

**Challenging Glocal Strategy: Corporate Social Responsibility,
International Management and the Absence of Power**

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Challenging Glocal Strategy: Corporate Social Responsibility, International Management and an Absence of Power

In an attempt to bridge the global vs. local debate that rages across many disciplines, some academics and practitioners have been promoting an integrated internationalization strategy. Promoted as the ideal, an integration strategy helps both generate efficiencies through product and process innovations and respond to particular markets (e.g. Bartlett & Ghoshal, 1998; Begley & Boyd, 2003; Belanger, Berggren, Bjorkman, & Kohler, 1999). According to Robertson (1995), this integration of global consistency and local flexibility can be captured in the concept of ‘glocal’, and is utilized at multiple levels such as within networks, companies, and individual managers (e.g. Ghoshal & Bartlett, 1990; Onsager, Isaksen, Fraas, & Johnstad, 2007; Ritzer, 2003; Robertson, 1995). While many companies have been employing the ‘glocal’ or ‘local worldwide’ strategy for the past few decades with varying success (Bartlett & Ghoshal, 1998; Immelt, Govindarajan, & Trimble, 2009), there is little evidence to suggest whether this ideal strategy is also used for CSR and whether it is in fact ideal.

This paper investigates the level of CSR ‘glocalization’ within 37 MNCs in two ways: first, by identifying the level of integration of other cultures in the development of their CSR strategies; and second, by analyzing the process by which global and local issues are identified and incorporated into CSR strategy and the implications this has for CSR activities within MNCs. It then questions the implications of ‘glocalization’ within CSR and connects to the global vs local debate in both the CSR and international management (IM) literature.

International Management and the ‘Glocalization’ of CSR

MNCs¹ are distinct forms of business because they operate across national borders and are thus embedded in different contexts with different structures and relational networks (Ghoshal & Bartlett, 1990; Harzing, 2000). This creates novel business opportunities and challenges such as access to cheap labour and natural resources, working with foreign governments and in foreign cultures, tacit knowledge of new groups of people for use in innovative new offerings and co-creation of products etc. MNCs therefore have many unique challenges working to govern their practices in such large and widespread operations. These seemingly paradoxical conditions within MNCs have been much debated within international management (IM) literature, where many contributions discuss the tensions (e.g. Bird & Stevens, 2003; Braithwaite & Drahos, 2000) and others the integration of global and local issues (e.g. Bartlett & Ghoshal, 1998; Robertson, 1995; Skinner, 1964).

The literature on integration or ‘glocal’ internationalization strategies (Robertson, 1995) focuses on balancing global and local concerns in two ways: the first group argue that companies can generate efficiencies and opportunities by exploiting gains from standardization, while at the same time respond to and expand in local and particular markets by tailoring the offer to local tastes and regulations (e.g. Begley & Boyd, 2003; Immelt et al., 2009; Svensson, 2001). This argument suggests that integration equates to product and process efficiencies applied with modifications depending on the nature of the market. However, the second (and much smaller) group suggest that integration is more than operational efficiencies achieved through a balance of global standards and local flexibility. They argue that glocalization is in fact the transformation of global and local interests into a new or unique form of operating that ‘continually renews itself by balancing the

¹ While it is recognized that there are many different categories of companies operating across national and regional boundaries (see Harzing, 2000 for overview), the term MNC will be used in this paper to refer to all types to ease discussion.

organizational tensions and management paradoxes implicit' in international business (Bartlett & Ghoshal, 1998: 257; Ritzer, 2003).

As the most successful and thus ideal strategy for MNCs, (Bartlett & Ghoshal, 1998) a 'glocal' strategy is realized through a number of practices, particularly good communication and networking between relevant organizational members, recognition that managers do not know everything and need help from others within the organization, team-based decision making, and negotiation of issues to resolve power plays (Bartlett & Ghoshal, 1992), process and structural tensions (Begley & Boyd, 2003).

Within the CSR² literature, the term 'glocal' rarely appears (exceptions include Waddock & Bodwell (2007)) despite the range of articles looking at some aspect of CSR and IM (Egri & Ralston, 2007). However, the debate between global and local CSR and questions as to whether or how they might be integrated are also of fundamental interest within the international CSR literature. More often than not, these contributions take the form of either national comparisons of CSR that focus on the uniqueness of particular operating conditions in different contexts (e.g. Maignan & Ralston, 2002; Matten & Moon, 2008; Wood, Svensson, Singh, Carasco, & Callaghan, 2004), or depictions of CSR in a globalized marketplace (e.g. Arthaud-Day, 2005; Scherer, Palazzo, & Matten, 2009; Windsor, 2009). And while many emphasize the local or global, contributions to this debate also include discussions of integration. The following discussion reviews the fundamental arguments from within the local customization, global standard and glocal approaches to international CSR management.

² CSR can be understood as how firms integrate triple bottom line concerns (Elkington, J. 1998. Cannibals with forks: The triple bottom line of 21st century business. Oxford: Capstone.) into their 'values, culture, decision making, strategy and operations in a transparent and accountable manner and thereby establish better practices within the firm, create wealth and improve society' Industry Canada; An overview of corporate social responsibility; www.ic.gc.ca/eic/site/csr-rse.nsf/eng/rs00129.html; 16 June, 2006.

Local Customization Approach – A Hofstede View of CSR Management

Hofstede's (1994) research provides evidence for the significance of national cultures in shaping organizational practices. He questions the applicability of managerial theories and practices across cultures because they have been developed in systems that are constrained by their own cultural environments, therefore making them culturally dependent and not necessarily feasible in other settings. In particular he lists such practices as performance appraisals and strategic management as those we might believe to be universally accepted practices but that in fact do not work particularly well in certain cultures. Thus he advocates searching for common practices, and not common values as the underpinning connections between sometimes vast differences in operational locations. His approach to IM has been utilized extensively within the context of business ethics and CSR (e.g. Katz, Swanson, & Nelson, 2001; Ringov & Zollo, 2007; Tavakoli, Keenan, & Crnjak-Karanovic, 2003; Vesper, 2004; Williams & Zinkin, 2009), as contributors apply some or all of his dimensions to the questions posed in this field.

Although not utilizing Hofstede's dimensions, much of the comparative literature also shares his argument for the uniqueness of different regions and thus for the need to be cautious of standardizing CSR (e.g. Aguilera, Williams, Conley, & Rupp, 2006; Doh & Guay, 2006; Jamali, Sidani, & Khalil, 2009). The underpinning theme of these types of contributions is that although the conditions of each area or region are not unique, the cultural and historical context in which they occur gives them 'a particular character and severity, and this shapes the definition and implementation of CSR-related activities' (Hamann, Agbazue, Kapelus, & Hein, 2005: 5).

