Kerstin Anstätt
Pforzheim University
Institute for Industrial Ecology
Tiefenbronner Straße 65,
75175 Pforzheim, Germany
kerstin.anstaett@hs-pforzheim.de
Phone: +497231286485

Jürgen Volkert
Pforzheim University
Department of Economics
Tiefenbronner Straße 65,
75175 Pforzheim, Germany
juergen.volkert@hs-pforzheim.de
Phone: +497071255113

UDK: 65.012.2:316.663
Review article

Received: February 22, 2016
Accepted for publishing: March 31, 2016

CORPORATE SOCIAL RESPONSIBILITY IMPACTS ON SUSTAINABLE HUMAN DEVELOPMENT: RECENT FINDINGS AND CONSEQUENCES

Abstract

The goal of this article is to critically analyze the findings of the first, recently published, studies about Corporate Social Responsibility (CSR) impacts on Sustainable Human Development (SHD). We aim at deriving conclusions for effective CSR strategies and at identifying consequences for management and research. As CSR claims to create value for corporations *and* for society, we argue that the people-centered Capability Approach (CA) is promising to provide neglected and much needed insights how corporate activities affect individuals and communities. Based on a survey of recent literature addressing CSR impacts on SHD, we highlight CSR potentials to improve average well-being in multiple dimensions of SHD. Moreover, we critically assess challenges and limitations of CSR as a strategy to preserve and foster SHD. For instance, studies have shown that, despite CSR-driven well-being increases, social capital, relational capabilities and collective agency may become challenged by corporate strategies. Moreover, corporate environmental impacts have been found to be less often addressed by both, companies and SHD researchers. Resulting inequality and fairness issues have been identified as causes of violence against corporations even in the presence of total well-being improvements. We conclude that companies should strategically take into account a comprehensive range of factors driving and hampering SHD to account for their whole portfolio of corporate opportunities and risks. This requires evaluating CSR impacts instead of only focusing on CSR inputs and outputs. Thereby, corporations can mitigate their risks, improve their stakeholder trust and strengthen their competitiveness.

Keywords: Corporate Social Responsibility (CSR), CSR impact evaluation, Sustainable Human Development, Base of the Pyramid (BoP), Capability Approach

1. Introduction

Based on an overview of the findings of the first, recently published studies about Corporate Social Responsibility (CSR) impacts on Sustainable Human Development (SHD), the goal of this article is to analyze these contributions in order to derive conclusions for trustworthy and effective CSR strategies as well as for prerequisites of CSR impact assessments and need for further research.

In our paper, we conceptualize CSR following the EC which states that:

"to fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of maximizing the creation of shared value for their owners / shareholders and for their other stakeholders and society at large identifying, preventing and mitigating their possible adverse impacts" (EC, 2011: 6). As such, the implementation of CSR can be interpreted as part of the corporate strategy and interests (Müller-Christ, 2010).

We operationalize the concept of "Sustainable Human Development" (SHD) based on Nobel Prize laureate Amartya Sen's (2013) human development and capability approach (CA). Derived from the CA, "Human Development" stands for "the expansion of people's freedoms and capabilities to lead the lives that they value and have reason to value. It is about expanding choices." Derived from the Brundtland definition of Sustainable Development, SHD is perceived as "the expansion of the substantive freedoms of people today while making reasonable efforts to avoid seriously comprising those of future generations."[1]

Enhancements of SHD and CSR may be closely related to each other. Corporate strategies and CSR impacts are motivated and challenged by SHD risks and drawbacks, e.g. by global warming, poverty, underemployment, lack of education and health, water crises and many others.[2] At the same time, transnational corporations exert substantial positive and negative influences on SHD.[3] In the light of these interdependencies, it is necessary to assess the interplay of SHD and CSR. However, despite the high and increasing number of CSR initiatives, it has been criticized that we still do not know the consequences of CSR for the lives of the potential beneficiaries in whose names CSR is (also) carried out (Schölmerich, 2013: 2; Blowfield, 2007: 683). We will contribute to closing this gap by this review of recent literature findings addressing CSR impacts on SHD. We argue that the human development and capability approach is promising to bridge the mentioned gap and challenges as it is a people-centered approach which explicitly explores how people's lives and real freedoms develop, e.g. as a result of CSR. In our paper, we will explain how CSR can directly impact SHD and capabilities of potential beneficiaries and how this may, but need not, result in improving the people's lives. Grounded on this conceptual analysis we will discuss empirical findings of the first studies which have explored CSR impacts on SHD and people's well-being. Furthermore, we reconsider corporate SHD influences beyond well-being which have to be part of a comprehensive SHD assessment. We finally discuss challenges and limitations of CSR contributions to SHD before concluding about lessons learned from a corporate perspective.

With respect to the applied research methodology, we apply a most recent literature study focusing on first scientific contributions which assess CSR impacts on SHD. We further structure our analysis by first distinguishing CSR potentials and limitations of micro-level assessments which focus on individual determinants of capabilities (only), thereby paving the way to the discussion of approaches to evaluate CSR's overall well-being impacts. The analysis of meso-level studies is supposed to identify the value-added and further research perspectives of CSR impacts on collectives and relational capabilities. Our macro-level analysis critically analysis findings on companies as global CSR rule setters. Confronting the broader scope of sustainable human development challenges with predominant CSR rationalities, we identify and critically discuss the heroic assumptions of (only) simultaneously effective and explain how these can cause a major neglect by CSR, notably in the field of environmental sustainability. We finally address the theoretical and empirical limitations of self-interested utilitarian strategies to foster sustainability in the sense of intra- and intergenerational justice before we conclude with open questions and ways forward.

