, where one partner does not

wish to be seen as active on the issue but still holds the key to contacts and information (Hudson, 2009).

Research in inter-organizational collaboration and CSR

Given the sustainability and social responsibility agendas, the potential for collaborative possibilities, relationships and partnerships between organizations and interested parties would seem to be a logical step in addressing the challenges of sustainable development as it affects regional communities around the globe. Academic literature on the subject of collaboration in a management context tends to derive from theories of inter-organizational relations (IOR) or inter-organizational relationships, which address the potential for strategic collaboration between organizations. Drawing from a number of disciplines, IOR research has at its core the concepts of organizations and the relations between them; the macro and micro context of such collaborative relations "in which both organizations and their relations are embedded, and the processes through which IORs are established, maintained, changed and dissolved, and produce outcomes" (Cropper *et al.*, 2008, p. 10).

Within the IOR literature, a number of common themes have been identified as potential bases for "collaborative advantage", including improved access to resources, sharing of risk, increased efficiency, co-ordination and seamlessness between service providers, and organizational or industrial learning (Huxham and Vangen, 2005, pp. 5-7). Huxham and Vangen (2005, p. 7) also identify, as a rationale for collaboration, what is termed as "the moral imperative", addressing "the really important issues facing society – poverty, crime, drug abuse, conflict, health promotion, economic development and so on – [that] cannot be tackled by any organization acting alone". One might add to this list the problems of climate change and sustainability, yet, academic research into IOR, which addresses the potential for collaboration on CSR and sustainability initiatives, is limited in scope.

Much of the academic literature on collaboration, echoing the literature on CSR, is concerned with the business case and potential advantage to the collaborative organizations of engaging in collaboration, rather than any wider societal benefit. For example, the benefit of inter-organizational co-operation is related to the business case and strategy for knowledge in processes and products, driving internal and external flexibility and innovation (Martínez-Sánchez *et al.*, 2009). Similarly, Peloza and Falkenberg's (2009) framework for four different collaborative strategies involving "focused, shared, diffused and communal" contributions to collaboration is very much focused on the business case and the protection or promotion of legitimacy of the firm or industry, providing a:

> [...] menu of options for managers looking to match the goals and contextual factors associated with their CSR activities and to ensure that the value of their CSR investment is maximized [...] to prioritize the objective of legitimacy with governments and activities [...] [and to make] progress toward uncovering the mechanisms by which CSR can impact the financial performance of the firm (Peloza and Falkenberg, 2009, p. 110).

This is consistent with work within strategic management which suggests that corporations should strategically select those CSR opportunities that best support the business objectives (Porter and Kramer, 2002, 2006).

Notwithstanding this critique of the IOR literature, a vein of more praxis-related literature, often informed by activists and practitioners, as well as academics,

attempts to go beyond an absolute business case for collaboration into broader social responsibility objectives (Bendell and Murphy, 2002; Elkington and Fennell, 2000; Murphy and Bendell, 1999, 2002). Where governments, business and NGOs work together, negotiated agreements between organizations remain problematic (Bressers and de Bruijn, 2005); gaps in mutual expectations between parties may exist (Jonker and Nijhof, 2006); and cultural perspectives may require careful management to achieve shared meanings within a collaborative relationship (Crane, 1999). However, some of these problems can be addressed by engaging in "relational" interaction with stakeholders, rather than in traditional stakeholder management, whereby stakeholders in unequal power relationships can be involved in core aspects of the corporation such as mission, values and management systems (Reynolds and Yuthas, 2008), in what might be seen as a more genuinely collaborative relationship.

