From implicit to explicit CSR? A comparative analysis of business leaders' beliefs in Germany, Poland and Hungary

Katharina Bluhm

Prof. Dr.

Free University Berlin, Institute for East-European Studies

Berlin, Berlin

Germany

Vera Trappmann

Jun. Prof. Dr.

OvGU University, Institute for Sociology

Magdeburg, Saxony-Anhalt

Germany

E-Mail: katharina.bluhm@fu-berlin.de

E-Mail: vera.trappmann@ovgu.de

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Katharina Bluhm (Free University Berlin)/Vera Trappmann (OvGU University)

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1. Introduction

In the last decade, the theoretical framework for analyzing the powerful discourse on corporate social responsibility has been conceptualized in two directions. Sociological neo-institutionalists have focused on the increasing coercive, normative, and mimetic pressure that has forced companies, large multinational companies (MNC) in particular, to adopt the rhetoric, ceremonies, as well as the growing set of formal practices labeled Corporate Social Responsibility (CSR) or Corporate Citizenship.[1] On the other hand, in the comparative institutionalist debate on varieties of capitalism or national business systems, scholars have explored the transnational diffusion of CSR practices and structures in interaction with national institutions, especially the system of industrial relations.

Dirk Matten and Jeremy Moon have prominently argued that the highly standardized and formalized CSR practices are 'colored' by the U.S-American institutional and cultural setting (Matten/Moon 2008: 409ff). They differentiate between an 'explicit' CSR – well-articulated and formalized company programs and practices that are voluntary and perceived as part of company strategies – and an 'implicit' CSR. An implicit CSR is perceived as the result of rules, norms, and values that form '(mandatory and customary) requirements for corporations' and 'define proper obligations of corporate actors in collective rather than individual terms' (ibid). They are primarily reflections of the institutional environment, rather than being voluntary, deliberative and strategic. The coordinated market economies (CME) of continental Europe are perceived as traditionally having an implicit concept of corporate responsibility. The state-owned companies in Central and Easter Europe, however, are also thought to demonstrate 'elements' implicit of CSR (ibid: 417). Matten and Moon argue that, with the erosion of the traditional European collective labor regulation and welfare state institutions, large companies have not only increasingly adopted the strategic and voluntary approach of explicit CSR, but that they also utilize the CSR movement for a further weakening of the labor relation system. This, in turn, leads to a substitution of mandatory collective arrangements with deliberative, voluntary and strategic activities possessing little enforcement power. Kinderman (2008) explores the *substitution thesis* in relation to Germany. Other scholars, such as Maria Gjølberg (2009), dispute the substitution thesis and attempt to prove that, at least in regards to Northern Europe, the national collective systems of labor relations actually support the rise of CSR practices and strategies. That is, they are to be regarded as *complementary* rather than substitutional.

[1] As the differences between the concepts are not relevant for our argument, we use CSR as a general term.

The conceptual framework of implicit and explicit CSR has some substantial weaknesses. The contrast between deliberative and voluntary vs. mandatory and customary raises the question as to whether or not the latter can be named CSR at all, since CSR is by definition strategic (cf. Kinderman 2008). Moreover, bearing the neo-institutionalist analysis of transnational CSR practices in mind, the freedom of choice and the individual 'authorship' of the companies pursuing an explicit CSR strategy is also called into question. Finally, because implicit CSR is shaped and enforced by the institutional environment, companies must not even be aware of their responsibility to the wider society; rather, they must simply comply with the rules and norms established by the state and collective organizations. In other words, it seems that no subjective agreement is needed by those who run the companies. Yet, institutions do not exist beyond the interpretation of the actors dealing with them.

In this paper, we focus on the self-perception of business in different institutional environments for which the CSR literature has many assumptions but few empirical findings. We assume that different types of CSR should translate or correspond to different cognitive concepts of business responsibility for the wider society. The paper's aim is threefold: first, we conceptualize companies' understanding of their societal responsibility in a way that allows us to disregard the implicit-explicit dichotomy; second, we test whether, and to what extent, varying cognitive concepts of responsibility correspond to institutional practices of CSR and labor relations as assumed in CSR literature; third, we explore the concept of responsibility in an international comparison. We ask for the self-perception of West and East German, Hungarian and Polish business leaders regarding the role of companies in society. The countries involved exhibit very divergent institutional settings, but the subjective concepts might not be that different if we follow the German debate on liberation, deregulation and CSR of the last decades (Imbusch/Rucht 2007; Kinderman 2008; Hiß 2009). Our analysis is based on a quantitative survey of business leaders. It reveals evidence that supports the complementary thesis by Gjølberg and shows that the liberal concept of business responsibility that can be conceptualized as the cognitive underpinning of explicit CSR is rare and less consequential for companies' practices in CSR and industrial relations.