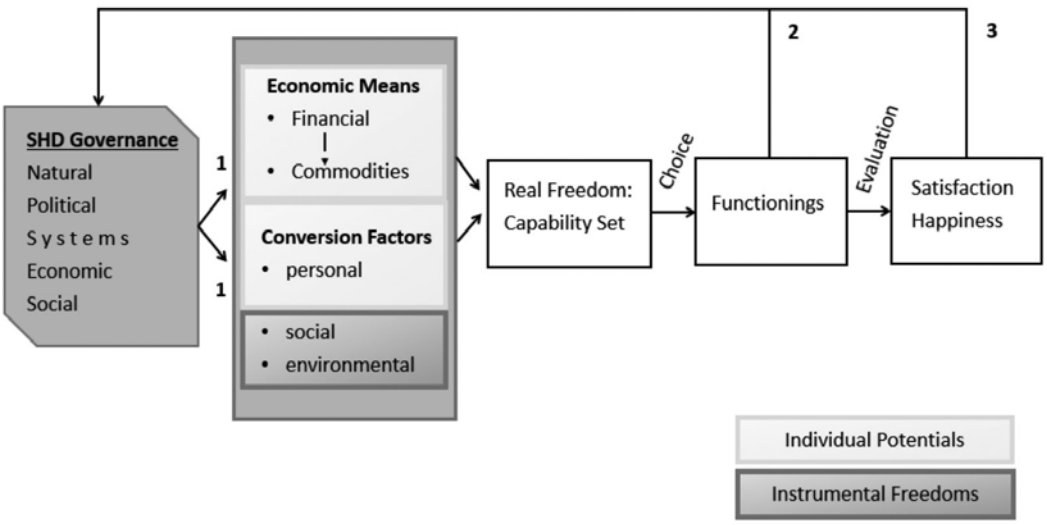
2. CSR impacts on SHD – overview from a capability approach perspective

CSR does not only claim to strengthen corporate performance but also to enhance the well-being of internal stakeholders, such as employees and external stakeholders, e.g. local communities. How these stakeholders' lives and SHD are affected by CSR can be conceptualized in a capability approach framework as illustrated in Figure 1.

Such a capability approach framework includes natural and manmade systems, which, as a result of sustainable human development governance,[4] influence individual resources and conversion factors (arrow 1). This holds for resources and means such as individual incomes, commodities and available services. The extent to which these means can be converted into personal well-being also depends on so called "personal conversion factors" (health, education, age, religion, sex etc.), which are as well impacted by SHD governance. For instance, the state of natural, political, economic and social SHD governance systems influences people's health status as a component of personal conversion factors. Which and what kind of effects these individual potentials, including financial means, commodities and personal conversion factors have on personal well-being is further driven by social conversion factors, e.g. social opportunities, economic facilities, social protection, political freedoms and transparency guarantees. Social together with environmental conversion factors (including cleaning of the air by woods etc.[5]) as the third group of conversion factors have been termed "instrumental freedoms" (Sen, 1999: 38-40). Instrumental freedoms stand for the contributions of social actors (state, civil society groups, corporations) to determinants of capabilities. For example, a person being exposed to defective SHD governance systems which cause diseases will suffer from a more or less reduced well-being depending on instrumental freedoms, notably on social opportunities like access to the health care system. Moreover, the person's health and well-being will also be influenced by environmental conversion factors which determine how far the environment has already suffered.

Together, SHD governance systems, individual potentials comprising of financial means, commodities and personal conversion factors as well as instrumental freedoms consisting of social and environmental conversion factors shape a person's "determinants of capabilities" which are the foundations of a person's capability set. Capabilities are the beings and doings that a person values and has reason to value. A capability set, representing a human being's real freedom and well-being, includes the combinations of beings and doings that the person *can* achieve: e.g. to live a long and healthy life, to be

Figure 1 Capabilities, their determinants and related concepts



Source: Own figure, based on Volkert et al. (2014)

well-educated, be treated with respect etc. Out of this capability set a person chooses the capabilities which he or she wants to realize thereby creating functionings which represent the opportunities a person has achieved. Functionings are reflected by the achieved way of living. An individual will evaluate the state of his or her realized and unrealized opportunities which results in more or less satisfaction or dissatisfaction.

The kind of functionings that have been chosen and achieved has impacts back on natural and man-made systems (arrow 2). Having further evaluated the bundle of chosen and achieved functionings, the person's degree of dissatisfaction or satisfaction with the own achievements may also feed back to the political sustainability governance (See also: Volkert et al., 2014).

We argue that corporations usually have a direct impact on instrumental freedoms (social and environmental conversion factors) but can often only indirectly influence capabilities and functionings. For instance, a corporation can establish health services to improve its employees' or suppliers' productivity. Health services directly foster instrumental freedoms, notably access to health care as a social opportunity. However, the company cannot ensure a person to become healthier, i.e. it cannot directly impact health as a personal conversion factor or health capabilities because the latter also depends on people's values, attitudes and behavior. As such, even medically perfect corporate health contributions may remain ineffective, if people, e.g. due to cultural reasons, do not use them or do not comply with recommended therapies (Moczadlo et al., 2015). As such, how much a strengthening of instrumental freedoms results in enhanced capabilities and well-being will depend on personal conversion factors as well as on further means, personal conversion factors and instrumental freedoms.