Collaborative relationships involving public and private actors may be key institutional pathways for enabling international development and delivery of multi-stakeholder objectives, but they also raise some specific challenges in respect of governance and accountability mechanisms due to the diversity of practices governing organizations' accountability (Zadek and Radovich, 2006). As a result, Rochlin *et al.* (2008) suggest that failure of governance systems within collaborative partnerships can severely impede efforts to deliver goals; have serious repercussions for multi-lateral problem solving; and put at risk the resources, reputations and livelihoods of those investing in partnerships, working for partnerships, and the very citizens the effort is designed to aid. They go so far as to suggest that a new framework for governance systems is required. Examples of the types of processes which might support this would include: creating incentives for good governance through public ratings; ensuring governance systems possess the trust of stakeholders through establishing public oversight mechanisms of rules and standards of accountability and governance; and supporting knowledge development of governance within collaborative partnerships (Rochlin *et al.*, 2008). In addition, one of the most recent innovations in corporate stakeholder engagement has been the development of formal stakeholder panels which bring experts and stakeholders from outside a company together with corporate decision makers in a forum for creating mutual dialogue, challenge and solutions (Forstater *et al.*, 2007).

Collaboration between organizations, individuals and stakeholders is highly complex. Yet, while there are pitfalls in collaborative partnerships largely associated with independence and autonomy of actors, solutions may lie in collaborations between government, business and NGOs "to formulate a new philosophy, ideology and politics about society and its relationship with the environment" (Murphy and Bendell, 1997, p. 240). We address these collaborations in the next section.

Possibilities and problems in collaboration between business, governments, and NGOs

Drawing from Hudson's (2009) earlier empirical study, the next section focuses on IOR between business, governments and NGOs, the scope and limits for greater collaboration, and its possibilities and problems, before we go on to discuss the implications in the context of CSR and sustainability. We address relations between, business and government, government and NGOs, and finally all three.

Business and government
All the governments researched by Hudson (2009) suggest that they are witnessing to a greater or lesser degree more interaction between state and non-state actors, although they have different policies for engaging with business and civil society. In the UK, the relationship between government and business is particularly apparent. This relationship occurs on several levels such as between government as a whole and bodies representing industry such as the Confederation for British Industry (CBI) or between individual departments and business leaders and organizations. In the UK, the Department for Business Innovation and Skills[3] and the Treasury have very close contact with business, and other departments work with business on shared challenges. In respect of climate change, the Department for Energy and Climate Change and the FCO work together to identify, in conjunction with business, the scope for innovation in linking the climate change agenda to building a high-growth, low-carbon economy, not only in the UK but also globally.

However, the climate-change agenda demonstrates the tensions inherent within the challenge of collaboration, as illustrated in the empirical data drawn from Hudson (2009). A senior figure at Britain's CBI, for example, suggested that the issue of climate change demonstrates how receptive business can be to the political leadership given by government, subsequent to which business is then the best placed to take such initiatives forward. He suggests that to obtain first mover advantage, companies are now competing to take the initiative to work out what it would take both to save and make money in developing a low-carbon economy, but government has to provide the context:

> If government is genuine about greater collaboration with business on climate change, then it needs to do its bit to deliver on planning and other policies that create the conditions that allow business to take longer term decisions to develop a low-carbon economy (CBI official).

In response, a government official suggested that business could still do more to take into account the opportunity costs of not pursuing low-carbon alternatives, rather than pursing a government-led agenda. The nature of, and impetus for, the collaboration is all the more complex when the challenge is so large.

Government and NGOs
In respect of the relationship and collaboration potential between governments and NGOs, research participants suggested that both governments and NGOs are increasingly considering the quality of interaction between these entities, but this is often yet to translate into systematic evaluation that would be useful to both parties. Arguably, governments are perceived as either risking having little or sporadic contact with NGOs, or conducting a scatter-gun approach which promises much, but delivers little, either to governments or civil society. Many civil servants in different governments, as well as some NGOs, remain sceptical of the type of random engagement sometimes conducted by governments, which is more geared at positioning government as open and engaged, rather than meaningfully involving third-parties in policy design and implementation. In a similar tension to that discussed between government and business, there are tensions between government and NGOs: relationships between governments and NGOs often build on successful engagement on single issue topics before addressing broader engagement strategies. A crucial issue for many NGOs

is balancing their own and government's expectations of the influence that they can exercise in serious engagement on policy design and implementation.