Global Standards Approach – An ISO View of CSR Management

On the other side of the debate is the literature supporting a global or standardized approach to CSR. This group is represented by the ISO worldview, with their recent efforts

to create the 26000 series for global corporate social responsibility³. Literature in support of this approach argues for the creation of universal standards as a basis for theory and action, and to secure societal credibility and legitimacy (Carasco & Singh, 2003; Cragg, 2005; Doig & Wilson, 1998; Frederick, 1991; Gordon, 2001; Paine, Deshpande, Margolis, & Bettcher, 2005; Sethi, 2003; Williams, 2001). And as you would expect, many argue for the use of already existing intergovernmental standards (i.e. UN Declaration of Human Rights and/or ILO Conventions) as a minimum threshold from which to base CSR activities. If we also think of the multitude of international standards that already exist for CSR such as the OECD Guidelines for Multinational Enterprise, the UN Global Compact, Global Sullivan Principles, Principles for Global Corporate Responsibility: Benchmarks, Business Charter for Sustainable Development, CAUX Round Table Principles for Business, NGO Charter on Transnational Corporations, Equator Principles, SVN Standards of Corporate Social Responsibility, and the upcoming ISO 26000 series etc., we can see that there is a great deal of societal support for universalizing CSR, primarily as a tool for monitoring and controlling business activity.

In practice, this discourse has been particularly influential. In the last decade or so, many MNCs have developed worldwide CSR codes (policies, strategies, frameworks), that apply across their global business. For instance if we look at companies like Shell, BP, Nike, Gap, Anglo-American, Rio Tinto, Monsanto, Ford, HSBC as only a few of the many companies who have now adopted global codes, it is clear that the emphasis by those companies who drive CSR in the international arena, is to standardize it as much as possible. Many of these companies expect, and an increasing number require, these codes to be implemented as written in all global operating locations with all employees (Bondy, Matten, & Moon, 2008). Clearly the universal standards approach is not only popular but a powerful discourse within

³ (see www.iso.org/sr for more details)

CSR literature and practice, focusing on standardizing and controlling CSR so as to improve its credibility and manageability as a set of global business activities.

Glocal Approach – A Donaldson & Dunfee View of CSR Management

The ‘glocal’ or ‘local worldwide’ approach is similar to the work of Donaldson and Dunfee (1994) who argue that while the local institutional environment must be taken into account, some values transcend cultures and therefore should form the basis for ethics in MNCs. These ‘hypernorms’ are fundamental to human experience and therefore put a limit on the ‘moral free space’ given to actors operating within their own environments. They suggest for instance that murdering those who break contracts should not be condoned in any environment as murder is considered to be universally wrong. Therefore, the hypernorm of murder puts a limit on the micronorm of acceptable sanctions for breaking contracts. Similar to contributions promoting universal standards, Donaldson and Dunfee (1994: 267) suggest six hypernorms including core human rights, property ownership and a duty to respect the dignity of each human person. And while certainly contestable and problematic in practice, this work provides credibility for those wishing to assert the moral underpinnings of a glocal approach to business.

This sense of ‘being local worldwide’ (Belanger et al., 1999) and discussions of integrating the local and global are becoming more prevalent in the CSR literature. For some, it mirrors the problems discussed above of trying to be both consistent across operating locations but also tailoring the offer to fit cultural differences (Leisinger, 2003; Waddock & Bodwell, 2007), for others it is a matter of teasing out the relationship between global and local factors to illustrate which has more influence in shaping CSR (Arthaud-Day, 2005; Gjolberg, 2009). In general, this group of contributions argue for some degree of pluralism, where companies and their managers are encouraged to think globally and locally at the same

time (Begley & Boyd, 2003; Davids, 1999) thus seeking to demonstrate the complementarity of the universal and the particular within CSR.

Thus, both the IM and CSR literature would seem to suggest that while global standards are important, there must be some account of local needs. Therefore, good strategy would be as ‘glocalized’ as possible, allowing all parties to enjoy the unique benefits that accrue from the ‘interpenetration of global and local’ (Ritzer, 2003).

Universal Norms, Glocalization and Dimensions of Power

But the question then becomes, what are the implications of glocal strategies, and what does this mean for business, CSR in particular? There can no longer be any doubt that the corporation is a political actor, seeking to exert its influence on the shape of CSR and other institutions within society (Barley, 2007; Bondy, Matten, & Moon, in review; Scherer et al., 2009; Scherer & Palazzo, 2007). However, much of the literature in the global/glocal/local debate ignores the political role companies play when developing their own universal or glocal standards in-house (whether CSR focused or not), or when working in cross-sector partnerships to develop CSR standards. This is the case with both IM and CSR literature, where issues of power and influence are often ignored or minimized (Bondy, 2008; Jack, Calas, Nkomo, & Peltonen, 2008). In fact it would appear that the majority of IM literature assumes a one dimensional view of power as conceptualized by Parsons (1963: 243), where A is the centre and B are the remaining operational units:

‘the power of A over B is, in its legitimate form, the “right” of A, as decision-making unit involved in collective process, to make decisions which take precedence over those of B, in the interest of the effectiveness of the collective operation as a whole’.

The basic assumption implies that structural power is legitimately centralized in the best interests of all and fits with the global standards or universal paradigm of international CSR management. Although in theory both international CSR and glocal IM literature challenge

the legitimacy of the centre to make decisions for all, neither do these literatures highlight the inherent power structures behind the different internationalization strategies. In fact, the CSR literature tends to view the general concept of power as positive in the sense that if CSR has power, it is to the benefit of society through increased power for more marginalized groups in society (e.g. Blowfield, 2004; Davis, 1973; Sethi, 2002). In practice however, the use of power in the name of CSR is more mixed, as opportunists within organizations use increased pressure for organizational responses to CSR as a tool for increasing their own personal power within organizations (Bondy, 2008).

What is interesting about primarily superficial treatment of power and influence in the IM and CSR literatures is that they are clearly critical concerns when negotiating and integrating diverse interests as is demonstrated in other management literatures, such as negotiation (e.g. Chatain & Zemsky, 2007; de Vries, 2009; Rees & Edwards, 2009). In consequence the ideal state of integration for companies (glocal internationalization strategy) is promoted from a position that assumes apolitical systems and processes, and equal power relations between parties, and the positive ramifications of power on CSR initiatives. The few contributions questioning the value of CSR standardization (e.g. Schwartz & Tilling, 2009) tend not to explicitly discuss power relations and focus primarily on concerns with universal standardization, ignoring the implications for integrated or glocal approaches.

The concern with the concept of 'universal' is a significant and relevant one for CSR. As Clegg, Ibarra-Colado & Bueno-Rodriquez (1999: 7) succinctly state, 'any universal gaze of the cultural world must, by definition, be ethnocentric'. Therefore the paradox of the universal paradigm is that it must be developed by actors who are themselves embedded in culturally and historically unique circumstances, inevitably creating an ethnocentric result. And according to Clegg et al. (1999) this paradigm has been both created and perpetuated in predominantly Anglo-Saxon cultures. Given that corporations, primarily from Anglo-Saxon

countries, are so powerful ‘that their decisions affect the welfare of entire states and nations’ (Stern & Barley, 1996: 147-148), their approach to managing CSR across the business has significant implications for the legitimacy of local issues. In particular, this is because the underlying presumption in arguments for the universal is that anything not universal is somehow wrong or deviant (Ritzer, 2003), because if it is universal, then it applies everywhere or in every relevant situation. Deviance is most effectively dealt with through integration with the universal.