3. *Empirical well-being assessments of individual CSR stakeholders*

Despite CSR's claim to also provide value to society and its impacts on instrumental freedoms which are to be expected from a theoretical CA point of view, the impact of CSR on potential beneficiaries and communities has been neglected for a long time (Blowfield, 2007). However, in the meantime first CA research has been carried out to assess corporate impacts on SHD. Some of these studies provide an indirect analysis of the corporate effects on stakeholders. Other studies directly address individual stakeholders and numerous community members to learn more about their experiences and evaluations of corporate overall and specific impacts on stakeholders' well-being. In the following, we first recapitulate the indirect studies, their lessons learned, challenges and limitations from a CA perspective, before introducing major strands of CA research which directly assess how corporations affect capabilities and SHD.

3.1 Assessments of selected determinants of capabilities and functionings

The UNDP (2008: 22-23) reported on 50 transnational corporations and specific instrumental freedoms addressed by each of these companies. Based on the identification of specific instrumental freedoms targeted by various CSR strategies, conclusions were drawn on potential linkages and impacts between enhanced determinants of capabilities and individual well-being, represented by the Millennium Development Goals (MDG). The study highlights that doing business with the poor can result in a better access to food, health care, water, sanitation and housing. Inclusive business models may furthermore increase the productivity of poor people. Moreover, technology spill-overs can occur when corporate activities result in capacity building among employees, producers and small business owners. New economic opportunities as well as the already mentioned higher productivity may both result in higher incomes of the poor, thereby implicating further macroeconomic multiplier effects. Also an empowerment potential of corporations is mentioned in the study.

Schrader (2011) aims at assessing the CSR impacts of seven transnational corporations[6] on the social and environmental well-being of poor households at the Base of the Pyramid (BoP). Providing insights of interviewed experts, corporate staff and stakeholders, he claims that with respect to social conversion factors, some of the corporate activities may result in health improvements and mitigation of malnourishment of poor households, income increases and lower risks of poverty traps. Further-

more, he argues that capabilities of the poor might have been enhanced, notably cognitive skills, the health capability and the ability of households' to control economic means. However, he also finds challenges of new dependencies of poor suppliers in the supply chain of transnational corporations. Also, he sees a risk of undesired changes in traditional value systems. Regarding environmental conversion factors, he finds CSR potentials to improve the preservation of natural resources and to reduce greenhouse gases in some cases. However, in other cases he identifies risks of additional environmental damage, increased resource consumption and waste material accumulation.[7]

Schölmerich (2013) aims at assessing CSR impacts on instrumental freedoms by two kinds of Cambodian businesses. The (very) small companies of the first group cooperate and contribute to an NGO's initiatives for street children. The second group assessed by Schölmerich, are Cambodian garment factories' CSR strategies in their core business. Focusing on corporate enhancements of instrumental freedoms and the impact these may have, she argues that CSR beyond core business issues can also have non-negligible positive impacts on poverty mitigation. However, these are not as large as impacts of CSR which is built in the core business of companies.

Shrivastava et al. (2014) analyze the case of Toyota's joint venture which created a lean production site in a village near Bangalore (India). They find positive impacts on wages, education and training, accompanied by challenges for justice and other instrumental freedoms, notably access to social security, access to labor rights and labor conditions and deteriorating environmental conversion factors.

L'Huillier and Renouard (2015) study a recycling project led with waste-pickers by a food-products company and its impacts on the beneficiaries' empowerment, in a CA setting. They find that the project has limited impacts on economic aspects of empowerment, and positive impacts on sociopolitical aspects, especially saving groups, relationships within the unions, and collective action. They emphasize that switching from an economic to a sociopolitical vision of empowerment can yield for a private company.

Overall, the mentioned studies show that companies may influence the whole spectrum of instrumental freedoms. Positive impacts on instrumental freedoms can provide corporate opportunities to gain trust, reputation, increase productivity or revenue, reduce costs and improve cooperation with various stakeholders as well as the long term corporate value. Potential negative impacts highlight challenges for stakeholders but also possible conflict and further transaction costs for the company, which are of interest for corporate risk management. As such, analyses of positive and negative impacts on a wide range of selected corporate stakeholders' instrumental freedoms identify a portfolio of corporate opportunities and risks which can be essential for optimizing stakeholder management.

Nevertheless, in general a single CSR strategy usually targets only some of these instrumental freedoms. For instance, each single of the companies analyzed by the UNDP (2008) did only contribute to some instrumental freedoms and MDGs. Most of these companies contributed to less than four of the eight MDGs and some even just to one of these instrumental freedoms and development goals. Moreover, the UNDP (2008: 23) also mentions negative corporate impacts on environmental protection, e.g. when business models meet the ends of immediate beneficiaries but at the same time deplete the natural resources of the community. This underlines the necessity to assess all determinants of capabilities in order to find out more about SHD effects (Volkert, Zoll, 2009).

Therefore, in the following, we will discuss the findings of first assessments of corporate impacts on overall well-being based on more recent research in Nigeria's Niger Delta and in rural Karnataka (India).

3.2 Assessments of corporate impacts on overall wellbeing

For more than a decade, a strand of research by Gaël Giraud and Cécile Renouard[8] has assessed multinational oil companies' human development and capability impacts in Nigeria's Niger Delta. There, oil companies' CSR strategies provide jobs and vocational training aimed at people's engagement in income generating activities. By engaging in these forms of community development the corporations hope that the communities' nearby their oil production sites will guarantee peace and cooperation for the corporate core business.

To assess the commodities available and material deprivation in the communities an asset index is applied. It covers the possession of items such as a radio, TV, computer, oven, refrigerator, mobile phone, bicycle, motorbike, car, tractor, generator, kerosene lamp, sewing machine, house, apartment or boat. Building on this, instrumental freedoms and social conversion factors are addressed which may help converting the material means into basic capabilities. They consist of access to drinking water, toilet, meals per day, access to health care, access to education, communication and transport services (Lompo, Trani, 2013: 250-251). These variables are close to the components of OPHI and UNDP's Multidimensional Poverty Index (MPI) (Alkire, Foster, 2011).