Some collaborations with government for some NGOs are counter to their rationale and objectives. For example, although NGOs interviewed in the Hudson (2009) study suggested they want "an honest relationship" with government, notions of collaboration and partnership can sometimes be counter-productive or misleading. London Director of NGO Human Rights Watch, Tom Porteous, suggests that while he regards the British Government as an ally on rule of law, it remains a target on human rights, proposing that the government could do much more to address concerns over human rights. While recognising that on human rights, the FCO engages meaningfully with NGOs, the very nature of the issue causes him to suggest:

> For *Human Rights Watch*, unlike many other NGOs, we could never be *partners* with government. We need to be independent, and be seen to be (Tom Porteous, Human Rights Watch).

Hence, parties to a collaborative relationship may have different views on the nature and purpose of the collaboration and degree of increased engagement being beneficial on all sides.

A further practical issue in collaborations between NGOs and governments is inherent in the size and complexity of government, which often involves having to work at different levels within government. Developing continuity in relationships may also be difficult, such that some NGOs expressed frustration that building longer term relationships is often made more difficult because of the turnover of officials:

> It's in our interest to deepen a commitment to an issue on both sides. If a key civil servant moves on, particularly when there's no adequate handover, you have to start from scratch. This can be a tactical advantage, but over time it means the relationship is more superficial than it need be (NGO director).

One smaller NGO said that when their public sector contact moved, the project effectively ended:

> We would think again about ever working with that organization. We had invested heavily in the relationship. There seemed to be no adequate handover or policy continuity when the new person took over (NGO officer).

Despite potentially good reasons for moving staff in public sector bodies, lack of continuity may impose significant costs on other smaller organizations, and affect the longer term collaborative relationship.

Business, government and NGOs
Both governments and business may recognise the need to engage more effectively with civil society, but the single, most frequent, issue raised about NGOs is how representative they are, and how much they match their championing of an issue with finding solutions (Hudson, 2009). Companies have various motives for taking part in collaborations with NGOs and government, an important one often being the hope that they will learn from their NGO and government partners and be able to apply that learning to benefit their business as well as the collaborative partnership overall (Huxham and Hibbert, 2008). In practice, governments and business may limit actual activities and levels of engagement due to either commercial or strategic concerns:

It's one thing involving NGOs in some of our activities – that's healthy and useful – but if it's about commercial risk, the company pays, and therefore there are real limits to how closely NGOs can be involved. We shouldn't set false expectations. That's bound to disappoint (Senior director, multinational company).

Government officials make a similar point, but from the vantage point of drawing on NGOs' experiences to inform, rather than dictate, policy decisions. One conflict-prevention NGO expressed concern that if governments increasingly draw on NGOs to deliver services on the front-line, governments still need to take responsibility for listening properly to their perspective when drawing up strategies and plans, or they run the risk that strategy is divorced from experience. There is, therefore, the potential for further tension in the inter-relationships between the role of government, business and NGOs.

Despite the role of NGOs not being identical in every country and in every sector, and regardless of whether NGOs are large or small, global or local, Hudson (2009) argues they have at least one of the five possible roles:

(1) advocacy in the pursuit and promotion of policy objectives;
(2) delivery of services, complementing or substituting for government or other public services;
(3) enabling solutions, working with government or business;
(4) improving governance, in terms of the rule of law or transparency; and
(5) harnessing existing or new markets in countries where NGO credibility helps business achieve local support.

Failure of government and business to recognise NGOs in their different roles has potential for misunderstanding their interests and the value that they can bring to a relationship, whether it takes the form of a collaboration, partnership or critic. A single common denominator for any NGO is its perception of making a tangible difference, on a specific issue or for a specific people, by addressing an issue which governments and business do not adequately address. Even though governments, business and NGOs may identify differently their respective and various roles in serving citizens, they all acknowledge that citizens' needs and concerns are an important influence in their organizations, and that collaboration with others is partly a way of better meeting citizen expectations of their organization.

