Evolution de l'entreprise durable et processus de construction du sens : proposition d'un cadre théorique et d'une application empirique

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Résumé :

Bien que la plupart des entreprises multinationales soient engagées dans des démarches de responsabilité sociale, les chercheurs et les praticiens manquent de modèles et de méthodes pour analyser les processus d'évolution du développement durable et de la RSE au sein de la firme. Dans ce contexte, cette communication propose un cadre de recherche et une approche méthodologique pour mieux comprendre l'évolution du développement durable au sein de l'entreprise. En s'appuyant sur le modèle de Basu et Palazzo (2008), qui analyse les processus de construction du sens (ou sensemaking) en matière de RSE, nous proposons de différencier les processus de *sensemaking* entre individus, fonctions et pays. Après avoir présenté ce modèle, nous montrons comment il peut être opérationnalisé à l'aide de méthodes mixtes (i.e. combinant méthodes quantitatives et qualitatives) pour étudier les évolutions de l'entreprise durable. Nous illustrons notre propos par la présentation d'un projet de recherche en cours avec l'entreprise ASICS, quatrième fabricant mondial d'équipements et chaussures de sport.

Mots-clés : RSE (Responsabilité Sociale de l'Entreprise), Développement Durable, Sensemaking, Changement Organisationnel

Studying sustainable enterprise evolution through CSR sensemaking processes – research framework and empirical application

Abstract:

Although most MNE have engaged into sustainability programs, academics as well as practitioners still lack models and methodologies to analyze the internal evolutionary processes related to sustainability and CSR within corporations. Accordingly, this communication proposes a research framework and a methodological approach to investigate sustainable enterprise evolution. Grounding our analysis on Basu & Palazzo's model of CSR (2008) as a sensemaking process, we complement their model by differentiating sensemaking processes among individuals, countries and business functions within the firm. We then show how the model can be operationalized using mixed methods (i.e. by combining quantitative and qualitative methods) to study sustainable enterprise evolution. We discuss the academic and empirical relevance of the model, and illustrate its potential by presenting an ongoing research project with ASICS, the fourth biggest worldwide sport apparel manufacturer.

Keywords: CSR (Corporate Social Responsibility), Sustainable Development, Sensemaking, Change Management

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Introduction

Over the last decade, sustainability and CSR (which can be defined as the management of business and society interactions (Bowen, 1953; Carroll, 1999)) have given birth to a specific organizational field, with its own practices, managerial tools, standards, concepts and managerial discourse (Gilbert, Rasche, & Waddock, 2011; Waddock, 2008). If sustainability and CSR have spread quickly at the international level (Aguilera, Rupp, Williams, & Ganapathi, 2007; Campbell, 2007), the meaning and mechanisms of this diffusion still remain opaque. CSR and Sustainability are ambiguous and multifaceted concepts (Garriga & Melé, 2004), and corporate policies in such fields can take a variety of meanings and operational forms.

So far, CSR and sustainability research has largely blackboxed this variety, and the complexity of organizational change. Few models explore the process of embedding CSR within organizations (Acquier, Daudigeos, & Valiorgue, 2011; Aguinis & Glavas, 2012). When they do so, most evolutionary models of change rest on the identification of typical stages (Maon, Lindgreen, & Swaen, 2010; Sethi, 1979; Zadek, 2004), and rely on an over-simplistic view of the organization and subsume the organization to its top management. Such models tend to overlook the complexity of organizational evolution (Zollo & Winter, 2002) and underestimate the role of local routines, learning processes (Kogut & Zander, 1993) or conflicting situations – in terms of power or values - involved into change management.