The impact assessments show that the CSR activities of the oil companies have succeeded in providing better access to electricity, drinking water and other public services (Diongue et al., 2011). It has also been possible to enhance the population's capabilities with microfinance initiatives. These and further activities have sometimes contributed to people's empowerment. However, microfinance as well as empowerment strategies have only been found to be successful in regions where the CSR projects actively involved the people. Overall, an improved well-being has reported by people of higher wealth quartiles (Lompo, Trani, 2013: 259-261). Nevertheless, it has also been found that oil companies' CSR in the Niger delta has not succeeded in enhancing the basic capabilities for the most deprived in this region. Renouard (2010: 94) has emphasized the resulting increase in inequalities as a further outcome of oil companies' CSR strategies. Higher inequality is accompanied by the challenge of an emerging dependence mentality in some project regions.

Another evaluation of CSR impacts on SHD is provided for the Bayer CropScience Model Village Project in rural Karnataka (India). With the Model Village Project, Bayer CropScience, a German multinational company sourcing its seed production in rural India, wants to explore whether and how enhancing human development of its suppliers, many of them being poor smallholder farmers, can at the same time strengthen the corporate supply chain's productivity and competitiveness, e.g. by health and education initiatives or by rotating savings and credit associations (Moczadlo et al., 2014; Volkert et al., 2014). The empirical evaluation comparing the development in two model and two control villages shows a statistically significant positive impact of the CSR activities on the well-being reported by the people in the model villages. However, irrespective of the participation in MVP activities, the increase in reported well-being is significantly lower for illiterates, for people who do not work, for households with very low incomes and for households without land (Strotmann et al., 2015).

It has also been shown that assessments of the capabilities that people find to be extremely important together with subjective perceptions of related restrictions can provide valuable information for designing and implementing CSR strategies. Capabilities and functionings like being well educated or living in an intact nature have been classified as extremely important by a relatively high share of villagers who at the same time feel restricted in these dimensions of well-being. To address these issues which the population perceives to be key human development challenges enables corporations to gain trust in the beginning of a community development project. Moreover, it has been shown that other issues which local stakeholders do highly value without feeling restricted in these domains, should be objectively controlled if the issues are strategically important for a company (Volkert et al., 2014: 12-13). For the Bayer CropScience Model Village Project, health and nutrition provide illustrative examples. Here, villagers perceived health to be extremely important for a good life but felt not restricted in this respect. However, objective evaluations by medical staff in health camps of the model villages have highlighted substantial health risks which are not clear to the population. Therefore, the identification of such issues which are central for a cooperation but characterized by lack of information and misperceptions of the corporate stakeholders provides the foundation for necessary awareness raising and information which is necessary to mitigate risks and to realize CSR strategies in an efficient way.[9]

By way of interim conclusion, we can recapitulate that the first evaluations of CSR impacts on overall capabilities and well-being provide insights which can be important for designing and implementing CSR strategies. Nevertheless, the scope of corporate influence is not restricted to individual capability sets. Corporations do also affect collective characteristics of groups and communities which we reconsider in the next section.

4. Assessments of corporate impacts on community characteristics

Corporations have influence on a variety of group characteristics which are beyond the scope of individual capability and well-being assessments. For instance, Ansari (2012) has emphasized that corporations and markets can foster or destroy social capital. For example, strengthening or at least preserving bonding social capital within a community, which includes respect of local codes, traditions, trust, values and identities, is important for companies. The reason of this importance is that bonding social capital enables people to learn, internalize, diffuse and retain capabilities that may have been newly acquired as a part of CSR projects. Moreover, bridging social capital, which considers relations between different actors, groups, communities or states (Giraud et al., 2013: 9), allows for a capability transfer by accessing new resources, for instance, expertise, knowledge, skills and financial capital that may be provided by CSR initiatives (Ansari, 2012: 829-830). Based on this general importance, Ansari (2012: 831-832) argues that to reap potential mutual benefits of CSR for companies and group or community members, corporations, notably in BoP projects, should build bridging links between the poor or other local stakeholders and business to allow for capability transfer and at sustaining community bonding so that transferred capabilities can be absorbed and utilized by more people.

Gaël Giraud and Cécile Renouard have aimed at further developing the social capital approach as a theoretical background for corporate impact evaluations by establishing a "relational capability" concept. They have applied their relational capability concept also to assess the impact of oil companies' CSR in the Niger Delta in Nigeria. Relational capabilities focus on the quality of social relations among people and on their empowerment which may both be substantially impacted by corporate activities. Relational capabilities are seen as core human functionings within and between groups which are also linked to the political dimension (Renouard, 2010: 89-90).

To operationalize this concept, a "Relational Capability Index (RCI)" has been established. Its goal is to empirically analyze relational inclusion or exclusion. It is supposed to complement conventional poverty indices, e.g. the Multidimensional Poverty Index (Giraud et al., 2013: 1). The RCI consists of three dimensions. The first RCI dimension is the "integration to networks". It contains instrumental freedoms such as access to employment, transport, telecommunication and information. The second RCI dimension highlights the quality of "private relations". It comprises of components like household size, family ties, close friends and emotional support, financial support and trust in the community. The third RCI dimension is "civic commitment". It incorporates components such as group membership, participation in collective action, participation in elections, solidarity in the sense of membership in a common interest group and trust in others, notably in unknown people.