2. A framework for cognitive concepts of business responsibility to society

Following the conceptualization provided by Archie Caroll (1991) and others, we differentiate several ways of understanding business responsibility. In the CSR literature, having a successful business and generating profit – sometimes called 'economic responsibility' – is generally perceived as a company's basic responsibility, with 'legal', 'ethic' and 'philanthropic responsibility' at its root (cf. Matten/Crane 2004; Hiß 2009). For a cognitive concept of a company's responsibility and their role in wider society, all dimensions are crucial. In the CSR literature, companies have to go beyond economic and legal responsibility. Milton Friedman's famous dictum, that 'the responsibility of business is to increase its profits' (Friedman 1973) polemically rejects this broader view. According to Friedman, any deviation from this narrow concept of a company's responsibility is problematic, as it distracts them from the primary task of business, which is to maximize economic welfare. Obeying the rules of the game, like paying taxes, is included.

In reaction to the over abundance of companies under state-socialism with societal functions, we assume that business leaders who reduce the responsibility of companies precisely to economic responsibility are likely to be found in the post-socialist context. We refer to such views as *minimalists* and operationalize this type in two ways. First, we use the Friedman item: 'Social responsibility of companies consists of increasing profit only'. Respondents who clearly agreed to this item on a Lickert scale from one to five belong to this group. In addition, we tested the answer in combination with a wider view on company responsibility which goes beyond mere legal obligations, i.e. we combined the Friedman item with the disagreement or at least neutrality to the statement: 'Companies have to do more than is required by law.' If the respondents also rejected this item, we classified them as *strict minimalists*, in contrast to *soft minimalists*.

In the neoliberal world of Friedman, the minimalist approach to business responsibility corresponds to an anti-etatist attitude. However, minimalists may also agree with a strong role of the state in business, as the narrow view of their own responsibility may embrace the belief that the state is actually responsible for most of the public goods. We especially expected this to be the case in the post-socialist context. Hence, we also operationalized an *'etatist'* view that widely accepts state intervention in terms of both regulation and redistribution (see Table 1 item 2 and 13, Annex). Although the etatist concept is not one of responsibility by business itself, it can reveal who else is regarded as being in charge. If the minimalists are truly (adherents of Friedman) Friedmanians, they should disagree with a strong interventionist role of the state in business.

In addition to these two concepts, we distinguish between the liberal and the European continental concept of business responsibility, which is similar to Matten and Moon's typology. Our basic assumption is that *both* concepts display a high commitment to societal responsibility, but in different ways. We do not agree with Matten and Moon that the continental model is implicit simply because it is institutionally imposed on companies. Rather, we believe that it is implicit due to the lack of publicly communicated strategies and formalized practices labeled as CSR.

Collective regulations can acquire the status of law, but in most European industrial relations systems, they rest on free membership in employers' associations and/or collective agreements that go beyond the law. Although this agreement results in the development of a stronger binding power than demonstrative CSR practices and programs, companies enter them on a formally free basis. There is no doubt that power relations between employers and organized labour play a crucial role here. However, they also underpin the transnational diffusion of CSR practices and programs when coercive and normative isomorphism takes place. Especially in the German system of industrial relations, the autonomy of the collective partners is highly stressed in two senses: as a voluntary commitment and a sphere in which the state is not allowed to intervene. In this regard, we argue that business leaders with a continental European concept should agree to the statement that companies must do more than that which is required by law (Table 1 item 12, Annex). The European concept of business responsibility differs from the liberal concept in that companies agree to accept collective binding rules of social partnership, which includes a positive perception of the necessity of trade unions (Table 1 item 9 and 16, Annex).