Identifying the particular as deviant also links us more fully into sociological explanations of power that are useful in this research. As an essentially contested concept (Lukes, 1974), power can take a number of forms. Within the management literature, these tend to be either typologies of some sort such as sources of power and influence (e.g. French & Raven, 1959; Lawrence, Mauws, & Dyck, 2005; Pfeffer, 1992), or descriptions/conceptualizations of its perception and use within or between actors (Fiol, O'Connor, & Aguinis, 2001; Kim, Pinkley, & Fragale, 2005; Overbeck & Park, 2006), most of which are predicted on a one dimensional view of power. The few studies to employ a broader conception of power such as a two or even four dimensional view have highlighted not only the need to expand our view of power in management research, but the lack of studies that meaningfully engage with the power literature (e.g. Blowfield, 2005; Hardy & Leiba-O'Sullivan, 1998; Lukes, 1974).

Following in the tradition of these authors, we employ a four dimensional view of power to help highlight the implications of glocal strategy for CSR. The one dimensional view of power mentioned above assumes that power is a deliberate behavioural action where A has the ability to make B do something B would not otherwise do. A two dimensional view expands on this deliberate, behavioural approach and suggests actors can create or reinforce barriers to different institutional processes that limit others ability to access those processes

and thus to be considered as relevant or legitimate participants (Bachrach & Baratz, 1962). A three dimensional view broadens the behavioural, actor based view to conceive power as the ability of social institutions to shape wants and preferences so as to indoctrinate actors to a particular worldview favourable to the existing power structure, and therefore drastically reduce challenges to it (Lukes, 1974). And finally, a four dimensional view shows power as not bound in actors but in networks and discourses that can provide advantages and disadvantages depending on the context and actors involved (Abel, 2005; Hardy & Leiba-O'Sullivan, 1998). It is our view that each of these dimensions provides part of the picture of what power is, and how it is perceived and realized between actors and institutions. Therefore, each view provides not only a more comprehensive understanding of power, but an analytical tool for evaluating the activities of business and providing us with an ability to see the power implications of glocal strategies for CSR.

Then, by implication we ask questions such as whether there can be any true integration of interests between the head office of large MNCs, many of which are founded and headquartered in Anglo-Saxon countries, who are likely to possess high levels of hierarchical and network power (Ghoshal & Bartlett, 1990; Pfeffer, 1992) and promote a 'universal' standard for CSR, with subsidiaries who may or may not also be in other Anglo-Saxon countries, may or may not possess high levels of exchange power (Ghoshal & Bartlett, 1990; Pfeffer, 1992), and have local CSR considerations they need to address?

Therefore, it is clear from this literature that we do not know much about the internationalization strategies being employed by MNCs with regard to their CSR activities, and the implications of these activities for CSR practice. We do know that if they are following best practice based on the IM and CSR literature, they should be striving towards glocalization strategies. But what we also do not know is whether this is an appropriate strategy for dealing with CSR in MNCs. Answering these questions would seem critical in

providing organizations with appropriate frameworks for managing their CSR commitments. In responding to these critical gaps, we asked three key research questions: one, given that ‘glocal’ strategy is ideal practice, what type of IM strategy are MNCs using with regard to CSR; two, how are they developing this approach; and three, what implications do their actions have for CSR practice?

Methods

In responding to these three questions it was clear that we needed to investigate two issues: one, the degree to which national culture was included in the development of CSR strategy; and two; the processes used to identify salient issues across the global business and their subsequent inclusion/ exclusion within strategy development and implementation. It was therefore essential to understand the perceptions of individuals who were key to the strategy development and implementation processes, and thus making critical strategic decisions about CSR within their organizations, including those to do with culture and local processes. As such, we needed to understand the meanings these individuals associated with foreign national culture and local issues, and the way in which decisions were made with regard to them. We therefore took an interpretive approach to these questions (Berger & Luckmann, 1967; Burrell & Morgan, 1979; Denzin, 2002; Morgan, 1980).

To collect data appropriate for our research questions, we used a qualitative, semi-structured interview guide (e.g. Holstein & Gubrium, 1995; Keats, 2000; Patton, 2002). We therefore gathered rich, in-depth data in the form of stories, examples and accounts of how individuals understand their own experiences (Mintzberg, 1979; Van Maanen, 1979) with regard to the development of CSR strategy and their interpretation of related organizational actors and activities. Thus we came to understand more about the social phenomenon of international CSR management relative to actor interpretations of cultural inclusion/

exclusion and process (Rubin & Rubin, 1995). The guide provided a platform upon which each interview was conducted and could be compared for similarities and differences in meanings and actions associated with developing and implementing CSR strategy within multiple organizations (Patton, 2002; Ritchie & Lewis, 2003). We used an inductive and iterative technique so that within topics found on the guide, areas of interest that had come up in previous interviews were also discussed as and if appropriate within the context of the interview (Crane, 2000; Eisenhardt, 1989). Therefore, participants were encouraged to share their own perspective based on their own knowledge and experience about the topics under investigation (Denzin, 2002), and were probed according to the details of our discussion and other related areas mentioned in previous interviews.

Interviewee Sample

Two different strategies were used to identify potential participants, forming a purposive sample (e.g. Baker, 2002; Saunders, Lewis, & Thornhill, 2007). Minimum criteria for inclusion in the sample were companies that had a CSR strategy and this was confirmable through their corporate website (Coupland & Brown, 2004), and that the company operated in more than one country world-wide. To ensure the potential participants had a solid understanding of the processes used by the organization in developing and implementing the CSR strategy worldwide, the key person responsible for implementation of the CSR strategy was targeted.

The first method for identifying participants was to select them from a suitable list. As size is known to be a predictor of whether a company has a strategy (Langlois & Schlegelmilch, 1990; Maignan & Ralston, 2002), the top 150 corporations from the FAME database, sorted by sales revenue, were used to create the original list. Of the 150 companies listed, 83 were removed because they did not indicate the presence of a CSR strategy on their website, had very limited policies on single issues such as a recycling or corporate

volunteering, were subsidiaries of other companies on the list, or did not operate in more than one country. Of the remaining 67 companies, a search was conducted for the contact details of the person responsible for strategy implementation. In many cases this meant contacting the corporation and asking for the name from the receptionist and/ or speaking to the relevant person if they were available. Based on this process, 67 letters were sent with 22 positive responses, resulting in a response rate of 33%.

The second strategy for identifying interview participants was talking to well-connected individuals in the field to ask for recommendations of people with appropriate experience, and to ask interview participants for other appropriate participants both inside and outside the organization. Most participants indicated that they would be the only person within their organization with the ability to answer the questions and therefore suggested people outside. An additional 16 potential interviewees were contacted for participation in the study with 14 positive responses.

In total 40 interviews were conducted with the senior manager(s) in charge of CSR within 37 different organizations, four of which were consultancies. These interviews were conducted between February and May 2006 and ranged in length from 25-90 minutes long, with 19 conducted by phone and 21 conducted in person. These 37 different organizations came from a range of industries such as construction (CS1-x), media (MD1-x), natural resources (NR1-x), retail (RT1-x), manufacturing (MF1-x), telecommunications (TC1-x), sporting (SP1-x), public services (PS1-x) and consulting (CN1-x). The four consultancies were approached as experts in helping create CSR strategies with their large MNC clients and thus brought the weight of their experience to bear on the research questions.