Evaluations of CSR impacts of oil companies in the Niger Delta show that overall the standard of living in communities nearby these sites has improved. Quantitative estimations confirm this finding and reveal that CSR impacts on the RCI are more complex (L'Huillier et al., 2014). The beneficiaries' integration into networks improves with these programs, at the expense of deteriorated private relations. At the component level, these results are explained by better access to transportation, information and telecommunication, but important loss of trust in other community members. Increasing inequality is seen as a main reason for this loss of trust in the community. The causes behind have been related to corporate payments to local leaders who neglect their communities. Therefore, community members without a political voice have targeted transnational corporations to express their feelings of injustice (Diongue et al., 2011: 4-5). The result of these processes has been an increasing resistance and sometimes fierce violence of the population against the oil companies and their sites. Nevertheless, it has also been shown, that CSR projects focusing on personal and collective empowerment which preserve and improve relational quality between persons and groups may be a way to overcome these challenges (Renouard, 2010: 93).

Summing up, assessments of CSR impacts on groups and communities can be seen as an important component of a complete evaluation. They can identify risks beyond individual standard of living and capability effects thereby providing helpful information for corporate risk management or reputation building strategies. However, companies do not only influence individuals and communities within given institutional and legal frameworks.

They have also become rule-setters in national and global sustainability governance systems, the consequences of which will be sketched in the following.

5. Impacts of companies as global CSR rule-setters

In recent years global sustainability governance has increasingly been characterized by state failure and resulting governance gaps as well as private standards emerging out of private governance arrangements such as corporate or multi-stakeholder networks and further forms of private governance (See: Utting, Marques, 2010; Moczadlo, Volkert, 2012).

Kalfagianni (2014) has analyzed the impact of voluntary corporate SHD standards on human capabilities and distributional impacts. He finds different effects for rule-setters, rule-takers and rule-users. Rule-setters, who create or endorse voluntary CSR standards, benefit from more legitimacy and authority which private standards may provide. Above all, the regulatory empowerment of corporations in relation to the state and broader civil society associated with private standard setting contributes to the fact that multinational companies reap most benefits and are most empowered by private standards. However, particularly those standards which may induce substantial changes cause high costs. Therefore, SMEs and smallholders who cannot afford the adoption of private standards do not benefit accordingly (See also: Moczadlo, Volkert, 2012).

Rule-takers are those who have to comply with private rules, e.g. labor and suppliers. Labor as a rule taker can, inter alia, benefit from outcome standards. Potentially better working conditions or higher wage levels provide examples. Furthermore, producers in the supply chain who depend on intact ecosystems may profit from improvements resulting from the adoption of voluntary environmental standards. However, again the most vulnerable and financially weak actors do benefit less or even not at all, as long as they are not capable of complying with private standards. For instance, poor or less educated and low-skilled suppliers may be crowded-out from emerging global supply chains (Kalfagianni, 2014).

Rule-users are those who, like some consumers, use private governance standards as criteria for their decision-making. Rule-users may substantially benefit from the possibility of informed choices due to better, healthier or safer products and processes. Private standards may also provide opportunities to express and share cultural values and beliefs. Nevertheless, sufficient information and financial affordability are prerequisites for rule-users to benefit from private SHD standards. Moreover, Kalfagianni (2014: 312-315) has emphasized that benefits are concentrated mostly on rule-users of affluent countries while fewer people in poorer countries profit.

In general, it has also been criticized that private standards building on markets and property rights challenge the use of traditional knowledge and practices which may be displaced or patented for exclusive use of transnational corporations. Furthermore, there is a risk that small-holders as rule-takers or rule users and civil society are underrepresented or excluded in the standard-setting process which may further contribute to unequal benefits for different actors.[10]

6. Challenges and Limitations

6.1 Corporations and Environmental Sustainability: the case of the Carbon Disclosure Project

Up to now, most attempts to assess CSR impacts on SHD address social sustainability issues more frequently and intensively than corporate impacts on environmental sustainability. This corresponds with Schrader's (2011: 178) findings, who, by analyzing BoP impacts of seven transnational corporations, argues that also these corporations focus more on socio-efficiency than on ecological efficiency.

However, it would be wrong to conclude that there are necessarily less corporate activities which are supposed to address environmental sustainability. For example, 8,375 of multinational companies have signed the Global Compact (See: UN Global Compact, 2015a) as the major global code of ethics. Three of the Global Compact's ten principles (7-9) (See: UN Global Compact, 2015b) call for corporate initiatives to take account of environmental challenges. Since decades, the ISO 14000 family of standards, which has been adopted by diverse transnational corporations[11], aims at providing practical tools for companies to more systematically managing their environmental responsibilities. „Of the world's larg-

est 250 corporations, 93% report on their sustainability performance and 82% of these use the Global Reporting Initiative standards to do so (See: GRI, 2014: 4; GRI, 2015a). The GRI standards cover some 34 environmental indicators among all indicators used.[12] Last but not least, more than 822 institutional investors have joined the Carbon Disclosure Project with the aims of bringing down capital costs for corporations as well as reducing Greenhouse Gas Emissions (GHG) (See: CDP, 2015b). As recent CDP impact studies highlight important features and challenges of CSR's environmental impacts, in the following we focus on the CDP as a prominent and instructive example.