As a result, evolutionary processes underlying the adoption or rejection, and transformation of sustainability strategies remain difficult to analyze. Beyond the managerial rhetoric of the *business case for sustainability* (Margolis & Walsh, 2003), the diffusion of reporting practices, and the commitment of top managers on official sustainability reports, managers and researchers still know little about the actual transformative potential of CSR and sustainability inside the firm. To what extent do official discourse and strategic orientations actually affect

corporate behaviors? Are sustainability policies decoupled from actual practices or are they embedded into daily routines, behaviors and values (Boxenbaum & Johnson, 2008; Crilly, Zollo, & Hansen, 2012)? How are broad concepts, such as sustainability or CSR, translated into something meaningful, specific and transformative for a given organization? And how does this process of embedding CSR evolve through time and induce internal cohesion around common values and beliefs?

In this communication, we propose to open the black box of organizational change related to CSR and sustainability integration within an MNE. To do so, we propose a framework and a methodological approach to investigate sustainable enterprise evolution. We first review the limitations of existing stage / maturity models. Grounding our analysis on Basu & Pallazo's model of CSR as a sensemaking process (2008), we then complement their model by differentiating sensemaking processes among individuals, countries and business functions within the firm. We then show how the model can be operationalized using mixed methods (i.e. by combining quantitative and qualitative methods) to study sustainable enterprise evolution. We discuss the academic and empirical relevance of the model, and illustrate its potential by presenting an ongoing research project with ASICS, the fourth biggest worldwide sport apparel manufacturer.

1. Organizational evolution and sustainability: a multi-level sensemaking process

1.1 Stage/Maturity models

The first models which explored the actual processes of embedding CSR within organizations were developed in the seventies, during the *Corporate Social Responsiveness* era (Frederick, 1978), where researchers investigated CSR as a managerial (i.e. organizational-change) problem. This led researchers to identify different typical stages (Ackerman, 1973, 1975; Ackerman & Bauer, 1976) whereby firms could institutionalize change and learn to respond

to social demands through their organization[1]. For Ackerman & Bauer, this process transformed the social issue from a top-management / political issue (stage one), to a technical issue for the CSR expert (stage two), to an operational issue managed by the divisions (stage three).

Many subsequent stage / maturity models (for a review and consolidation, see (Maon et al., 2010) rest on the identification of typical cultural and maturity traits that characterize the whole organization, and that are likely to evolve through a process of incremental or radical change (Maon et al., 2010; Sethi, 1979; Zadek, 2004). These stages typically range from a "do nothing" / reluctant behavior to a "citizenship" posture, where the company becomes fully committed and adopts a much more open approach and strategic approach to CSR.

Maturity / stage models offer a relevant descriptive typology for managers and academics. They acknowledge the variety of social expectations in the organization's environment requiring organizations to take into account and deal with multiple, converging or competing interests. They also recognize different corporate postures towards social responsibility (Carroll 1979). However, they fail in recognizing the variety and negotiated nature of internal processes and dynamics underlying the evolution of the firm towards sustainability. Accordingly, their explanatory power is limited, as such models do not explain how companies move from one position to another (incremental or discontinuous change process) and through which internal evolutionary steps. Moreover, most of them rely on an over-simplistic view of the organization, subsuming the firm to its top management. By doing so, they tend to bypass the complexity of organizational system, coordination and conflicts among departments and divisions, the role of local routines (Cyert & March, 1963), the problem of evolution and learning (Kogut & Zander, 1993; Zollo & Winter, 2002), and resistance to change.

1.2 CSR as a sensemaking process

Instead of looking at CSR as a fixed state, Basu & Palazzo (2008) propose to consider CSR as a *sensemaking* process. By doing so, they argue that CSR is an ambiguous concept that must

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[1] At the time when Ackerman & Bauer wrote their book, the prevailing organizational form was the multidivisionnal company, which had become dominant in the US economic landscape.

be subjectively interpreted by managers, and that CSR is firm specific. They capture CSR *sensemaking* through three cognitive, linguistic and conative dimensions –i.e. how managers think, talk and act with respect to their key stakeholders and the world at large- (Basu & Palazzo, 2008).