Based on the need for some commitment to social partnership, we also reject the idea that implicit implies "only institutionalized", without a conscious engagement towards CSR by the actors. The German dual vocational training, for example, is perceived by business to be a contribution to society rather than simply an institutionalized recruitment strategy for new staff members, and companies regularly offer more contracts than they actually require. Even though this type of behavior is implicitly or explicitly expected by society, companies must still translate this into a company strategy. Hence, the major difference between the *liberal* and *continental European concept* of business responsibility is not the commitment to do more than what is required by law (item 12). Nor is it the voluntariness of commitment to social issues as part of a company's strategy (Table 1, item 11, Annex), but rather the acceptance of collective, binding rules. While the continental Europeans agree to the need of unions and the importance of collective regulation in order for an economy to function (ibid, item 9 and 16), liberals are expected to reject these ideas, as they are supposed to prefer an individualistic, firm-specific approach.

3. Brief description of the survey and sample

The survey was conducted in 2009/10 via telephone interviews in Poland and Germany and face-to-face interviews in Hungary.[2] Each survey was conducted in the national language after having been cross-translated from an English questionnaire. Those surveyed consist of top managers of very large, large, and medium-sized companies in two sectors: manufacturing and finance. We distinguish four company types: medium-sized (45-250 employees), large (251 to 1,000 employees) and very large companies (more than 1,000 employees) as well as banks. For the very large companies, we followed the well-established method in elite research, taking the most reliable top 500-lists in each country and scrolling from the top down to contact the largest firms first. We were quite successful in establishing contacts with very large firms and banks, even taking into consideration the different national compositions of the economy (compare Table 2, means and medians of employees). The large and medium-sized companies were selected from country-specific pools of company addresses. The manufacturing sector was, with the exception of some national peculiarities, represented primarily by mechanical engineering, metal work and the electrical, chemical, and food industries. Target persons of data collection were members of the first hierarchical level (CEOs, managing directors, other members of the board of managers, and entrepreneurs).

The analysis below combines company data on *organizational practices* and *attitudes of the individuals*. Only those respondents who occupy the first hierarchical level in business were taken into consideration for this analysis. 36.7% possess shares in the companies they lead. In Germany, we further distinguished between East and West Germany based on the geographic location of the companies, but not on their birthplace.[3] About one third of the East German sample, mostly larger companies, is run by West Germans, while only few East Germans do the same in West Germany. As a result of the East German transition (cf. Bluhm/Martens 2011), the percentage of large companies and banks there continues to be negligible, which is also reflected in our sample.

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[2] Data collection was part of an investigation by the Collaborative Research Centre 580 'Social Developments after Structural Change' at the Universities of Halle and Jena, running since 2001. The survey in Hungary was conducted and supervised by Prof. Gyorgy Lengyel (Corvinus University). The Polish survey was conducted and supervised by Prof. Krzystof Jasiecki (Polish Academy of Science Warsaw). The authors conducted the German survey. We gratefully acknowledge the funding of the empirical research by the German Research Foundation (DFG).

[3] We decided to simplify the analysis by focusing on the location only as we confront attitudes with company practices and did not want to complicate the presentation. In another paper we looked at the attitudes based on the West and east German origin, operationalized by the question: 'Where did you live on the 30th of June 1990?' (Bluhm/Martens/Trappmann 2011).

4. Findings

We covered less than half of the respondents who occupy the first hierarchal level (323 from 749) employing our cognitive concepts. Compared to the original sample, the analysis of the frequencies of responses reveals, however, a comparable distribution of countries and company types, with medium-sized companies were represented slightly less and very large companies and banks were represented slightly more in the new subsample. The fact that the percentage of very large companies and banks is quite small in the original sample, the slight overrepresentation of the two company types is advantageous for a further detailed analysis of our results. The concept's distribution may indicate that the heads of larger companies, as well as bankers, may reflect more on their role in society.

Minimalists

More than one-third (112 respondents) of our new subsample belongs to the minimalist type, which is the second largest group with an identified concept after the 'continentals'. Yet, when compared to the original sample of business leaders ,percentage is 15%,. The Fisher test revealed that Friedman-adherents are less likely to be West Germans, than East Germans, Poles or Hungarians. Only 5% of the West German business leaders are Friedman-adherents, whereas 13 % of East Germans, 17 % of Hungarians and 29 % of the Poles are Friedmanians. The regression model, which, in addition to countries, also includes company types, revealed that minimalists are often more likely to run medium-sized companies. However, among Polish leaders, minimalists were also highly represented, with 25% in large companies and 40% in xlarge companies.