The CDP is a non-profit organization founded in 2000 and initiated by investors[13] that aim at disclosing information on companies' greenhouse gas (GHG) emissions, water usage and strategies for managing climate change, water and deforestation risks for their long-term objective analysis (See: CDP, 2015b). The initiative perceives this information to be relevant for the protection of their long term investments and the reduction of long-term risks arising from environmental externalities. In this section we will focus on the climate change program of the CDP. The goal of CDP's climate change program is to drive investment flows towards a low carbon and more sustainable economy and to convince companies to account for environmental risk to increase the transparency in this field. CDP wants to support the reduction of companies' GHG emissions and the mitigation of climate change risks (See: CDP, 2015a). To increase the transparency of GHG emissions and corporate strategies for managing climate change risks and opportunities related to different business sectors, the CDP has established a large, annually updated database by requesting standardized information on GHG emissions, energy use and on the risks and opportunities from climate change of some of the world's largest companies through annual questionnaires. The questionnaires are sent on behalf of institutional investors and corporations respond to these questionnaires on a voluntary basis (See: CDP, 2015b). The goal of the CDP is to enable comparisons across firms by a standardized format – like the Global Reporting Initiative – and to motivate corporations to participate in the initiative by rewarding strong performers with reputational benefits and pressuring non-disclosers and poor performers (Knox-Hayes/ Levy, 2011: 4).

As such, the central questions from a corporate and from an SHD impact evaluation perspective are: does the CDP satisfy the expectations with respect to lower financial costs (corporate perspective) and also with respect to reduced GHG emissions (SHD perspective)?

The recent metastudy "From the Stockholder to the Stakeholder" carried out by Oxford University scholars has reviewed more than 200 studies to analyze the correlation between diligent sustainability business practices and economic performance. The findings confirm a positive correlation. According to the study 88% of the reviewed sources which specifically investigate the correlation between sustainability and operational performance (in total 51 studies) find that companies with robust sustainability practices demonstrate better operational performance (Clark et al., 2015: 33). Furthermore, good corporate governance structures and environmental risk management practices and their disclosure help to reduce information asymmetries and decrease both the cost of debt as well as the firm's cost of equity resulting in better credit ratings (Clark et al., 2015: 24-26). As the CDP does have a positive influence on the stock price performance of companies and the operational performance of a company, the CDP can give incentives to CEOs to incorporate sustainability considerations into their decision making process (Clark et al., 2015: 32).

These positive general findings from a corporate perspective correspond with another recent study of Kleimeier and Viehs (2015: 11) who focus on carbon disclosure and the cost of debt. They show a positive relation between voluntary carbon disclosure and loan spreads. Accordingly "voluntary disclosures pay significantly lower loan spreads". that means that borrowers who answered the CDP questionnaire do directly benefit from the participation.

According to Dhaliwal et al. (2011: 74) superior CSR performers enjoy a reduction of 1.8 % in the cost of equity capital for first-time CSR disclosing. Dhaliwal et al. (2012: 752) further show that more CSR disclosure leads to lower analyst forecast error which indicates that CSR disclosure "complements financial disclosure by mitigating the negative effect of financial opacity on forecast accuracy". Another study shows that better reporting related to sustainability disclosure leads to a lower cost of equity as the firm-specific uncertainties, especially in environmentally sensitive firms can be reduced (Reverte 2012).

By way of interim conclusion, recent studies are found to provide indications that corporations do indeed benefit from a participation in the CDP via lower financial costs. However, the question is still open whether benefits do also accrue to SHD by the expected GHG reductions realized by CDP participants.

Doda et al. (2015: 7; 9) have recently analyzed the impact of carbon management practices on the reduction of GHG emissions. They found no statistically significant evidence that such practices had influenced corporate GHG emissions. The authors provide three major reasons for this missing SHD impact. Among the major limitations of the voluntary CDP the failure of corporations to provide disclosure standardized to all issues and that corporations disclose self-selected issues and furthermore that the data are often not complete or consistent. Thus, the comparison with other corporations, especially across sectors, is difficult because of limited consistency of the activity and information provided, e.g. in the scope[14] of each company's reporting, because of different measures (absolute / relative data) and because of gaps (Sullivan et al., 2012: 10). Another explanation for this missing impact could be a delay between the implementation and an observable reduction. This has to be observed in the future. But even in this case the CDP does not contribute immediately to a reduction in emissions as it is needed to avoid dangerous climate change (Doda et al., 2015: 9). The final conclusion of the authors is that the carbon management practices are not sufficiently impact-oriented, but that corporations are only interested in the presence of the practices because of expected corporate benefits without assessing their impact on reducing GHG (Doda et al., 2015: 10).

These CDP evaluations emphasize the potential shortcomings of CSR *input* activities which do not necessarily result in any significant SHD impact. As such, CSR inputs and initiatives, notably disclosure commitments such as the Global Compact, the GRI Guidelines or Environmental Management Systems like the ISO 14000 standard family may be a first step to a more ambitious strategy to yield substantial impacts. However, CSR inputs and management systems are also at risk of becoming popular tools of a CSR in the corporate interest which at the same time ignores environmental or social impacts. Therefore, reliable CSR will have to report much less on CSR inputs and devote much more emphasis on environmental and social impacts and their evaluation. In doing so, linkages between environmental and social sustainability will have to be more intensively investigated because the poor or marginalized are most vulnerable to environmental deterioration (Kalfagianni, 2014: 314-315) and to understand the impact of poverty alleviation on environmental sustainability (Ansari, 2012: 837).