Under such a perspective, Basu & Palazzo define CSR as "the process by which managers within an organization think about and discuss relationships with stakeholders as well as their roles in relation to the common good, along with their behavioral disposition with respect to the fulfillment and achievement of these roles and relationships" (p.124). For Basu & Palazzo, CSR describes the way managers within the firm perceive and manage business & society relationships. CSR is a cognitive and behavioral pattern that is shared among managers.

While their model is an invitation to explore how the subjective experience of managers shapes their understandings (Weick, 1993), Basu & Palazzo adopt an implicit vision of the firm as one unified and coherent whole. By contrast, recent studies suggest that Business & Society interactions are not homogeneous throughout the firm, and that they are shaped by individual/group values and positions (Crilly et al., 2012). For examples, CSR expectations may widely differ between two business units, or between sustainability officers (who try to shape the process of sensemaking by developing a sustainability strategy) and individuals in different organizational functions (who actually implement sustainability policies, endorse or resist to the organizational discourse). The acknowledgement of a diversity of CSR profiles within an organisation calls for an urgent need to address, both from an academic and managerial perspective, the issue of how to manage (and eventually reduce) such diversity in order to foster the sustainable enterprise evolution process.

1.3 . Investigating CSR *sensemaking* across individuals, countries and business functions: a research framework

In order to restore the internal diversity of CSR sensemaking processes and explore its evolution, we propose to extend Basu & Palazzo's perspective. While most CSR / sustainability research has focused on the way the environment shapes the internal CSR policy (outside ->

in), our approach is focused on the internal dimensions of sustainability evolution (within the organization and across divisions and business functions).

The model is built on the following premises:

1. CSR sensemaking processes are heterogeneous from one individual to another and throughout the organization. CSR sensemaking processes are shaped by individual values (Bansal 2003), country of operation (Matten & Moon, 2008) and corporate positions (business functions and hierarchical level) (Cyert & March, 1963).

2. The fit between employees' values, expectations and formal CSR policies, affects the likelihood of implementation and consistency of CSR programs within the firm, thus decreasing the likelihood of decoupling policies from practice. This is coherent with the literature linking individual, organizational values, and the likelihood to implement and embed CSR policies within the firm (Bansal, 2003). Accordingly, we posit the necessity for firms to achieve internal consistency among individual CSR profiles and postures, in addition to the more classical requirement to align internal strategies with external environments (Miller, 1996; Venkatraman and Camillus, 1984; Lawrence and Lorsch, 1967; Chandler, 1962).

Our framework (Figure 1) articulates three dimensions. The first dimension (bloc one) is constituted by individual values and how they perceive sustainability as citizens (bloc 1, assessing personal sustainability profile). We want to measure how individual sustainability profiles influence individual sensemaking processes, i.e. how people perceive the way the organization thinks, acts and talks on CSR (bloc2, assessing employees' sensemaking of CSR). Within bloc 2, we also want to analyze the internal diversity within employees' CSR sensemaking profiles (bloc2) and compare such diversity with CSR policy makers perception, decisions and discourse on CSR (bloc3). Resulting analysis will help us to assess the degree of fit between the various CSR sensemaking processes within the firm. This will enable to identify areas of convergence and divergence between groups, to understand areas of resistance and leadership in CSR adoption and to design managerial recommendation to help the organization to move forward.

Bloc 1

Individual values and sensitivity of CSR / Sustainability
- Definition of CSR/Sust.
- CSR and Sustainability Salience:
  - at personal level
  - at the firm level
  - at the industry level
- Personal commitment for CSR

Bloc 3

CSR for «policy makers» (CSR and Corporate officials)
CSR policies and programs
CSR organizational profile:
- Identity orientation
- Organizational discourse
- Organizational actions

Bloc 2

Employees sensemaking of CSR
CSR organizational profile:
- Identity orientation
- Organizational discourse
- Organizational actions

Degree of internal fit
- Variance among individuals
- Business functions variance
- Hierarchical variance

