

Chapter 2

Emerging Trends in Business Ethics, Corporate Social Responsibility, and Sustainability

ABSTRACT

The second chapter explores the evolution of the concepts of business ethics, corporate social responsibility (CSR), and corporate sustainability (CS). It highlights the main advantages and limits of these approaches. The chapter points out how changes in the field of business ethics and CSR lead to the progressive affirmation of CS. This is considered a new business approach in guiding the life of an organisation. CS is analysed with three components: (1) people, (2) profit, and (3) planet. Finally, the work recommends areas for further discussion and research.

INTRODUCTION

A wide debate on CSR developed during the 20th century (Glavas, 2016; Jamali & Karam, 2018; Rupp & Mallory, 2015), beginning with Bowen's (1953) proposed facets related to the CSR theory. Since then, there has been a continuous change in the field terminology. This topic became an important area of study, enriched with related theories and approaches, including business ethics, social issues management, cause-related marketing,

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corporate philanthropy, public policy, stakeholder management, and corporate accountability (Buysse & Verbeke, 2003; Howlett, Ramesh & Perl, 2009; Valor, 2005). Few topics describe the phenomena associated with corporate responsibility (Hahn, Figge, Pinkse, & Preuss, 2018; Tran, 2018; Weber & Wasieleski, 2018). More recently, the original concepts of corporate citizenship and CS have been added to this field of study.

The revolution associated with social responsibility has necessitated that scholars and researchers compare these issues (i.e., citizenship, ethics, sustainability) with traditional CSR to identify similarities and differences (Logsdon & Wood, 2002; Matten, Crane, & Chapple, 2003; van Marrewijk, 2003). In reaching this goal, several academics found recent theories and approaches joining existing topics. These theories were used to create a new approach or apply the current terminology to different fields with other peculiar meanings. For example, Votaw (1972) stated that:

Corporate social responsibility means something, but not always the same thing to everybody. To some it conveys the idea of legal responsibility or liability; to others, it means socially responsible behaviour in the ethical sense; to still others, the meaning transmitted is that of 'responsible for' in a causal mode; many simply equate it with a charitable contribution; some take it to mean socially conscious; many of those who embrace it most fervently see it as a mere synonym for legitimacy in the context of belonging or being proper or valid; a few see a sort of fiduciary duty imposing higher standards of behaviour on businessmen than on citizens at large. (p. 25)

This problem related to the meaning of CSR was taken into consideration 30 years ago. However, the matter still exists. For this reason, Carroll (1994) highlighted that the situation of CSR is:

An eclectic field with loose boundaries, multiple memberships, and differing training/perspectives; broadly rather than focused, multidisciplinary; wide breadth; brings in a wider range of literature; and interdisciplinary. (p. 14)

After identifying this deficiency, Frederick (1998) tried to create a classification of these subjects by considering their opposite poles. On one hand, he set an ethical aspect of CSR. On the other hand, he set practical features typical of social responsiveness. Between these two extremes,

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