Corporate social responsibility and human resource management: A systematic review and conceptual analysis

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ABSTRACT

Despite a significant increase in research and practise linking corporate social responsibility (CSR) and human resource management (HRM), a comprehensive examination of the relationship between these two constructs has yet to be undertaken. Scholars associating CSR and HRM rarely explicate their understanding of the connection between CSR and HRM (CSR–HRM) or the assumptions they make when exploring this relationship. Thus, we argue that a comprehensive review of the literature of the CSR–HRM nexus is relevant and necessary. Such a review would allow scholars to reach more explicit and comprehensive understandings of CSR–HRM, and enhance research both theoretically and empirically. We address this endeavour by means of a systematic review and conceptual analysis of past and current writings linking CSR and HRM, based on key themes and meta-theoretical commitments at the intersection of CSR–HRM. We propose three theoretical perspectives that can be used to conceptualize CSR–HRM: instrumental, social integrative and political. We elaborate on the potential these three approaches hold for research in the field of CSR–HRM. The contribution of this paper is to expose the diversity of understandings of CSR–HRM and provide a conceptual map for navigating and planning further research.

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1. Introduction

Recent attention to employee-focused corporate social responsibility (CSR) and ethical aspects of human resource management (HRM) has been paralleled by an increased focus on research and practise linking CSR and HRM (e.g. Brammer, Millington, & Rayton, 2007; Cooke & He, 2010; Gond, Igalens, Swaen, & El Akremi, 2011; Morgeson, Aguinis, Waldman, & Siegel, 2013; Shen, 2011; SHRM, 2006). HRM plays a significant role in how CSR is understood, developed and enacted; similarly, corporations' understandings of social responsibility have implications for the treatment of workers. Furthermore, both CSR and HRM can be seen as relevant in understanding the assumptions about the role of the corporation and the relationship between employer and workers. Thus, it is not surprising that we observe calls for research on the relationship between CSR and HRM (CSR–HRM) (e.g. DeNisi, Wilson, & Biteman, 2014). However, despite increasing research activity on the CSR–HRM nexus, a comprehensive examination of the relationship between these two constructs is yet to be undertaken. We argue that such an endeavour is relevant and necessary.

It is *relevant*, because changing institutional conditions in a globalizing business environment (Ryan & Wessel, 2015; Stone & Deadrick, 2015), reflected in shifting organizational forms and shifting power relations between business organizations, labour unions and governmental agencies, place ever more responsibility for the treatment of workers on the business firm. On the one hand, more insecure employment relationships emerge due to changing organizational forms (e.g. partnerships, alliances,

franchising, sub-contracting), leading to multi-employer sites, outsourcing, temporary forms of employment and self-employment (Marchington, Grimshaw, Rubery, & Willmott, 2005; Rubery, Earnshaw, Marchington, Cooke, & Vincent, 2002). These new employment relationships result in unstable career patterns, work stress and exhaustion, and risk is shifted to the workers. On the other hand, the relationship between the three traditional parties negotiating worker rights and responsibilities (business, labour unions and nation state governments) is changing due to the globalization of markets. We see a decline in unionization in developed countries (Bryson, Ebbinghaus, & Visser, 2011), constraints in the regulatory power of nation state over global business (Scherer & Palazzo, 2011) and insufficient or non-existing labour laws in developing countries (Cooke & He, 2010). These regulation deficits may result in unintended consequences such as the exploitation of workers along the supply chain, insecure working contracts and an increasing uncertainty over employment status in both developing and developed countries (Marchington, 2015).

Alongside a decline of state agency and labour union capacity to enforce industrial rule that allows business greater powers over employment relations, business companies also experience an increasing scrutiny of company conduct through other stakeholders; that is, NGOs, the media and consumers pressure firms to engage in socially responsible behaviour (Teegen, Doh, & Vachani, 2004). This perceived pressure on CSR has the potential to become a substitute mechanism for improving working conditions. Increasingly, HR professional education includes mandatory training in CSR (SHRM, 2006). Thus, given that responsibility and accountability for working conditions shift to the corporation, HRM comes to be seen as an implicit steward for good work, not only for the corporation's direct employees, but also for the people working indirectly for the organization (e.g. through subcontracting, temporary employment agencies or suppliers).