There are a number of ways to secure better collaborative working between governments, business and NGOs outlined by Hudson (2009). It is particularly important for governments and businesses to design collaboration effectively from the outset by selecting as partners "strong-minded" (p. 159) NGOs that work seriously in the sector and can advise on long-term solutions, it being more effective for governments and business to work with NGOs to improve policies than disregard them and face them in the media. Engaging NGOs throughout the process of designing, planning and implementing collaborative activity can be supported by stated terms of references and goals of all parties involved. Clear ownership and accountability mechanisms, with agreement of key deliverables, timeframes and financial management, supports the alignment of the collaboration with a strategy to deliver the best possible outcome. Once collaboration is underway, evaluation of activities needs to be monitored through key

performance indicators, and effective communication strengthened through regular meetings to build shared understandings as well as improved relationships.

In further consideration of the positive elements of collaboration, Hudson (2009, p. 176) stresses the potential in terms of leadership, strategy, engagement, and delivery (Chapter 5). These are dimensions which are equally relevant to policy or commercial considerations. He offers evidence, by way of case studies, of the wider scope the leadership role may encompass when collaboration is included to develop a "broader and longer view of leadership and teamwork" (Hudson, 2009, p. 176). In terms of strategy, engagement and delivery, considerations of the potential of involving other agencies in advance of the final decision-making process, is proffered as a valuable and constructive approach through which stakeholder engagement goes beyond managerialism, to become meaningful to both sides. The positive effects that can be gained through approaching instrumental tasks with a fresh approach, achieving synergies by developing new models of practice, are stressed by Hudson (2009, p. 177):

> Most of the social policy challenges that we face are systemic in origin and require a collaborative solution. This may apply to one's own immediate sphere of operation or more widely. The collaborative challenge works as much at a personal level as collectively. The means are there. Technologically, we have never been so able to connect. What holds us back is not the technology but the culture and behaviour that go with collaboration.

It is these cultural and behavioural issues, in the way that organizations define and implement their collaborative efforts that can influence its effectiveness, as we now go on to discuss using two examples.

Discussion

The case for greater levels of collaboration across wider societal groupings seems to be easily made and is evident in the way NGOs already combine to achieve objectives. Governments are recognising the value in creating collaborative groups to create wider acceptance of policy implementations, and increasingly companies are realising the benefits of working with various stakeholders, especially NGOs – some of whom have been seen traditionally as acting against company interests – in order to gain legitimacy for their actions. However, the range of social and environmental issues impinging on corporate activity creates levels of complexity that are not always easy to work through. The terminology of responsible business, whether CSR, sustainability, or sustainable development, has been interpreted in so many different ways that easy reference to guidance is not always possible or may not seem relevant to corporations in various contexts.

To demonstrate the wide variation in approaches, we have selected two companies, and briefly examine their underlying motivations in order to help understand why they have formed the alliances they have. In one instance, we show how a company has focused on sustainable development, realised the significant challenges that this presents, and has formed collaborations with NGOs most relevant to help achieve its mission. The second company, subject in the past to criticism over irresponsible acts, has adopted a much wider view of its responsibilities, and concentrated on strategic alliances more relevant to its products.

First, Interface, Inc. the global floor-covering corporation, which for many years has envisioned itself as the leading proponent of sustainable production, outlines in its webpages its commitment to becoming "environmentally neutral" by 2020.

It is of interest that its collaborations are not only with NGOs that focus on environmental matters, like the Environmental Protection Agency Outreach Program, but with others who take a more holistic view to sustainability, like The World Resources Institute, Forum for the Future, and the National Minority Supplier Development Council. These collaborations together with the input from its "Eco Dream Team" of experts in the areas of science and technology:

> [. . .] challenge us, broaden our view, educate and enrich us. They hold us accountable and monitor our progress. They give us opportunities to influence policies and marketplace standards. They tell our story to educate other businesses, organizations, communities and individuals[4].

For those who are familiar with the decision to become a sustainable company made by Interface in the mid-1990s under the direction of its founder and then CEO, Ray Anderson, this will come as little surprise.