Before conducting the interview, all publicly available documents produced by the company relevant to CSR were read. This included their published CSR strategies such as codes, policies, frameworks, guidance etc. and such things as annual reports and press

releases to ensure a better understanding of the public position of the company with regard to CSR, and where not already occurring, some basic knowledge of the business to ensure more focused content in the interviews. Reviewing these documents also provided additional data regarding meanings and practices as sanctioned by the company. Interviews were digitally recorded and notes were taken directly following each interview that included non-verbal cues and other pertinent information on the interview process itself so as to improve both the validity and reliability of the data (e.g. Miles & Huberman, 1998; Silverman, 2001).

Interview Topics and Analysis

Each interviewee was informed prior to our meeting that there were four topics we would like to cover in the interview: one, motivations for creating their CSR strategy; two, major implementation techniques used; three, the impact of culture on these processes; and four, stakeholder feedback on their activities. This gave each participant the ability to think about the topics under investigation prior to the interview and come prepared with responses should they choose to do so.

A constant comparative method was used for analyzing the data (e.g. Gerson & Horowitz, 2002; Langley, 1999; Miles & Huberman, 1998; Silverman, 2000; Spiggle, 1994; Strauss & Corbin, 1998) using an Excel spreadsheet as the basis for capturing the data. Each topic on the interview guide was captured on its own sheet and the transcripts were broken into three groups to be analysed separately. Each transcript was read and all themes were taken from the transcripts, whether considered pertinent to the research questions or not. The theme names and where they were located in the spreadsheet were written on the side of the transcript to provide a record of the progression of themes and their analysis. Every time a transcript mentioned a similar theme, it was recorded in the same way directly under where the previous text had been pasted, and the label was adjusted (if necessary) to reflect all thematically similar sections of talk. This continued through all three cohorts of data (each

cohort represented by a different colour, again so that the progression of analysis could be tracked backward), and the themes were incorporated into an ever larger, more abstract grouping of ideas under a single theme. Text surrounding the themes was compared to characterize the theme based on its context. The ‘charting’ technique (Ritchie & Spencer, 2002) was also used to capture all ‘outlier’ or conflicting evidence. Every word captured on transcripts, and every theme captured in notes went through this process to ensure that all data was adequately captured, and that resulting conclusions represent the full story presented by research participants.

Culture Ignored in the Development and Implementation of CSR

Culture was to a large extent ignored in both the development of CSR strategy and in its implementation.

Developing CSR Strategy

Surprisingly, of the 37 MNCs represented in the study, virtually all ignored national culture⁴ in the development of their CSR strategy. Most did not explicitly consider the impact of national culture nor did they explicitly invite those representing other cultures within their operating group to participate in its development. For many this was unintentional, as something they ‘just hadn’t considered’ (TC1), and for a few it was purposeful.

While only one participant felt that culture had yet to have its impact on their CSR activities (‘we’re certainly not aware of any cultural impacts yet’ (RT3)), those who largely ignored culture found it difficult to discuss the impact culture has had on the development and implementation of their CSR strategy (‘I think its really difficult to look at what happens

⁴ It is important to note that in this research culture is not viewed as a stable or homogenous concept but as a multifaceted, dynamic set of values, attitudes and practices that characterize a particular geographical region (Husted, B. W. 2003. Globalization and cultural change in international business research. *Journal of International Management*, 9(4): 427, Jack, G., Calas, M., Nkomo, S., & Peltonen, T. 2008. Critique and international management: An uneasy relationship. *Academy of Management Review*, 33(4): 870-884.

culturally (RT1)). This inability to express the impact of culture on company efforts is even more surprising given they were told in advance of this emphasis in the research. In response to this topic in the interviews, many instead gave accounts of different cultural expectations and challenges they were facing.

It is part of the mind set and part of the culture of a German to want to recycle. Now, is it part of the mind set of somebody in the UK to do that at the moment? No its not. (RT1)

The main difference in culture is the difference between unionized, traditionally confrontational culture [in the UK] versus, a collaborative, cooperative continuous improvement type of culture which was much more common in our European operation ... What it meant for us as a business was that in our UK businesses, there was certainly a lot of resistance to change and difficulty in actually recognizing the scale and pace of change which wasn't [the case] in the European operating businesses. (PS2)

[At head office] if people did not know ahead of time that what they were doing was in breach, they were not prosecuted. However, in Venezuela, if employees were caught violating the policy within [NR1] they were immediately let go because the culture [in Venezuela] is such that if a person does it once, they know that person would do it again. (NR1)

While areas of significant challenge for many interviewees, national culture was not something that they worked to explicitly include in the development of CSR strategy.

Not one participant discussed the importance of foreign cultures in shaping the CSR strategy, which given the fact that most companies implemented their strategies globally and required all worldwide employees to comply, was another surprise. Interestingly however, three participants acknowledged the influence of national culture from the headquarters home country on formal CSR strategy.

And whilst the prevailing culture is sort of Anglo-Australian, US, so sort of fundamentally Western if you like in its outlook, the ways that a lot of countries work need to be understood

although we don't have a culturally relativistic approach to this work, the [formal CSR strategy] is quite specific (NR3).

It is much easier to have specifications with a code and ask the buyer to reorganize the social system around that and you check whether it is organized or not. It is far less creative but at the same time it is far more problematic from the development perspective because you are imposing a particular model of development or industrialization, you're not trying to negotiate that model... if they start describing how it should be implemented at a supplier level, then what they are doing is they are homogenizing the different cultural environments NG(P)1.

Its actually dangerous to be too proscriptive in implementation in this area. I think sitting in the NGO in the UK or the US or anywhere else where its comfortable, its easy to assume that the rest of the world should be brought up to Western standards. What I would say is that the rest of the world doesn't even want to be brought up to Western standards. They may actually think their standards are fine thank you very much and go away. Secondly the prescriptive Western approach which goes in and dictates that they should do this tends to be less effective in changing behaviour than a more gradualist approach. Therefore large multinational organizations need to have a degree of cultural sensitivity in implementation of global policies (MF2).

This understanding of the inherent inclusion of cultural values in their CSR strategies and implementation activities did not translate into inclusion of those who might represent different cultural perspectives irregardless of the fact that these strategies were to be implemented globally. Thus, they did not work to mitigate the impact a fundamentally Western outlook had on strategy development, nor did they explicitly include other cultures through such things as inviting representatives from those cultures to participate in the development of their global CSR strategy.

Another two interviewees went further to state that their companies purposefully ignored culture during the development and much of the implementation of CSR strategy.

There are the cultural differences... factories in China for example or where people live or in India. I mean if you go into them, you do immediately, culturally find it very different, you know

in terms of people sleeping in one room because that's the accommodation in China... they only have a small small space, the washing facilities are very basic, toilet facilities are pretty basic ... if you went into these peoples homes in the country there's probably about 10 people sleeping in one small room. They don't have toilet facilities, they don't have any washing facilities. Don't even have any water at some stages. And you sort of need to understand that but then you also need to understand from our point of view it's important for our brand that we don't see people that don't have these basic facilities in place... that they don't have some place to wash, they don't have some privacy in terms of you know their toilet and washing facilities. So we sort of say, ya we understand, if they're in their homes it might be like that, but culturally, you know, our customers in the UK will expect certain things to happen. So therefore you've got to reach a certain baseline with this (RT4).