6.2 Strategic CSR: challenges and limitations of utilitarian strategies

The fact that corporations participating in the CDP do not effectively impact GHG emissions but benefit from reduced financial costs corresponds with the concept of Strategic CSR, a combination of "enlightened self-interest" and utility maximization, which is supposed to be underlying many CSR initiatives, notably of large transnational corporations. Strategic CSR aims at embedding CSR as a part of the corporate core business strategy in order to foster business cases by adequate social and environmental activities. Motivations that incentivize transnational companies to adopt CSR strategies to foster (SHD) comprise of potential revenue growth and cost reductions but also risk management (Kraus, 2011: 65-66; Hansen, Schrader, 2005) as well as reputation building in product (Chernev, Blair, 2015; Kitzmueller, Shimshack, 2012), labor (Kraus, 2011: 65; Hansen, Schrader, 2005: 384) and capital markets (Przychodzen, Przychodzen, 2013). As such, the implementation of CSR can be interpreted as part of the corporate strategy and interests (Müller-Christ, 2010).

The CDP can be interpreted as a tool of strategic CSR that aims at reputation building in capital markets in order to reduce financial costs. To achieve this strategic goal, information asymmetries regarding specific corporate activities are reduced for potential capital market investors. As the CDP impact assessments show, this has been sufficient to bring down financial costs and spreads in a significant way. As such, disclosure on corporate environmental management inputs has been profitable for strategic stakeholder management which specifically addresses 'definite stakeholders' (Crane, Matten, 2010), notably potential capital market investors, who are powerful enough to turn their legitimate claims into an urgent need for corporations to ad-

equately respond to these claims.

While potential capital market investors can be classified as definite stakeholders who fulfill all three stakeholder criteria (power, urgency, legitimacy) of strategic stakeholder management, most of the stakeholders affected by GHG emissions are future generations who have legitimate claims, but are neither powerful nor urgent for today's corporations. Therefore, corporate utilitarian strategies introducing CSR and stakeholder management in a strategic way may recommend to satisfy definite corporate stakeholders as far as necessary but not necessarily to take account of real impacts on future generations as latent stakeholders with legitimate claims but insufficient power and urgency of their claims.

As such, a focus on corporate CSR benefits and less emphasis on further environmental improvements may be part of rational corporate strategies. It may not only explain the very different impacts of the CDP on corporate and environmental goals but also provide a reason why companies devote less effort to environmental concerns of future generation while economic and social concerns of today's generations are considerably more taken into account. This is even more probable given the high prevalence of market failures such as public goods or externalities as challenges for environmental strategies which, from a rational free-rider perspective, may call for the disclosure and high visibility of inputs, irrespective of real impacts as long as the latter are hard or almost impossible to ascribe to a specific corporation.

Corporate core business and responsibility strategies do not only explain systematic challenges in realizing effective environmental impacts but also provide insights into potential causes of increasing inequalities due to CSR and core business which have been found in recent studies on CSR impacts on SHD (See: Giraud et al., 2013; Renouard, Lado, 2012; Hein, 2010). These increases in inequality may violate trust in corporations, people's willingness to cooperate or cause even violent resistance as a kind of sanctioning of perceived injustice (See: Renouard, Lado, 2012; Diongue et al., 2011). One of the reasons for this rise in inequality can be seen in the asymmetries which characterize the relations of business and people at the BoP right from the beginning of core business or CSR interactions. For instance, particularly transnational corporations entering BoP markets are inevitably characterized by knowledge and power asymmetries.

Moreover, at least some strategic utilitarian business processes will necessarily contribute to more inequalities. Core business, particularly when facing strong competition, is – ceteris paribus – forced to focus on high productivity, e.g. on more educated and skilled employees or on suppliers who have sufficient capital to invest in advanced technologies which spur the corporate supply chain productivity. Also, corporate supply chains relying on more educated or large suppliers with high capacities also show lower transactions costs. Hence, focusing more on the educated, skilled and wealthy will often be more profitable for corporations, notably as higher inequality does not count in a utilitarian calculus which aims at total utility maximization irrespective of its distribution.

By way of interim conclusion we find that despite the potentials and merits of CSR, its strategic utilitarian and "enlightened self-interest" nature which corresponds with a corporation's core business can cause substantial challenges for CSR impacts on social as well as on environmental sustainability. As these challenges are inherent features of corporate strategies, companies will not be able to fully overcome these challenges. Rather, good governance which can address inequalities more comprehensively and effectively and mandatory as well as effective environmental and social standards, controls and sanctions remain necessary to overcome major CSR limitations related to SHD.

7. Lessons Learned: a corporate perspective

Our survey of the first studies on corporate impacts on human development show that the enhancement of SHD and CSR strategies may be closely related to each other, notably as SHD challenges can imply corporate risks as well as opportunities.

The UNDP has shown that strategic CSR can foster major global development goals (UNDP, 2008). and indicates that corporations may have significant strategic incentives and potentials to impact also the new post-2015 Sustainable Development Goals. Schrader (2011) as well as Shrivastava (2014) have found that corporations and SHD may benefit from mutually beneficial CSR activities in a wide spectrum of SHD dimensions. Adding to this,

Schölmerich (2013) claims that bolt-on CSR activities, though being less impactful than built-in CSR, may have non-negligible impacts on SHD and capabilities.

However, even beyond these opportunities, considerable SHD-related corporate risks have been found, which stem from knowledge and power asymmetries establishing new dependencies, undesired changes of traditional value systems, not only positive but also negative corporate environmental impacts (Schrader, 2011) or simply from corporate neglect of environmental impacts. Therefore, for companies, potential impacts on determinants of capabilities, notably on instrumental freedoms can be perceived as a corporate risk and opportunity portfolio in order to increase their long-run corporate value. Moreover, for a reliable, effective and trustworthy CSR strategy it is necessary to avoid a restricted view and assess its SHD impacts in a comprehensive way to find out whether risks or opportunities dominate in this corporate portfolio and how to optimize their own strategy.