CSR managerial outcomes
- Decoupled/Integrated CSR
- Internal support for CSR programs
- Transformative power of CSR
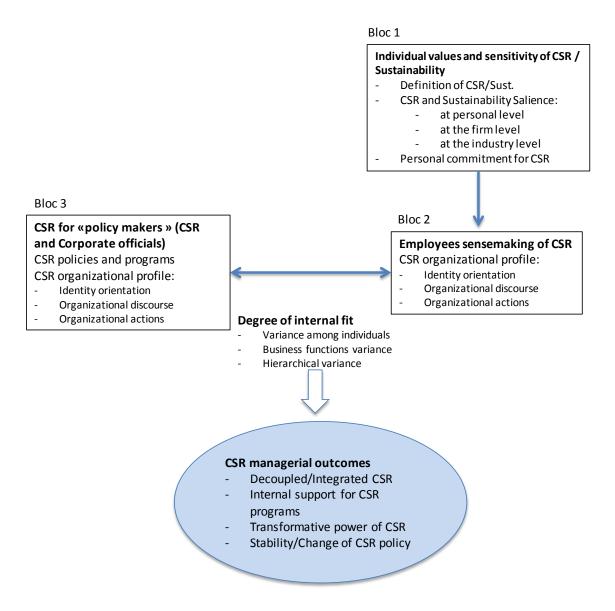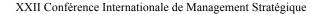- Stability/Change of CSR policy

Figure 1: CSR sense-making model: linking individual and organizational levels of analysis

2. Operationalizing the model: methodology and application

This research has been developed in partnership with ASICS Europe CSR and Sustainability team willing to better understand the expectations and mindsets of ASICS' employees concerning Corporate Social Responsibility (CSR) and sustainability.

ASICS is the fourth biggest brand worldwide in the field of sport footwear equipment. Its headquarters are incorporated in Japan and its design and production activities (the latter are outsourced) are centralized in Asia. ASICS Europe is mainly focused on distribution activities; however ASICS Europe headquarters are heavy involved in the development and diffusion of CSR policies worldwide.

ASICS has developed a formal CSR policy since 2003. Today, one of the major orientations for the CSR department is to foster evolution in the firm's approach to CSR. It aims at moving existing engagement of the firm from a 'compliance', risk management and reactive perspective to a proactive logic where sustainability is more articulated with innovation, both within products and processes (supply chain). Thus, ASICS constitutes a favorable empirical setting to investigate sustainable enterprise evolution.

The research design rests on mixed methods (Molina-Azorin, 2012; Teddlie & Tashakkori, 2012), as we combine a quantitative and a qualitative phase. We first initiated a quantitative stage, based on a survey across the entire ASICS Europe Group (AEG) including 70 mostly closed questions aiming to get input on individual perceptions on CSR as a citizen, as well as individual perceptions of employees on Asics's CSR discourse, thinking and behavior, i.e. the three previously quoted dimensions of Basu & Palazzo's model. To help minimize obstacles for participation we hosted the survey online and in four major European languages (English, French, Spanish and Italian.). The survey has been administered between November and December 2012 and had reached a high response rate of about 45% of AEG employees. Overall, 298 employees coming from a high variety of countries, business functions and hierarchical levels within ASICS Europe (see a few graphs on descriptive statistics in appendix), answered the survey. Such diversity as well as high response rate attest for ASICS' employees engage-

ment toward the topic of CSR and show a good representativity of our sample. As the analysis of the result is not completed at this time, we do not develop the results of the survey at this stage.

The statistical analysis of survey answers aims to meet different objectives. First, it will provide information on how employees perceive ASICS CSR in terms of three main dimensions: values and beliefs, communication and behavior. Second, by running different statistical analysis (MFA Multiple Factorial Analysis and/or HCA Hierarchical Classification Analysis), the survey will allow to design a map of CSR profiles within ASICS. Such analysis will allow a deeper understanding of knowledge and awareness of CSR topics in different groups of employees: functions, countries, hierarchical levels, etc.