It's sort of our perception but we take the view that regardless, it sounds awful, regardless of cultural differences, at the end of the day we are under the microscope every day as an industry and what could be perceived in one market as being acceptable, the Internet is a fantastic tool for getting information around the globe very quickly, and published in a newspaper in the UK looks, you know, problematic, saying this is what the [industry X] companies are doing. (MF3)

These two comments are very interesting because not only do they illustrate a purposeful exclusion of foreign practice and issues in their strategies, but they also illustrate the effect different forms of power have on the shape of CSR initiatives within companies. In the case of both these companies, they were concerned with the backlash from their home market if they were found to be conducting activities contrary to a Western paradigm of responsible business. They did not want to risk alienating their home market by being found to engage in unfavourable practices in other countries, particularly if those practices were being conducted in the supply of products destined for the home market.

In the end, these MNCs purposefully and unintentionally ignored both the implicit inclusion of their own home culture and the exclusion of foreign cultures in the development of their CSR initiatives. By using their hierarchical power as the central controlling unit of

the organization (Ghoshal & Bartlett, 1990; Pfeffer, 1992) from a one dimensional view, and tapping into the ‘universal’ paradigm (Clegg et al., 1999) from a two dimensional view, headquarters within these companies were able to enforce a Western, Anglo-Saxon view of CSR throughout their global operations, as enshrined in their global CSR strategies.

Within the vast majority of the MNCs discussed, these strategies were either ‘strongly recommended’ as a starting point for CSR in different operational locations or a politely worded edict from head office.

So in other words, what we've got is the going back to the basics. Standards of business conduct – mandatory – for everybody who works for [MF4] worldwide ... Mandatory for the companies concerned, although we didn't [force them], what we did was we strongly advised them to adopt it and they all did anyway. (MF4)

I mean the issue was that a global corporation had been formed. It was a mixture of companies both Australian, North American, UK businesses, but they were now under one umbrella and companies of course are judged globally so you need to have, you need to set global standards and global approaches because anything less is not good enough. So that's what the [CSR strategy document] does. It sets global approaches. (NR3)

Obviously they need to be unambiguous, so we have very deliberately chosen simple language and put things in a way that all of our employees can understand. We have one single code for everyone around the group. So whether or not you are someone working in this building as an executive or someone who is working seven hours a week in one of our retail stores, the same rules apply and the same language applies. (NR4)

Therefore, the exclusion of foreign national culture and the ignorance of implicit home culture in the content of the CSR strategy was exacerbated by the adoption of these strategies as global standards. Clearly then, power, whether it be the perceived power (e.g. Kim et al., 2005) of the home market to penalize companies for unacceptable activities elsewhere, the hierarchical/ structural power (e.g. Pfeffer, 1992) of headquarters in effectively forcing

through global CSR strategies, or the power associated with tying a particular account of the world (in this case the CSR strategy) to the deeper cultural frame of ‘universal’ (Creed, Scully, & Austin, 2002), power was indeed significant in influencing these companies to exclude foreign national culture in the development of their CSR strategies.

Implementing CSR Strategy

More consideration of local issues was found in the implementation of CSR strategy. While culture (whether home or foreign) was in the main excluded by many companies at the development stage, local issues and cultural differences were more salient during the implementation stage. Here we see the influence of the body of work discussed above with regard to global/glocal/local internationalization strategies. These companies used local customization, global standards and glocalization approaches to implement their CSR strategies.

Local Customization Approach. Although some participants discussed this approach in theory,

So much depends upon the culture of the people, the culture of the company and the abilities of the people who are involved in rolling it out and making it happen (CN1).

only one company was actually close to using a local customization approach in the implementation of their CSR strategy.

[CSR practices need to be decided] country by country so you know France for example has a very legalistic approach to business and therefore the legal department in France would be much more involved in implementation and in terms of what you can do and what you can't do ... compared to say in Italy where the regulatory framework is much less strict, practices are frankly much laxer ... so I think it has to be done on a on a local basis rather than on a global basis ... uhm but what you cannot do is you cannot legislate or regulate from the centre, the maximum standards that you require, because it is not possible, even within Europe its not possible ... You can lay down a set of aspirational minimum standards and you can insist on your people generally meeting them around the world. Although interesting when we come to talk about

experience, you will find that there are certain parts of the world where it is very difficult even to hit minimum standards because it's just not the business culture of the local business culture if you will. You would think Europe would have a single market. Not at all - absolutely not. The very nature of doing business is somewhat different. The nature of competition for example is different between Germany, France, Italy, Spain ... now I defy anybody to draft a set of business regulations that cuts all through those countries. It just it doesn't make sense and then we haven't even talked about China (MF2).

Interestingly, while he held this belief regarding the inability to reconcile cultural differences and thus to create a global standard, he and other members from the senior management team decided in 2000 to create a global policy for CSR based primarily on expectations in the market place for visible, formal CSR policies to guard against reputational and ethical risks, and as one element of a new business constitution to bring together employees from two newly merged companies. Like the global standards and glocalization approaches, once complete and ratified by the board, the policy was then cascaded to all operating units. So while conscious of culture when implemented in the local areas, this did not carry through into the development of the framework. Local operating units were to apply the framework to their business and develop a coherent CSR program that was then monitored from head office. In terms of how their approaches were presented, the local customization approach was not favoured by the majority of MNCs in the study. The vast majority preferred either a global standards or glocalization approach.

Global Standards Approach. The group of companies supporting this approach actively searched for elements within their CSR activities that could be considered universal, and used these as a basis for their implementation efforts. NR3 describes those aspects of CSR that they treat as universal, in part based on their own values, and in part based on their own cross-cultural research.

There are some elements of what we do that are not at all culturally relative, they are culturally absolute. Now a good one, a good example of that is health and safety. Every worker has the right

to go to work safely and come home safely everyday. Anything less than that is not good enough ... a person's right to life is absolute and not relative, human rights are absolute, they are not relative, you know so if they are relative they are meaningless ... [other areas] are obviously around things like environmental stewardship, community development, education, welfare, health and safety and in fact we do a lot of stakeholder research across cultures, and the sort of top line results of that research are remarkably similar. Close to identical actually. (NR3)

These 'top line' results were largely similar to most organizations, with others mentioning bribery and corruption, working conditions and climate change (e.g. PS2, RT4, MF3). Using these as a platform for universal or global standards within the organization, these same companies demonstrated the importance of standards applying to everyone within the business.

The General Manager [of our business in France] thought that in [the CSR strategy] is a statement that 'we support free enterprise as a system best able to contribute to the economic welfare of society, as well as to provide individual liberty' he said was offensive to his Communist trade unions, and he wasn't prepared to put it out. So in the end, we had to say well actually if you're going to be general manager in [NR5], this is not a matter of you saying that some people do not agree with it. This is our statement of our values, and that's part of it. So, ultimately, he was bludgeoned into doing so. With what degree of enthusiasm I'm never quite sure. (NR5)

I mean things like insider trading, bribery, corruption issues, you know we've tried to incorporate best practice in those areas and so, for example the corruption area, we have to be compliant with both the Corruption Reform of Public Officials Act in Canada as well as the Foreign Corrupt Practices Act in the US. Those are global standards that we have to expect all of our employees, regardless of where they are located, to adhere to. (NR2)

This is the first time that it brings all of those policies into one spot, so that employees really have one handy-dandy place to access those policies that have become the code of conduct. We've also looked at them with fresh eyes, and given a very minimum standard of conduct around the globe. So for the first time, what is in this document applies to everybody no matter where you work ...

