

Abstract: *The Corporate Social Responsibility and Employment Relations*

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The structures, institutions, mechanisms and discourses that support and diffuse socially responsible norms of corporate behaviour are part of the 'CSR movement'. These have raised awareness of CSR more generally, and serve as a counterpoint to the dominant shareholder value ideology in market economies. The growth experienced in socially responsible investment (SRI); the desire of firms to retain their 'social license' to operate; pressure on corporate governance to consider stakeholder interests and recognition by financiers and funds managers of potential reputation-based and operational risks stemming from the failure to address CSR are just some of the commercial forces driving the movement. Additionally, the growing willingness of consumers to use their purchasing power to discipline socially irresponsible companies adds further commercial force to the CSR movement. Complementing these commercial pressures are state and supranational developments such as the United Nations' Global Compact which is encouraging firms to adhere to CSR norms.

Driven by the CSR movement, firms (especially multinational corporations) have sought to position themselves as good corporate citizens. Beyond protecting firm and brand reputation, companies that are considered to be 'good' corporate citizens may be listed on SRI indexes, thus becoming a target for SRI investment. The reputation-based effects of good corporate citizenship also include attracting and retaining high quality labour and extending the firm's social license to new markets and locations. An enhanced CSR reputation can make it easier to invest and conduct business in places where there is considerable concern over CSR performance.

In this paper we examine the corporate social responsibility movement and explore its capacity to influence employment relations processes at the workplace, corporate and societal levels. We suggest that the development of CSR together with the reform of corporate governance provides new pressures for applying and sustaining labour standards across national boundaries; including the transnational operations of global corporations, and reaching countries that have limited labour rights and standards. The CSR movement also offers the potential for new coalitions to emerge at the workplace and within national and global employment relations regimes.