In a second step, we tried to sharpen the concept's contrast by looking exclusively at those minimalists who also disagree with the statement "companies have to do more for the community than is required by law", and are therefore stricter. Only half of them (53 respondents) belonged to the strict minimalists, stemming, once again, mainly from East Germany, Poland and Hungary. Being that the number of strict minimalists is rather small for conducting detailed regression analyses, we chose to rely more on the minimalists who only answered positively to the Friedman item.

These 'soft minimalists' are found significantly more often in partly foreign-owned companies, with foreigners owning between 25% and 99 % of the shares. Minimalists frequently manage large or extra large joint stock companies and frequently lead publicly listed joint stock companies (1.569***) to a significant extent. This finding may explain why they are four times more likely to identify themselves with the global business class (1.144***) than non-minimalists. Minimalist business leaders are two times more likely to have studied abroad, and three times more likely to have been abroad for a period longer than six months. They are also three times more likely to have had a job in education prior to working in business. Their fathers have more frequently been member of the upper class[4]. Upper class fathers are even more frequent when we look at the strict minimalists only. When

[4] To analyse the class position in society, we have grouped our categories according to the Goldthorpe class scheme, dividing society into classes by the nature of the employment relationship. To the class 1 belong higher grade officials, top managers of large companies, large business owners and higher grade professionals (see more in detail Bluhm/Martens/Trappmann 2011: 1017).

compared to the reference group, the fathers of bankers are 10 times more likely to be from the upper class. Minimalists are also more likely to be the heads of family-run companies than non-minimalists (0.689*). However, one cannot say that there is a significant probability that companies managed by owners belong this group.

Minimalists are less likely to lead companies that are in an employers' association, but not to a statistically significant extent. When compared to the reference group, Poland was the only case with significantly more minimalists amongst business leaders who run companies that are members of an employers' association (1.887**). This may be explained by the fact that Polish employers' associations perceive themselves primarily as lobby organisations and not as collective partners. If a company is run by a minimalist it is even less likely to have a plant-level employee representation (works/employee council or a company union) than the reference group (-0.475**).

As expected, there is some overlap in regards to 'etatists' in the sample. Of the 112 'soft minimalists', 23 respondents also agreed to a strong state role in regulation and redistribution (only 6 in the case of the strict minimalists). 13 respondents also agreed to the liberal view that combines a high level of commitment beyond economic and legal responsibility with the rejection of collective regulations. 10 respondents even fit into the continental European concept. The overlap is immediately reduced if we look at the 53 strict minimalists, of which only six also agreed to state intervention.

Despite the overlap with other concepts, minimalists share a unique syndrome of ideas. Minimalists, as expected, agree with the item that 'the goal of a company consists of maximizing profits' (0.702***), while they are undecided if a company has to do more than what is required by law. Yet, they clearly much less likely to agree with the idea that companies are also responsible for the public good (Table 1 item 14, Annex): respondents who agree with this item are two times less likely to be a soft minimalist (-0.77**), and even less likely to be a strict one (-1.459***). They also failed to affirm the idea that voluntary commitment is indispensable in times of crisis, or that recent crises had shown that shareholder value is unsuitable. There are no country-specific effects. Minimalists also think that nationalization is a false path even in times of crisis. Hungarians in particular agree with this notion.

In terms of employee relations, minimalists are four times as likely as non-minimalists to think that employees who do not perform at full capacity should be dismissed (-1.253***). They are also less likely to disagree with the view that trade unions are superfluous and that collective regulation is dispensable (-0.952*** for the strict and -0.484** for the soft minimalists). However, both variants of minimalists believe that free entrepreneurship and social justice are mutually exclusive (1.705*** and 1.678***), and that competition erodes social cohesion (0.548** of soft minimalists), a result that can only be partly explained by the overlap with the etatists who share this view.

In short, aside from the instance of overlap, minimalists clearly reduce the role of a company in society to economic and legal responsibility, and they display a greater distance to institutionalized labour relations while their position towards the state's role are more mixed. On the other hand, unlike Friedman, they are very sceptical of the social outcome of the market economy without consequences for their own perceived role in society. In this respect, they are consistent regarding their personal involvement in voluntary work; i.e. business leaders with an official voluntary position (*Ehrenamt*) are significantly less likely to be found among minimalists (-0.583**, controlled by country). The voluntary work of business leaders seems less affected by their minimalist attitude only in very large companies. In all of the countries, companies run by minimalists do less in terms of CSR practices than non-minimalists. Yet, the deviation is significant only in the case of the strict minimalists, especially regarding internal CSR (-0.895*). The reason for the weak outcome may lie in the fact that only a few of the minimalists are strict in their attitude. Isomorphic pressure from the societal environment might also play a role, given the fact that minimalists from Poland and Hungary, in particular, stress that they invest in CSR activities in order to avoid risks.