We've said you need to drive this in a way that makes sense for you, so they can customize their marketing materials, their teaching materials, their awareness materials, they could also have discussions about what this particular policy means in their region. (NR4)

Clearly, control over CSR activities is a key theme emanating from these companies and appears to be the main justification for the use of a global standards approach within their operations. As such, they searched for issues that they believed to be broadly common across all operations, such as health and safety and climate change, and focused their efforts on implementing these key areas consistently across global locations. The use of hierarchical/structural power and reference to the strong cultural paradigm of universal standards are transparent within this group of companies.

Glocalization Approach. The most common approach was to be glocal, where headquarters develops the CSR strategy and encourages local units to shape it to fit local issues and circumstances. Because many companies utilized this approach to implement their CSR strategy, more than three illustrative quotes have been provided to show some of the range within this approach.

We let the metric or the individual goal or the individual item being tracked change but things like, you know if the goal were to support economic development, in the US that might be community development consultation where in the UK that might be serving on chambers or committees, or in the US working with government to attract industrial commercial new build, in the UK it may be just serving on committees ... We allowed them the differences where possible but still got the fundamentals and the overall commitment from the company were able to be secured (PS1).

So its an attempt to both to localize it and try and to make statements. We also have things about you know, donations and how that may vary. Again we have an overall policy which is no political donations but gifts, donations and entertainment for government officials, in [MF1] Bangladesh, they have a paragraph on that etc. and indeed for gifts and entertainment for

colleagues. So those are the general elements but where there is a local thing such as a sum of money or an appropriate value, that is included in the local policy (MF1).

So every single company in the [MF4] group has adopted the business principles. And there have only been slight variations in the wording to colour for local things. Like in South Africa, we had to put something about black economic empowerment, in Canada we put something about Health Canada and their role. But overall 100% of companies have adopted the group's statement of business principles. And that really is this [points to hardcopy of CSR strategy] and this is the credo if you like. This is how companies are expected to behave in terms of responsibility. And that's how they'll be judged ... In Venezuela, for example, we sponsor a foundation ... which is a foundation dedicated to preserve ethnic arts and dancing and music. And some people in the West for example wouldn't think we should sponsor that kind of thing. When you speak to local stakeholders, they say yes it's very important for the country (MF4).

I mean it's a different business in the US than it is in the UK. So there are particular places where there is need to be different. But where it doesn't need to be different, we started moving towards not being different ... I think it is down to some of the legal, it's where the legal side of it comes in, and I say, we need to do different things in the US in terms of that than we do in the UK, and we always need to ... at the moment we need to have separate [strategies] because it reflects the different organizations, the different regulatory requirements of the group. So, that would be I guess an example of where you know a difference exists because it has to. But on safety it's a common vision. On inclusion and diversity it's a common vision. So where you don't have to have uh differences then it's a common vision (PS3).

We always rely on the local culture, the local managers to be the one that understands the business, understands the culture and really knows what's happening. Because if it's like when we move [RT4] to China or Russia. Now, we might start off by maybe, you know giving some support from the center from the UK or maybe from France to start the business but very quickly we move on ... we very much believe that it can only be driven within the local culture. However, having said that, you know, there are certain, if you like critical areas that it's important for us to

know that whatever culture you're in that these aren't violated. For example, our factory and working conditions (RT4).

A good example is our policy on business conduct. We have a guideline for gifts and donations that states we do not support religious or sectarian causes so we don't support construction of churches and you know, kind of religious oriented events. But in South East Asian for example, in Indonesia specifically, in our field operations in Sumatra that's quite a complicated issue and we've had to take a softer approach ... because one of the things that are most expected by a community in those areas, because it is a very Muslim area of the country, that you will build Mosques or you will support schools that have a religious connection to them somehow and so we have had to be flexible in terms of that guideline to reflect that in Indonesia that is a reality. (NR2)

Clearly many of these companies were adopting best practice glocal approaches for managing their CSR efforts globally – by identifying commonalities between locations so as to gain global efficiencies (in this case in knowledge and experience), formalizing this into a strategy and then allowing local operating units the ability to tailor the strategy to fit local circumstances. Because the 'glocal as ideal' discourse has been very influential within business, the companies in this group regularly appear at or close to the top in the award schemes and rankings on CSR such as the Business in the Community indexes, the Dow Jones Sustainability and FTSE4Good indexes etc. Therefore based on the concept of glocal held within much of the IM literature (e.g. Begley & Boyd, 2003; Immelt et al., 2009; Svensson, 2001), these companies are performing well and are incentivised as such. However, based on the literature that defines glocalization as a deeper, more integrative process where negotiation between parties results in something unique that helps to manage the implicit paradox within international business (Bartlett & Ghoshal, 1998; Ritzer, 2003), we see that in fact power issues are paramount and may call the fundamental premise of this approach into question. It is very clear in the analysis that although operating in a best practice capacity and perhaps in ignorance of the consequences of their actions, these

companies regularly operated to support the existing power structure, creating the conditions that restrict key CSR issues from making their way into the CSR strategy. Culture was largely ignored, with the practical result that actors representing global operating locations or local issues from within those operating areas were often not included in the development of the CSR strategy, which also means that the concerns that they represent were therefore also ignored.⁵ And while some local tailoring was done at the implementation stage, this is insufficient in creating a balance between global and local issues because the power structures and cultural templates that these MNCs used to replicate their standards worked to reduce the set of issues considered as relevant and legitimate within the strategies.

Thus, the question remains as to whether in fact these companies are acting glocally. Can a company that ignores local issues in the development of its strategy be able to balance both global and local needs? To address this, we therefore need to investigate the process by which these CSR strategies were created to identify whether the outcome reflects something unique between headquarters and the local operating units that represents both sets of interests relatively equally.

CSR Strategy Development Process Favours Headquarters Worldview

Unsurprisingly, the vast majority of the 37 MNCs engaged in a process of stakeholder negotiation and collaboration which minimized the impact of others on the development of their CSR strategy. It is helpful to remind ourselves at this point that ‘glocal’ strategy is realized through such things as good communication and networking between relevant organizational members, recognition that managers do not know everything and need help from others within the organization, team-based decision making, and negotiation of issues to

⁵ This analysis does not ignore the fact that all actors must be assumed to have an agenda, or certain set of issues they hold dear. Therefore, the question of whether in fact these persons would represent the key issues of a community is important but also outside the scope of this paper. It is assumed that irregardless of the agenda, people from global operating locations will have different perspectives of what CSR should mean for the company and the types of issues that need to be addressed within their operating units and local communities.

resolve power plays (Bartlett & Ghoshal, 1992), process and structural tensions (Begley & Boyd, 2003). In extending these practices to CSR, we must take a broader view of those with whom the organization should be communicating, networking and negotiating. Thus to achieve a glocal strategy with regard to CSR commitments and activities, MNCs should be engaged with both internal and external stakeholders⁶.