Moreover, survey analysis will assess the gap between ASICS "CSR makers" (i.e. top management and CSR team) and other employees. Such assessment should represent a first step in our broader intent to understand current existing degree of fit or misfit between CSR strategy and ideas, as thought and formulated at the top level, and actual employees' perceptions, at the individual level. In order to track internal evolutions, the survey may be replicated yearly.

As a second step, we plan to conduct a qualitative in-depth analysis of ASICS CSR and sustainability through a series of interviews with targeted managers as well as a collection and analysis of ASICS CSR internal documentation. Selection of interviewed managers will be done through the results of the above described quantitative analysis. For example, we will deepen our understanding of the different profiles that have risen from the cluster analysis through spotted interviews within each group. Further, this qualitative step will help to better understand historical foundations and past 10 years development of CSR policy and strategy at ASICS. It will also allow a deep analysis of current perceptions and intents of ASICS CSR team managers and ASICS top management on the one hand, and targeted operational / functional employees on the other hand, on their level of maturity, knowledge, awareness and intrinsic motivation on CSR issues at ASICS. Such analysis will help us further investigate and understand the gap between discourse, strategic intent, and actual behaviors and commitment for CSR.

While time consuming, the combination of qualitative and quantitative methodologies is particularly relevant for studying CSR sensemaking processes. Indeed, while the quantitative step will highlight diversity among groups and individuals regarding CSR perception, the qualitative step will help us to deepen our understanding of the process of developing and embedding sustainability within the firm, including resistances and pioneer initiatives.

Discussion, implications and conclusions

While our current research is still a work in progress, we believe it contributes to existing work through different dimensions. First, it contributes to the literature on maturity and stage models for CSR, providing a basis to explain and understand the processes by which an organization may change in its approach to sustainability. The explanatory power of the model relies on the ability to combine different levels of analysis to understand sensemaking processes within the firm. By doing so, it offers an opportunity to better specify how conflicts in values, resistance or opportunities for change are related to organizational positions.

Our model also contributes to extend the potential of Basu & Palazzo framework by offering a more contextualized approach to CSR sensemaking. By doing so, we answer to their suggestion to explore how their model can be adapted to make sense of internal differences within a firm.

Our research framework also has practical implications. From a managerial perspective, our model allows to identify levers for change management. From a top management perspective, it will help directing and orientating CSR initiatives by taking into account employees' preferences, sensitivities and abilities to adhere to such initiatives. Also, it will help identify resistance to change related to the development and evolution of CSR policies, and to track the evolutions of CSR policy.

For CSR managers, our research process produces meaningful and actionable knowledge (Starkey & Madan, 2001) by revealing internal representations of CSR within the firm. We believe it offers an interesting initiative to produce knowledge that is valuable both for aca-

demics and practitioners, and favor new ways or coordinating and co-producing knowledge between researchers and practitioners (Huff, 2000; Van de Ven & Johnson, 2006).

Finally, the model could be extended beyond the borders of a single organization to study collective CSR sensemaking processes in competitive fields or industry contexts. For example, as the sports apparel industry heavily relies on outsourced production facilities and independent distributors, the model could be transposed to the whole supply-chain, in order to better explain where are the gaps and hurdles for CSR development in such organizational contexts (Acquier, Daudigeos, & Valiorgue 2011b; Carbone & Moatti, 2011).

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Appendix: Descriptive statistics of ASICS sample

Split of respondents by country:

Legend:
- Austria
- Benelux
- Eastern Europe
- Northern Europe
- Germany
- France
- Great Britain
- Italy
- Asics EUROPE
- Iberic Peninsula

Respondent field of operations

- Accounting/Finance/Treasury
- Customer Service
- Field Sales
- Human Resources/ICT/General Affairs
- Logistics/Supply Chain Management
- Marketing/Communication/Promotions
- Other:
- Product Development and Sourcing (Apparel/Footwear/Lifestyle)
- Product Management (Apparel/Footwear/Lifestyle)
- Sales Management

Respondent level of operations

- Assistant Manager
- Manager with direct reports
- Manager without direct report
- Other
- Senior Manager/Director/VP/President