

A Soft System Approach to Corporate Social Responsibility

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Abstract:

This paper introduces a soft system approach to CSR. Mental models shape perceptions. Perceptions of CSR, guide stakeholders' behavior, which in turn can be expected to shape businesses behavior.

Bronn & Bronn (2003) support the idea that stakeholder groups may have different mental models than businesses which may be the source of conflict. Hence, following Pater and Van Lierop (2006) that it is essential for organizations to understand how its stakeholders make sense of reality.

Many researchers have tried to develop models that illustrate the responsibilities of business towards society but the other side of the story, how stakeholders perceive the social responsibilities of the companies, has been left out. Even though CSR models stress the importance of stakeholders (Marrewijk, 2003, Gao & Zhang, 2006) most of the literature is business centered. This paper adopts a different approach proposing a soft system modeling approach based on ISO 26000 to be applied to how stakeholders perceive CSR. This exercise will lead to a new stakeholder based model of business responsibilities towards society which is compliant with ISO 26000.

We conducted 20 face-to-face, semi-structured interviews with representatives from different unions related to Spanish multinational companies during June to August 2010. All interviews followed a defined structure; however, questions were handled in a flexible way to guarantee accuracy and to be able to naturally react to the answers of. This process allowed us to incorporate specific issues to clarify meanings and interpretation in the context of a particular stakeholder. The interviews were recorded, transcribed and translated as needed. The respondents were chosen based on their knowledge on CSR issues in general, and had direct knowledge of CSR practices of Spanish companies through work or professional activities.

The objective of this paper is to present a soft systems approach (Checkland, 1981, 2000; Wilson, 2000) of CSR according to ISO 26000, following the work made by Checkland and Wilson on Soft Systems Methodology (SSM). For doing this, we apply this approach in an in depth case analysis of how Latin American unions perceive the CSR behavior of Spanish companies in Latin America, specifically in Argentina, Brazil, Chile, Mexico and Peru. These perceptions are expressed in individual root definitions and conceptual models which are then combined following this soft systems approach, allowing to visualize consensual union's groups perceptions concerning to CSR for each country as well as for all the Latin American countries considered.

Key words: Corporate Social Responsibility, mental model, soft approach, conceptual model, root definition, SSM, unions.