Unfortunately, most participants were reluctant to discuss their stakeholder identification strategies in much detail. These examples show the vagueness of the responses given.

We identified a host of stakeholders. I wasn't going to write all of them, but then picked off a selection and did write to them (RT3).

And you have extreme stakeholders [laughs] who will have vested interests of one sort or another, so there has to be a process of filtering and testing the practicality and the desirability of doing [what they suggest] (PS2).

So the process for which we developed these 12 impact areas was very much in dialogue with not *everyone* but a representative sample of the types of people who are the most concerned with and impacted by our business and our operations (PS1).

Whether this vagueness was due to the fact that they themselves did not have clear criteria for identifying stakeholders, or whether they did not want to make these criteria widely known is unclear. What it does point to however, is a lack of transparency around their rules for engagement and a clear sense that companies maintain control over the selection process.

In the process of creating their CSR strategies, MNCs employed one of two methods: either they created a draft of their strategy which was then taken to stakeholders for review and feedback, or they created the draft in collaboration with their stakeholders. In a continuum between these two methods was much variation in the level of participation of stakeholders.

⁶ Stakeholders refers to both internal groups such as employees and owners/ investors, and external groups such as communities and regulators.

Most companies prepared their formal CSR strategy in relative isolation. It was typically formulated by senior managers with some participation by a limited group of employees at different levels within the organization.

We started from the beginning, first benchmarking what other leading companies were doing in our industry, in our regions. We started looking at what our risks were, what were the concerns, what are areas where we've had issues and then we looked at existing policies and [the previous CSR strategy] and we said OK we need to incorporate this stuff in it. Then we did a first draft and we had focus groups ... 450 people, all levels, all jobs, all languages and we asked them not only to read the code and give us their reaction but also look at the marketing materials and the training materials that we intended to use with the code. Then we began to form other networks of people that we knew we would need to support the code. So we started working with senior leaders, so we had top senior management support from [CEO] and his senior team and we spoke to management teams, we spoke to regional leadership teams, we began to get grass-roots support. Then we formed a compliance and ethics leader network so we had senior level compliance and ethics leaders. These are people in the business who are senior and they are accountable for rolling the code out among their teams and also following the code because they are responsible for other compliance and ethics activities ... We also had a period of what we called soft launch. So before we actually launched the code we went around to those functions that we knew would own part of the code like HR, legal, audit, security, [health, safety, and environment] and we did soft launches with them, which is saying 'oh here's a draft, we want to talk to you about it and what it means for you in your job in your function, what's your role, how can you help us - we're asking for your support', and that was to get the opinion formers or the people that were going to support this to know what was coming because we didn't want those people to say when it landed 'well I know nothing about it, its not mine', we want them to say 'oh I know all about it, this is what it means', and so we were conditioning the market ... We only involved internal stakeholders in the development of the code because we feel that that was appropriate. (NR4)

Compared to NR4, most other companies in this group did not have the same level of planning in place regarding the process for their CSR strategy development. However, they

followed a similarly isolated process in that very few internal and no external stakeholders were involved in identifying the appropriate content and creating the strategy document.

Those standards were effectively written last year, at group level. I don't know who the author was ... but none the less it was written and approved at group level (RT3).

So it was important to put down on paper what we stood for and what our principles and values and supporting beliefs were and get agreement for that. So that was developed by my team, was brought up through the Senior Exec's and the Board of Directors and health and safety committee for endorsements (NR6).

We worked with a number of organizations to make sure that we captured the essence I suppose and they included Amnesty International, Transparency International, UN Commission for Human Rights, a number of NGOs, a number of businesses around the group. We held discussion sessions in different countries. I was involved in one in Australia with a number of organizations, the indigenous human rights community to kind of test the words, test the approach to make sure that we haven't missed something. Trade unions we consulted with, all kinds of organizations ... and we tried to capture what we thought to be the fundamental elements of such a policy document (NR3).

Was your question who should contribute to [the CSR strategy] or who should we consider when writing it? Because we're considering the customer, we're considering the staff, we're considering suppliers, we're not actually asking for their contributions. That's the difference, we are writing it from our perspective (TR1).

Thus, while each company had to go through some process of communicating their strategies and there was some evidence of networking or negotiating issues with other senior managers or opinion formers within the business prior to creation of the draft strategy, there was no evidence of this being done widely within the business and certainly not being done with key external groups. Thus, the majority of stakeholders, if included at all, were left to comment on drafts instead of helping to determine legitimate content. Clearly, shaping the strategy

before its sent out not only sends signals to stakeholders about what type of feedback is wanted (i.e. comments on what is already there) but also starts to shape stakeholder expectations about what CSR is meant to be within organizations. In this sense, not only were these MNCs editing the range of potential issues by identifying legitimate stakeholders (two dimensional view), but they were also using the institutions available to them, such as legitimate stakeholder negotiation processes and using the ‘universal’ paradigm, to shape the expectations of stakeholders regarding CSR more broadly (three dimensional view).

On the other end of the spectrum few companies first identified stakeholders and approached them for key areas from which to base their CSR strategies.

And the way we approached [the development of a sustainable development policy] was to engage in quite a lot of stakeholder engagement so we involved all of our employees at the time ... and we also conducted research with customers in the US, and then from the US and the UK point of view of government officials, NGOs, lead investors, institutional investors, individual retail investors, some shareholders, the media, uhm a whole raft of people something like 4000 people were involved in the process and we asked two very simple questions. We listed something like 20 attributes of responsibility, so financial control, climate change, health safety and environment etc. and we asked which of these on a scale of one being unimportant and five being very important do you think a company like [PS3] should be concerned about? This whole group of people ranked them on this basis ... and the second question we asked was how well do you think [PS3] is currently performing in these areas, and once again, we got a range from one particularly badly to five brilliantly ... And what that gave us was two bits of paper and is there anything on the list that we've missed as well. Whatever they gave us was an idea of the sort of areas that our stakeholders thought we should be sort of focusing on, but also an idea of where the gap was between their perceptions in terms of how well we should be performing and how we were actually performing ... What that gave us was the starting for the [sustainable development policy]. It started to set out these various areas that we would talk about ... What we then did was involved focus groups of employees based in the UK and the US, to actually hone the words down to something that was meaningful. That was something like 14 or 15 focus groups that were run ... So that's where that framework comes from (PS3).

PS3 was by far the furthest towards collaborative strategy development than any other company within the sample, but a more inclusive approach was also used by three other companies.

What we started to do when we wanted to create a framework was to speak to our stakeholders and find out what they were looking for in terms of some support and direction across [RT4] (RT4).

We had stakeholder involvement through things like MORI polls and focus groups and those sorts of things. We had the unions involved in the development of the plans, we had the key internal and external stakeholders involved in the consultation exercises as we developed them (PS2).

We last year for the first time brought together people from across the stakeholder spectrum. We brought together suppliers, people who were largely involved in our community activities, a couple of representatives from the media acting in just a non-reporting capacity. We brought some major commercial industrial customers and professional representatives groups and some social groups that were represented in organizations like Age concerns or [industry NGO] ... So we brought all of them together to talk through our 12 impact areas (PS1).