Etatists

There are 82 etatists who represent approx. 11% of the original business leader sample. We found the greatest overlap with the minimalists, while only few etatists share the assumptions of liberal and continental European concepts of responsibility. The Fisher test as well as the regression analysis reveal that etatists are significantly represented among Hungarian (3.645***) and Polish (2.904***) business leaders. Interestingly, the company type has no impact on this result. The difference between business leaders in West and East German companies is not significant, as they are the least ‘etatistic’.[5]

Astonishingly, etatsists do not run state companies in Poland or Hungary more often than non-etatists. They are, however, two times as likely as non-etatists to lead companies without any foreign capital, companies in which managers own a majority of shares, as well as companies in which they own more than 25% of the company shares. They are two times less likely to lead companies which are owned by other companies. Moreover, there is a correlation between minimalists and It owner-managers. There are no significant company-size effects. Interestingly, age does not play a role in post-socialist countries, and vocational training does not seem to have an influence on etatist views either. Etatists are four times as likely as non-etatists to identify with their company, and they are two times as likely to identify with their community, their nationality, their religion and their profession. It seems that etatists more strongly bound to their local and national environment. Among bankers, etatists do not frequently characterize themselves as Europeans.

Etatists also tend to combine their views in a specific way. They are four times more likely as non-etatists to view vocational training as a government and not a business task, which is even more so the case when they run very large companies. Like minimalists, etatist business leaders are more likely to view free entrepreneurship and mutual justice as being mutually exclusive (0.649**). They also contend that the focus on competition is eroding social cohesion (0.564**), and that the financial crisis has shown that the orientation towards shareholder value is unsuitable to run companies (0.486*). They are as sceptical as the minimalists in regards to the social outcomes of the market economy. Yet in contrast to the former, they are only two times more likely than non-etatists to reject the notion that the social responsibility of companies consists of increasing profits (-0.678*). Etatists are, in this regard, two times more likely to believe that companies should do more than that which is required by law and that companies are responsible for the public well-being (1.413***).

[5] This finding does not change if one takes only East Germans into account, instead of the location of the company (see for more Bluhm/Martens/Trappmann 2011).

Hence, an interventionist view of the state's role in economy does not necessarily imply a delegation of all of the responsibility for public goods to the state.

Their perception of collective regulation is less clear. In contrast to the minimalists, they consider collective regulations as useful for the functioning of the economy (0.54**) but are undecided when it comes to the importance of trade unions. What is interesting though, is that business leaders of very large companies among the etatists are particularly reluctant to agree to the need for collective regulation (-1.908). In their company practices too they do not tend to stand out either negatively nor positively when asked about the existence of a works/employee council or a plant trade union. If the company is a member of an employers' association, their leaders are slightly more etatists in Hungary, but significantly less so in Poland.

Compared with the entire sample and other cognitive concepts, etatists do not stand out positively nor negatively in regards to their CSR activities. The same holds true for their voluntary work.

Continental Europeans

In contrast to all other concepts of business responsibility, respondents who adhere to the continental European concept of responsibility run companies with an outstanding performance in CSR, including both internal and external CSR activities. Internal CSR practices include health and safety at work, training and long-life learning or work-life balance (0.906***). External CSR activities include different kind of sponsoring, or anti-corruption efforts (1.091***). Companies run by 'continentals' are twice as likely to belong to the subsample of companies that do more internal and external CSR, and which have a label for these activities.

The 'continentals' are significantly more likely to be West Germans, and they are more likely to be from East German companies, as opposed to being from Hungary or Poland (according to the Fisher test). Regression analyses reveals that Hungarians (-1.207***) and Poles (-1.037***) are more than two times as likely not to be in this group. The probability of being a 'continental' type doubles with the company size. While leaders of large companies are twice as likely to share the continental European concept of responsibility (0.802***), top managers of very large companies are four times more likely to think in this way (1.408***), and bankers are even more likely to belong to this group (1.758***), which can only be explained by the impact of the German sample on the general result. In Hungary, 'continentals' are significantly less likely to run companies without foreign ownership, which may indicate the hidden German effect, as German multinationals have invested considerably in the neighbouring country.