However, in the second example, Nestlé demonstrates how a company which has been subject to damaging criticism on a number of fronts, for example, for its actions with regard to infant formula products in developing countries, and more recently in relation to its use of palm oil in the manufacture of its confectionery, which has sustainability implications in terms of deforestation and land availability for food production. Nestlé defines sustainable development as:

> [. . .] the process of increasing the world's access to higher *quality* food, while contributing to long-term social and *economic development*, and preserving the *environment* for future generations.

Yet, despite displaying some understanding that sustainability relates to the ability of future generations to meet their needs, it appears that much of the effort of Nestlé has been directed towards a business case for CSR which does not address the principles of sustainable development in its wider context, except where it relates to maintaining their own core business and products. CSR is reframed by Nestlé as "Creating Shared Value", to fit their notion of stakeholder engagement. This approach suggests that its strategies are designed to increase the value and benefits to a much wider range of stakeholders than purely the shareholder group, but the emphasis is not so tightly on environmental sustainability. It has formed a "stakeholder partnership" with the International Federation of the Red Cross, The International Cocoa Initiative, the International Food and Beverage Alliance, and others, and along with an advisory panel seeks to assure its stakeholders that it is open to adopting more inclusive approaches[5]. The issues that face Nestlé in the scope and nature of its collaborations have added levels of complexity, not least because of the diverse nature of its products, covering baby foods, confectionery and bottled water and other drinks, and the scope of its operations which cover every continent, employing nearly 300,000 people.

The level of complexity of this scale of operation when combined with a change of direction presents a level of challenge that any organization, however far-reaching in influence, might struggle to meet on its own. The difficulty being experienced by the United Nations in achieving its "Millennium Development Goals" (MDGs)[6] is a further example of the complexity involved when trying to achieve difficult targets across nation states and which also require effort from business, NGOs, and other agencies. Given that the MDGs are so wide-ranging covering, *inter alia*, issues as diverse as environmental sustainability, maternal health, and universal education, and aiming

to end poverty, combat HIV/AIDS and bring about gender equality, it is probably unsurprising that in the most recent update the Secretary General declared that "we have been moving too slowly to meet our goals"[7]. However, anyone considering how the MDGs might be achieved would be struck by the huge scale of the task, which would necessarily involve, in addition to the support of the people of every country in the world, the resolve of every government in monetary and organizational terms plus the support of business, NGOs and societal partnerships.

In looking back over the ten years since the MDGs were set, we may also reflect on a series of extraordinarily severe natural disasters which wrought havoc by tsunami in south-east Asia, by hurricane in south-east USA and by earthquake in Haiti. At the same time, there have been grave acts of terror, and conflicts in Iraq and Afghanistan, which continue. In addition, following two decades of uninterrupted economic growth, a worldwide financial crisis resulted in a recession which is estimated by some commentators to be the worst for more than a generation. However, despite the economic downturn, business is being urged to act in a more socially responsible and ecologically sustainable manner in the face of evidence of global warming and resource depletion. The climate change summit at Copenhagen in December 2009 may have failed to provide the leadership many hoped for at the time, but it surely heralds a process which will continue until restrictions on emissions can be agreed.

All of these issues create extensive challenges for a wide range of agencies, including governments, NGOs, businesses and civil society. What was demonstrated by the responses to the natural disasters, however, is that agencies can collaborate when emergencies call for such a reaction. The organizational value of armed services, deployed with devastating effect during conflicts, can be seen in a different, more positive light in times of emergencies, and the potential of such agencies to work with civil society is invariably demonstrated to great effect.

We see efforts to move towards sustainability as having parallels with some of the natural disasters referred to in this discussion. The difference is that the imperative for sustainability and the need for a response to global warming are not as obvious, nor are seen as so urgent, nor are understood in the same terms by societies across the world. The failure of Kyoto and successive follow-up summits, including Copenhagen in December 2009, highlights the problems of collaboration among nation states, yet also perhaps suggests the potential need for a wider group of agencies to keep pressure on governments to make the necessary political moves to achieve the objectives.