An in-depth and comprehensive exploration of the relationship between CSR and HRM is also a *necessary* endeavour, as the research attention on the nexus of CSR and HRM has been largely ad hoc and disjointed (Brammer, 2011); there is a lack of theoretical anchoring, conceptual framing and meta-theoretical awareness in many of these contributions. Despite there being pockets of theorization (e.g. Morgeson et al., 2013), current knowledge about the topic needs to be developed further (following Grant & Pollock, 2011) on the grounds that it is incomplete (i.e. more research needs to be done); it is inadequate (i.e. it fails to incorporate important perspectives; Grant & Pollock, 2011); and/or it is inaccurate (i.e. fails to acknowledge incommensurable features). Most treatments cover only a limited aspect of the phenomenon as a whole and devote little attention to systematizing alternative perspectives or to developing a vocabulary for describing divergent approaches, thereby limiting potential research to "gap spotting" and "underproblemitization" (Alvesson & Sandberg, 2011). We hold that both CSR and HRM are value laden and contested arenas and, as such, that making implicit and unchallenged assumptions about what comprises (or should comprise) either construct will result in narrow, partial interpretations of the CSR–HRM relationship. In the following, we explain our understanding of these constructs.

If any agreement has arisen from the active debates in CSR scholarship about the definition (is CSR best understood as ideology, policy, practise, or process?) and purpose (is CSR best understood as corporate largesse, soft regulation, public relations, corporate accountability, corporate hegemony?), it is that CSR is amorphous (see any number of highly cited papers explicitly addressing definitions of CSR; e.g. Dahlsrud, 2008). CSR means many things to many people: what is understood as CSR has developed over time (Carroll, 1999; Lee, 2008); varies with region, country and culture (Matten & Moon, 2008); is different for different types of organizations (Spence, 2007); and is entirely in the eye of the paradigm beholder (cf. Fleming & Jones, 2012; Porter & Kramer, 2006). To differentiate between different approaches to CSR one needs to consider foundational questions: What is the purpose of the firm? To whom is the firm responsible? What is the role of the firm with respect to society? What is the position of stakeholders? And what is the role of government/regulation? Although we resist the temptation to provide a conclusive definition of CSR, we would be remiss to not make explicit our understanding of CSR. Drawing on writings on CSR (Filatotchev & Nakajima, 2014; Matten & Moon, 2008; Scherer & Palazzo, 2007), we understand CSR to be a *shifting political contest between business, government and civil society actors over governance of the corporation*. This definition allows us to emphasize the changing institutional conditions of a globalizing business environment and their implications for an organization's CSR.

Definitions and purposes of HRM are less readily accepted as sites of political and philosophical contest within HRM scholarship. Similar to CSR, it is acknowledged that what is understood as HRM has developed over time; varies with region, albeit that a clearly identifiable "US" model is fairly dominant; and is different for different types of organizations, with HRM in many businesses not clearly distinguishable – as a function or process – from general management activities (Kaufman, 2014). However, meta-theoretical debates have, for the main part, occurred outside mainstream HRM scholarship (Alvesson, 2009; Greenwood, 2013). These draw on a range of concepts: ideological frames of reference (unitarism, pluralism and radicalism) as identified by Fox (1974); stakeholder versus firm orientation (cf. Beer, Spector, Lawrence, Mills, & Walton, 1984; Tichy, Fombrun, & Devanna, 1982); approaches to power, control and agency in HRM from structuralist or humanistic perspectives (Burrell & Morgan, 1979; Kamoche, 1991). In an attempt to pin down our understanding of this "fluid, multi-faceted and intrinsically ambiguous phenomenon" (Keenoy, 1990, p. 1) beyond the evident 'the management of humans as resources' we draw from Watson (2010) and Mueller and Carter (2005) to define HRM as *institutions, discourses and practises focused on the management of people within an employment relationship enacted through networks comprising multiple public and private actors*. This definition allows us to understand HRM beyond its functional aspects, to consider both micro and macro levels of the phenomenon, and to expand the employer–worker dyad to include multiple institutions and stakeholders.

Despite the plurality of understandings and approaches to both CSR and HRM, these fields tend to be dominated by mainstream functionalist approaches that exhort scholars to explore 'best' ways to achieve organizational outcomes (see Truss, 2001); lack reflexivity; and implicitly hold to prevailing assumptions about the values and goals of research. We bear witness to heart-felt pleas for greater reflexivity in HRM and business ethics (Dachler & Enderle, 1989; Janssens & Steyaert, 2009) to ward off the dangers posed by mono-chromatic research that reinforces dominant perspectives, masks genuine debate, and undermines pluralism of ideas. Following Jones, Parker and ten Bos (2005, p. 3), we interpret these as the intended or unintended