Business leaders with a continental view of a company's responsibility are mainly employed as managers. They are highly unlikely (-0.645***) to have 25% or more of the company's stocks, without significant deviations among the various countries. This also holds true for West Germany where the entrepreneurs often disagree with collective regulation and unions. Only owners of very large companies contradict this overall trend, i.e. size as such seems to matter here. A similar outcome reveals the analysis of family ownership that is also significantly less present among the 'continentals' than (-0.64**). However, 'continental'' fathers are less frequently members of the upper class (-0.487*) than non-continental' fathers, they are more likely to have transitioned from politics into business, and are more likely to have worked abroad than others, which might be a German effect.

Sharing the continental European concept of corporate responsibility means that the respondents have agreed to a high commitment for the general public good[6] and accept collective regulation and consider trade unions important. While the membership in an employers' association is a weak predictor for the concept, works councils or trade union committees at plant level strongly increase the probability that the business leaders have a continental view (0.793***). Interestingly, this even more so the case in Hungary, while East German company leaders barely deviate from the West German result. The probability of belonging to this group is also high when the respondents of a company with a formal employee representation reject the statement that this institution is superfluous (-1.778**).

'Continentals' nominally overlap with the etatists who agree to regulation *and* redistribution (8 out of 126), or with the minimalists (10, and not strict minimalist), even though the single variable regression analysis reveals no significant deviation for the continentals compared to the rest. Thus, 'continentals' are, in this regard, less likely to be pro or con state intervention in the economy. Yet, they contradict the idea that only the state is responsible for vocational training, and this result is controlled by country and company type. What the 'continentals' have in common with the etatists is their rejection of a shareholder value approach, which is even more clearly expressed here. They agree more often than non-continentals to the idea that the financial crisis has proved the failure of the shareholder value approach (Table 1 item 19, Annex). Regarding the question as to whether or not the owner's interest should come first in case of a conflict (ibid. item 18), the overall result is negative. Respondents who belong to the 'continentals' agreed to this position less frequently (-0.362*), yet with a clear country variation. While business leaders were less likely to put the owner's interest first in the more consensual oriented industrial culture of Germany, 'continentals' from Hungary and Poland positively deviate from the overall result.

In contrast to the etatists, 'continentals' strongly disagree with profit maximization as a company's sole goal, i.e. this idea is less likely to be found among them (-0.562***), especially in Germany. They also significantly reject the Friedman sentence (0.953***), again to a somewhat higher extent in Germany, but with no further significant country variation. Business leaders of very large companies in particular reject the reductionist view of a company's responsibility.

What is striking though is their optimism regarding the social outcome of the market economy, which distinguishes the 'continental' from etatists and minimalists. Respondents who regard free entrepreneurship and social justice as mutually exclusive are almost two times less frequent to be among the 'continentals', compared to those who do not belong to this group (-0.672*). They also barely agree to the statement that today's competition is eroding social cohesion. Although they would not put social concerns first, even at the costs of efficiency (ibid. item 7), persons who disagree with an easy firing policy in the case of

[6] This is also reflected in a high agreement to the statement that companies have to contribute to the public well-being (1.333***).

weaker performance (item 8) are significantly less likely to be among the ‘continentals’ (0.474**), which is once again controlled by country and size. Their optimism in the social market economy correlates with a more frequent generalized trust (0.757***), although the control by country and company type reveals a non-significant negative impact if the respondent is a Hungarian or a banker.[7] What is most decisive though is the perception of a strong commitment of companies beyond their economic and legal responsibility and the optimistic view that the social market economy also translates into the personal voluntary activities of these respondents. The likeliness that business leaders with non-business related voluntary work positions have a continental European concept of responsibility is almost two times higher than in the case they do not share this view (0.606***).

Liberals

We considered liberals as those business leaders who positively answered the question that voluntary commitment to social and environmental issues should be an indispensable part of a company’s strategy, even in times of crisis. They also believe that companies should do more for the community than that which is required by law. At the same time, they were negative regarding the importance of collective regulations between social partners for the functioning of the economy and considered trade unions as superfluous.