One major issue that we have not fully addressed in this paper is corporate power, which would have to be a significant constraint in any initiative which might involve limiting growth, as cuts in emissions and reduction in resource use would undoubtedly involve. Under current rules of governance, accepted in the developed world and now becoming part of the internationally recognised model, the protection of returns to shareholders takes precedence over most other concerns. The focus on, and primacy of, the individual entity gives impetus to directors in furtherance of the company's objectives and wealth maximisation above all other considerations. As long as this continues, economic growth at the expense of the planet will delay the development of new business models; models of business which would place ecological stewardship, sustainable development and social justice as governance aims.

However, when ecological disasters occur we know that diverse bodies collaborate to support single issues. For example, the case of the Exxon Valdiz in 1989,

when 10.8 million gallons of oil leaked into Prince William Sound in Alaska, gave rise to the Coalition for Environmentally Responsible Economies, an NGO which has risen in influence and seen its "Principles" go on to become a major influence in launching the Global Reporting Initiative which, despite whatever reservations we may hold over voluntary initiatives, has gone on to become the *de facto* international standard for reporting on social and environmental performance. We are witnessing a similar reaction in 2010. As BP plc struggles to contain a well-head blow-out in the Gulf of Mexico, political lobbying led to a moratorium on offshore drilling decreed by the President of the USA, as he contemplated the political implications of such disasters.

Conclusions

In this paper, we have sought to investigate the possibilities and problems for collaboration in the area of CSR and sustainability. Major challenges exist which societies around the world must confront, where no single response is sufficient to deal with issues such as climate change and sustainable development. Collaboration is identified as a potential approach when addressing the complex challenges facing the world today.

However, our examination of research on collaboration suggests that much of the focus of the literature on collaboration from an inter-organizational perspective is on strategic issues concerning the organization, and IOR, in terms of efficiency, operations, and relationships. While this literature on collaboration addresses issues of complexity, often from an organizational perspective, it tends not to develop the social responsibility or sustainability arguments in depth, despite more practice-focused research being much more aware of the potential for collaboration in terms of examining social issues and addressing sustainable development. We believe that we have made a strong case for further research that bridges the gaps between IOR and social responsibility and sustainability.

We see collaboration as an area that might be usefully explored further to address social responsibility and sustainability issues, and draw on Hudson's (2009, p. 13) work to highlight collaboration as an approach to deal with complexity in order to: "exploit synergy; reduce duplication, and; produce interaction". In drawing on the Hudson study, this paper highlights not just the potential for collaboration but also the problems that the concept delivers for relationships between business, NGOs and governments, demonstrating the complexity inherent in collaborative activities. How these profound differences in ideology and purpose can be reconciled is a real issue, especially when companies often consider engagement with stakeholders as a management issue rather than a relationship. To get engagement which incurs both parties in giving ground or compromising is difficult given the differential in power relations among different sets of stakeholders. One of the challenges is to reconcile the interests of various parties, be they nation states, businesses or NGOs to address the issue of climate change and achieve the objective of sustainability. Despite the challenges, collaboration is one way forward to address the complexity of the world's problems; hence, we call for more research on collaboration which goes beyond the organization and addresses directly the wider systemic problems facing humankind.

Notes

1. UN Population Division, available at: www.un.org

2. www.greenpeace.org.uk/media/reports/the-case-against-heathrow-expansion-a-briefing

3. Merged from the Department for Business Enterprise, Regulation and Reform and the Department for Innovation, Universities and Skills in June 2009.

4. www.interfaceglobal.com/Sustainability/Partners.aspx

5. www2.nestle.com/CSV/CreatingSharedValueAtNestle/Pages/CreatingSharedValue.aspx

6. Eight goals, to be completed by 2015, aimed at addressing what were perceived to be the most pressing challenges facing the world community.

7. www.un.org/millenniumgoals/sept_2010_more.shtml

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