And while representing a range from within the collaborative end of the spectrum, these companies more closely follow a best practice process for developing a glocal CSR strategy by improving the communication and network from which they draw their participants, and engaging in a range of discussions to create the draft strategy. Thus, these companies aspired to and were some way to achieving a more inclusive approach in the development of their CSR strategies. While certainly more integrated, instead of resulting in a unique outcome between global and local interests, this type of negotiation process tends to result in a global standard based on minimum requirements from participating parties (Dickerson & Hagen, 1998). Therefore, even a collaborative approach to the development of a single CSR standard, while significantly more representative than those created in isolation, still does not result in a balance between interests of global and local and does not result in a unique

interpenetration of the two sets of interests. The critique here is based on the fact that to be a glocal strategy as defined by the IM literature, the centre (normally headquarters) would need to go through this negotiation process with each local operating unit so as to create something that represents both interests. This does not mean that the collaborative approach to developing strategy is not useful, but that this is a better representation of the global standard to be applied, and this process then needs to be repeated again with local units to result in glocal strategy. And this process would need to be conducted with as full knowledge as possible of the power structures underlying it so as to work to address the power, process and structural tensions discussed by Bartlett & Ghoshal (1992) and Begley & Boyd (2003).

Therefore, the two methods used to develop CSR strategy both result in the creation of a global standard that is then cascaded to all local operating units, with some degree of flexibility to shape the activities utilized in implementing the strategy commitments. Clearly, some of these standards are more representative of a wider range of stakeholders which takes us some way to rectifying the problems inherent in the dominant power structures such as choice editing and denying a voice to potential participants. However, the fact that the discourse surrounding these strategies legitimizes them as glocal and yet the interests represented within are primarily Western Anglo-Saxon views, only adds to the problem of shaping wants and needs from a three dimensional view of power. Thus it appears that utilizing a glocal internationalization strategy is little different from a globalization strategy, and has similar implications for the imposition of Western culture around the world.

A Critique of Glocal

It is clear that the idea of glocal strategy has been very influential within CSR practice, with most of the MNCs striving to achieve glocal CSR strategy. Most sought to achieve the balance between global and local interests by following the advice of management scholars

in creating global efficiencies and tailoring agreed commitments to local needs (e.g. Immelt et al., 2009; Svensson, 2001). They also used a range of activities to communicate, network and negotiate with whom they identified as key stakeholders in the development and implementation of their strategies (Bartlett & Ghoshal, 1992; Begley & Boyd, 2003). Therefore, while for the most part following the processes and activities indicated by the IM and CSR literature for achieving glocal CSR strategies, the result for these MNCs was that cultural differences and local issues were in large part ignored by them, except at the final stages of implementation where certain policies were bent to accommodate local activities. Thus, this responds to the first two research questions: one, what type of IM strategy are MNCs using with regard to CSR – answer – primarily utilizing a glocal CSR strategy; and two, how are they developing this approach – answer – primarily based on the global standards & local tailoring approach where global CSR standards are developed at the centre of the organization but where local operating units are given the opportunity to identify relevant activities during the implementation of the strategy that are within the scope of acceptable actions designed to meet commitments in the strategy.

The third research question - what implications do their actions have for CSR practice? – is in part answered by the consequences of operating according to best practice which we have seen include little consideration of cultural implications, local issues or concerns over representativeness of the global standard. However, this is not a full answer to the third question because in answering it we must ask whether this type of approach is sufficient for achieving the goals of CSR, and whether a glocal strategy is even feasible without an explicit investigation of the networks of power involved in the process (four dimensional view). Answering the first sub-question would seem simple enough given the body of CSR literature and its focus on inclusion and representation of affected parties (e.g. Freeman, 1984; Mitchell, Agle, & Wood, 1997; Vesper, 2004) in a range of activities such as decision

making, strategy development, monitoring, verification etc., irregardless of their cultural distance from the centre (e.g. Blowfield & Murray, 2007; Donaldson, 1996; Husted, 2003). Therefore, global standards with little representation of different national cultures, local issues or key stakeholders are insufficient for companies seeking to become more responsible.

Responding to the second requires a critical examination of the implications of a glocal strategy with reference to the power structures that underpin it, and therefore a reconceptualization of glocal and how it can be achieved. As the data have helped to show, in practice, a glocal approach to CSR management is little more than a global standards approach with different branding. In working to define those areas of commonality across operating units and therefore ‘universal’ commitments, these companies not only bring their own cultural biases into the process (Clegg et al., 1999) but also respond to the perceived power of particular actors within their networks (such as expectations for no child labour by customers, or fair competition by investors), and exert their own power within it (such as in the selection of particular actors to participate in the development of their strategies). Intentionally or unintentionally, companies use this process to create legitimate accounts (Creed et al., 2002) of global strategies by showing due process and tapping into the universal paradigm which then restricts the participation of others in the strategy content, serving to reinforce the existing universal paradigm and underlying power structures (Lukes, 1974). The eventual cascading of this global strategy to all local operating units, even with the opportunity to change specific activities in its implementation to meet local interests does not result in a new or uniquely integrated result or balanced outcome between interests. However, presenting these strategies as glocal, which the companies believe they have achieved and the literature would in large part support, further entrenches the power structures and belief in the items as universal. It does so because it results from a process that

continues to support a largely Western cultural bias, and leaves those already in relatively powerful positions within the networks with the ability to select who else becomes a participant within the process. It therefore not only eliminates threats by restricting potential issues before they are voiced in a legitimate forum, but also begins to edit actor desires by making that which is claimed to be universal, more credible to those actors.

Thus it would seem that a glocal internationalization strategy is an insidious version of a global standards strategy because it masks the use of the universal paradigm within it. 'Unlike moral colonialism of the past, values are not presented as superior, but as universal, requiring not conversion to an alternative (presumably better) value system, but recognition of universal values' (Widdows, 2007: 306), which we know cannot be universal as they are developed by actors embedded within their own cultural contexts (Clegg et al., 1999). To create glocal strategies that are in fact something other than a relabelled global strategy, power structures must be taken into account where actors look beyond the one dimensional view of power to a four dimensional view (Hardy & Leiba-O'Sullivan, 1998) that helps identify structural obstacles and power inherent in network relationships.

Conclusion

In answering the research questions: one, given that glocal strategy is ideal practice, what type of IM strategy are MNCs using with regard to CSR; two, how are they developing this approach; and three, what implications do their actions have for CSR practice? – we have three contributions to knowledge. The first is descriptive and illustrates that MNCs primarily use glocal strategies in order to manage their CSR commitments, and that this process generally follows best practice approaches for adopting glocal strategy. The second is a theoretical challenge to the bulk of international CSR management literature that promotes glocal approaches to CSR, indicating that this approach is not suitable for achieving the goals

of CSR. This contribution is linked to the third and final contribution to the IM literature that suggests in its current presentation, a glocal internationalization strategy cannot be anything other than another name for a global standards strategy without a detailed examination of the power structures and how some of the structural and network barriers can be removed for a more equal representation of both global and local interests in the results of the negotiation.

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