With 66 business leaders, liberals comprise the second smallest subsample; they represent only approx. 9% of all first-rank respondents. Among them are 13 respondents who agree to the Friedman item, and seven etatists, which contradicts the theoretical assumptions of a liberal concept of responsibility. The relative inconsistency of ideas that we have discussed in another paper results mainly from the responses of the post-socialist business leaders who often combine a shareholder-value orientation with a sceptical view on the social outcomes of the market economy and etatism (see for more Bluhm/Martens/Trappmann 2011). Yet, it also indicates that true liberals, as conceptualized in the literature, are rare in our sample.

The Fisher test reveals that East and West Germans are significantly more likely to be liberals than their Polish or Hungarian counterparts, while the regression analysis did not show any significant variation according to country and company type. However, further regression analyses with additional single variables indicate that liberals are found more often among West German manager-owners (1.64**) and are less likely to be in the hand of another company (-0.86***). If we not only consider the ownership of the respondents, but also of other family members, the likeliness again grows. This means there is a strong likelihood to find liberals among family-owned business. We found no proof that studying abroad fosters a liberal concept of responsibility, even if they studied in an Anglo-Saxon country. Regarding this general outcome, however, Polish liberals deviate significantly, i.e. in Poland it is more likely to become a liberal when the person has studied abroad (2.876***), especially in an Anglo-Saxon country (2.575**). As mimimalists, liberal respondents are more likely to come from the upper social class, as measured by their fathers (1.331**), but significantly less so in Hungary and, interestingly, in very large companies.

We did not find a clear relationship between the existence of a formal employee representation and liberal attitudes. In East Germany and Hungary we even found a positive

[7] They also less likely agree to the statement that one cannot be too careful.

relation between the existence of a works council and liberal attitudes among the business leaders, while West German liberals tend to have a works council less often. However, respondents who have a formal representation in their company, but perceive them as superfluous, are significantly more frequent found among liberals than among non-liberals (0.955**). Thus, respondents who despise the importance of trade unions also seem to be more critical to plant-level employee representatives.

Contrary to the conceptualization of the liberal concept of responsibility, liberal business leaders are significantly less ready to take on voluntary posts that are non-business related, in comparison to non-liberals, controlled by country and company type (-0.562*). What is most curious, is that we did not find a clear relationship between liberals and CSR activities; they not even reveal themselves in the motivations for CSR, aside from the fact that Polish liberals and very large companies with a liberal leader are less likely to agree to the motive of CSR to deliver a ‘contribution to society’. In short, the supposed high commitment of liberals beyond economic and legal responsibility is not only contradicted, but also fails to translate into practice.

5. Discussion and conclusion

In this paper we have tried to underpin the institutional debate on variations of CSR with cognitive concepts of responsibility. We reformulated the dichotomy of the Anglo-Saxon 'liberal' and of the 'continental European' understanding of responsibility and broadened the framework by adding the minimalist type of responsibility, while confronting them with ideas on state intervention. The analysis reveals that the categories cover only half of the sample, indicating that the ideas about corporate responsibility are more contradictory than theoretically assumed.

One robust result is that the spread of CSR practices and a continental European concept of responsibility with a self-binding to collective rules is rather complementary than substitutive, regardless of whether the CSR activities are internal, external or labeled as CSR. The continental European concept is most widespread in Germany (especially in West Germany), among employed managers and in larger companies. It is consistent with other views that can be conceptualized as related, including an aversion to a strict shareholder-value approach and an acceptance of social concerns in business. It is also the most consistent concept because attitudes seem to translate into action that not only refers to the CSR activities of the companies, but also to a personal involvement in voluntary work.

True liberals, in contrast, seem to be a rare species in our sample. Only a small minority of business leaders think that profit is the only game in town and that social regulations are hindering business. But those who think so, more often run family-owned business. The overlap as well the weak correlations in the single regression analyses reveal that many of those who have liberal views do not have such as strong an anti-etatist attitude as they are theoretically supposed to have. What however is truly astonishing is that liberals do not engage more frequently in CSR activities (with and without labeling), nor do they take up voluntary work more frequently. In this regard, the claimed high commitment to a wider range of company responsibility does not translate into action. In other words, there is no correlation between explicit, i.e. labeled CSR activities, and the liberal view on social responsibility.

Compared to the liberals, minimalists are, as expected, more widespread. Business leaders of East German companies are two times more likely to be minimalists than the reference group, while Hungarians are four times more likely and Poles are even more likely. Still, they do not represent the majority of the post-socialist sample. Minimalists are managers to a lesser extent than expected, and the impact of a smaller company is less than expected, although present when it comes to family business. This means that there is not a simple size effect. Minimalists also run bigger business, especially in Poland and Hungary.

