

Chapter 7

Corporate Social Responsibility (CSR) Reporting and Seeking Legitimacy of Māori Communities: A Case from Aotearoa New Zealand Energy Sector

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ABSTRACT

The purpose of this study is to understand whether the seeking of legitimacy from Māori communities by Aotearoa New Zealand energy companies is a historical consistent practice or a result of a proposal of privatization. Corporate Social Responsibility (CSR) reports of four different State Owned Enterprises are analyzed longitudinally beginning from 2008 to 2013 with a mixed methods approach. It is found that the NZ energy sector doesn't have a common approach in how it communicates with Māori stakeholders but rather that each organization tailors its interaction with Māori communities based on the circumstances each individual organization is in. The study contributes to research concerning the use of content related to Māori and Māori indigenous values in CSR communication as well as to that research investigating how organizations respond to potential threats to their legitimacy through the use of CSR communication in Aotearoa New Zealand context.

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INTRODUCTION

During the 2011 Aotearoa, New Zealand national elections, the incumbent National party campaigned on partially selling the government's stake in the state owned power companies Mighty River Power, Meridian, Genesis Energy and Solid Energy (Levy, 2011). Subsequent to this announcement there has been much opposition to the asset sales coming from many stakeholders including that from Aotearoa New Zealand's indigenous people; the Māori who themselves launched legal action in a bid to prevent the sales from occurring as they believed the action threatened Māori rights to natural resources used by the State Owned Enterprises (SOEs) (Jones, 2012, ONE News, 2012; Withers & Bourke, 2012).

Prior to this announcement research had been undertaken that investigated the use of Māori indigenous values in the Corporate Social Responsibility (CSR) reports of one of these SOEs; Mighty River Power (MRP) (Schneider, Samkin & Pitu, 2012). Amongst the findings was a potential link between the incorporation of content related to Māori and Māori values in their annual reports in response to environmental circumstances the organization found itself facing. In addition to this, prior research has suggested that larger companies and sectors facing controversial circumstances employ social reporting as a method and strategy to influence public perception with disclosures being made in response to public pressure and media attention especially in times where an organization finds its legitimacy threatened (Deegan, Rankin & Tobin, 2002).

By building on this prior research, the study contributes to the discussion concerning the use of content related to Māori and Māori indigenous values in CSR communication as well as to that research investigating how organizations respond to potential threats to their legitimacy through the use of CSR communication. This discussion is relevant to the assumptions of the CSR 2.0 and the new era of corporate citizenship as well. Within the new CSR 2.0 paradigm the corporations are expected to move beyond the current assumptions which do not significantly challenge the ongoing global issues and the role of the corporations. In particular, in terms of CSR 2.0, Visser (2014, pp. 3-5) argues about value creation for economic development, good governance for institutional effectiveness, societal contribution for stakeholder orientation and environmental integrity for sustainable ecosystems. Aotearoa New Zealand provides a very interesting context considering the alignment between the assumptions of the CSR 2.0 and indigenous values of the Māori communities. As Māori indigenous values have a holistic, guardianship and stewardship view in relation to the environment, natural resources and sustainability; then analyzing CSR communication of the energy companies to the Māori communicates would not just shed light on their legitimacy seeking behavior, but also their respond to the assumptions around the CSR 2.0. The study also provides a basis of international comparison from an Aotearoa New Zealand context for similar research in different socio-cultural settings, which is concerned with the use of CSR communication by organizations in other environments where specific social groups are seen as key stakeholders (e.g. Chapple & Moon, 2005; Nielsen & Thomsen, 2007).

Following the discussion on the use of CSR reporting and legitimacy theory, the Aotearoa New Zealand context that led to research question is briefly explained. This is then followed by an explanation about the mixed methods framework and findings of the content and thematic analysis. The chapter concludes with a general overview and comparison of the legitimacy efforts and CSR 2.0 practices of the New Zealand energy sector on Māori communities in the Aotearoa New Zealand context.

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