In contradiction to the transition literature that perceives the new business elite in East Central Europe as rather anti-etatistic (Eyal et al. 1998; Machonin et al. 2006; for an institutional view see King/Szelenyi 2005), agreement with state intervention is significantly more frequent in Hungary and Poland than in West and East Germany. The need of a regulative and redistributive power of the state is even more interesting, since the 'etatists', along with the minimalists, are less convinced of the self-regulation of markets, while they recognise their own scope of action to improve the social balance is limited. Although the 'etatist' do not simply delegate all the responsibility for public goods to the state, they are not particularly pro-active regarding CSR.

Thus what we found is, first, a rather widespread continental attitude among the West German business leaders, which contradicts the assumption of Kinderman (2008) that West Germans are moving towards a more Anglo-Saxon model of corporate business understanding. Second, we found a strong correlation between the continental concept of business responsibility and CSR activities, both internal and external activities, which agrees with Gjolberg's study on Scandinavian countries, which contends that CSR is complementary to an understanding of business with an active role in society. It does not seem to matter whether this responsibility is collectively regulated or voluntary. Third, the continentals may even have a clear *explicit* CSR strategy, which contradicts the Matten/Moon assumption of coordinated market economies having a preference for implicit CSR. And fourth, we did not find an expansion of purely liberal attitudes into the new economies in the EU, rather that the majority of business leaders in the new member states do not perceive an active role of business for society, although they think that the market economy has a rather negative effect on society. A study of business leaders attitudes not only gives insights into the actors' mindmaps ruling the economy, it also helps to understand the consequences of the diffusion of the CSR concept for business and society alike.

Annex

Table 1 List of all Items Used, Range: 1 = Total Agreement, 5 = Total Disagreement

Items	Use in the typologies
1 In conflicts over company goals, one should first and foremost attempt to reach a compromise.	
2 The government should monitor and regulate the economy.	Etatist (+)
3 Free entrepreneurship and social justice are mutually exclusive.	
4 Today's focus on competition is eroding social cohesion.	
5 The goal of a company has to be maximizing profit.	
6 Nationalization, even in times of crisis, is always the false path.	
7 Social concerns should be supported even at the cost of efficiency.	
8 Those who do not perform at full capacity should be dismissed.	
9 Trade unions are superfluous.	Continental (-)/liberal (+)
10 Social responsibility of companies consists of increasing profits only.	Strict and soft Minimalist (+)
11 Voluntary commitment for social and environmental issues is even in time of a crisis an indispensable part of a company’s strategy.	Continental (+)/liberal (+)
12 Companies have to do more for the community than what is required by law.	Continental (+)/liberal (+) Strict Minimalist (-)
13 The socio-political responsibilities of the state can only be achieved through the redistribution of wealth.	Etatist (+)
14 In principle, companies are also responsible for the public weal.	
15 Vocational training is a task of government but not of business.	
16 Collective regulations between social partners are important for the functioning of the economy.	Continental (+)/liberal (-)
17 A competition is the best way to social justice.	
18 In conflicts over company goals, owner interests should clearly be the first consideration.	
19 The financial crisis has proved that the sole orientation on shareholders' interest is not suitable for running companies.	
20 Everybody is the architect of his own fortune.	

Table 2 Composition the Whole Sample

SAMPLE CHARACTERISTICS	NUMBERS OF EMPLOYEES IN THE COMPANIES			
	Medium-sized companies (45-250)	Large companies (251-1,000)	Very large companies (more than 1,000)	Banks
Poland	79	24	43	19
Hungary	109	19	24	20
Germany	319	83	77	44

Mean number of employees	116	494	7,933	2,345
Median of employees	100	450	3,033	516
% of respondents working at the first hierarchical level	*90.8%*	*87.1%*	*81.9%*	*82.9%*
% of respondents holding shares of the current company	48.9%	24.8%	12.7%	5.6%

Table 3 Distribution of respondents with a clear concept of corporate responsibility

	Minimalists	Etatists	Continentals	Liberals
West Germany	15	3	81	18
East Germany	31	4	32	24
Hungary	28	49	14	16
Poland	48	31	21	11
Medium-sized	69	87	148	46
Large	30	18	28	10
Very large	15	13	43	9
Banks	8	8	27	4
Total	122	87	148	69

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