Sufficiently comprehensive assessments of corporate SHD impacts, as discussed in section 3.2, have confirmed the potential of multinational companies to increase the standard of living as well as improve the reported well-being of external community stakeholders which both can yield further positive impacts, e.g. on trust and willingness to cooperate (See: Strotmann et al., 2015 ; Lompo, Trani, 2013). Further findings of Giraud, Renouard and their research teams show that the kind of CSR also matters for potential impacts. As such, participatory CSR initiatives which actively involve the people have been found to be more successful in reaching central aims like strengthening the financial base of communities or empowering community members (Giraud et al., 2013; Diongue et al., 2011). Companies can further benefit from participatory CSR strategies as these may mitigate risks of an emerging dependence mentality.

For corporate community development, we can further conclude that corporations should preserve the bonding social capital, e.g. by organizing common events of corporate staff and community members to build trust and further preconditions of a mutually beneficial cooperation. Corporate contributions for strengthening bridging social capital and its links are recommendable to allow for a better absorption of transferred capabilities and skills within a community (Ansari, 2012).

Corporate challenges resulting from loss of relational capabilities and associated fairness concerns have been identified for internal corporate stakeholders (Shrivastava, 2014) as well as for external community stakeholders. We have argued that inequalities and resulting fairness concerns may be difficult to avoid for companies due to competitive pressures inducing companies to – ceteris paribus – focus more on more educated and productive cooperation partners and due to transaction costs which may make cooperation preferable with larger cooperation partners. Nevertheless, companies may have to aim at mitigating these fairness concerns as far as possible to prevent that those who feel to be treated unfairly strike back in order to "sanction" the company for the perceived unfairness. The violence and its consequences highlighted in the Niger Delta provide a very clear illustration (See: Renouard, Lado, 2012; Diongue et al., 2011; Renouard, 2010). For internal fairness issues ethics management systems can avoid cultural and ethical conflicts which have been shown as potential causes of fairness concerns among internal corporate stakeholders (Crane, Matten, 2010). Fairness concerns of external corporate stakeholders, which have been shown to arise out of increasing inequality despite overall increases in the standard of living, may be mitigated by participatory CSR strategies targeting the BoP.

In general, the findings stated above apply to CSR of the majority of corporations. However, SMEs may be confronted with disadvantages compared to large transnational corporations as standard-setters of "voluntary" global CSR standards tailored to these corporate rule-setters needs (Kalfagianni, 2014).

Therefore, the majority of transnational corporations may benefit from better mandatory governance to overcome the challenges discussed in chapter 6 without distortions of competition in an efficient way (Moczadlo, Volkert, 2012).

Acknowledgments

We are grateful for valuable comments on earlier versions of this paper by discussants at the 15th Human Development and Capabilities Association (HDCA) Conference 2015 at Georgetown University, Washington, D.C. on September 10, 2015 and of the Osijek and Pforzheim University Symposium on November 5, 2015 at Pforzheim University, Germany. Notably, we are most thankful to Gaël Giraud,

Hélène L›Huillier and Cécile Renouard for devoting highly valuable time to explain to us the idea, goals and current state of research of their relational capability concept. Furthermore, we thank Julia Schmidtke and Lisa Weber for their helpful support with respect to literature search and documentation as well as for the editorial support. Finally, we are indebted to two anonymous referees for their instructive suggestions.

References

1. Alkire, S., Foster, J. (2011), "Counting and multidimensional poverty measurement" Journal of Public Economics, Vol. 95, No. 7-8, pp. 476-487.
2. Ansari, S., Munir, K., Gregg, T. (2012), "Impact at the 'Bottom of the Pyramid': The Role of Social Capital in Capability Development and Community Empowerment", Journal of Management Studies, Vol. 49, No. 4, pp. 813-842.
3. Blowfield, M. (2007), "Reasons to be cheerful? What we know about CSR's impact", Third World Quarterly, Vol. 28, No. 4, pp. 683-695.
4. CDP (2015a), "Climate Change Program", Available at: https://www.cdp.net/en-US/Programmes/Pages/CDP-Investors.aspx (Accessed on: August 06, 2015)
5. CDP (2015b), "What we do", Available at: https://www.cdp.net/en-US/WhatWeDo/Pages/investors.aspx (Accessed on: August 05, 2015)
6. CDP (2013), "Supply Chain Report 2012-13: Reducing Risk and Driving Business Value – CDP", Available at: https://www.cdp.net/en-US/Results/Pages/Supply-Chain-Reports.aspx (Accessed on: October 13, 2015)
7. Chernev, A., Blair, S. (2015), "Doing Well by Doing Good: The Benevolent Halo of Corporate Social Responsibility", Journal of Consumer Research, Vol. 41, No. 6, pp. 1412-1425.
8. Clark, G. L., Feiner, A., Viehs, M. (2015), "From the Stockholder to the Stakeholder: How Sustainability Can Drive Financial Outperformance", Available at: http://ssrn.com/abstract=2508281 (Accessed on: July 31, 2015)
9. Crane, A., Matten, D. (2010). Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization. 3rd edition. Oxford: Oxford University Press.
10. Dhaliwal, D. S., Radhakrishnan, S., Tsang, A., Yang, Y. G. (2012), "Nonfinancial Disclosure and Analyst Forecast Accuracy: international Evidence on Corporate Social Responsibility Disclosure", The Accounting Review, Vol. 87, No. 3, pp. 723-759.
11. Dhaliwal, D. S., Zhen Li, O., Tsang, A., Yang, Y. G. (2011), "Voluntary Disclosure and the Cost of Equity Capital: The Initiation of Corporate Social Responsibility Reporting", The Accounting Review, Vol. 86, No. 1, pp. 59-100.
12. Kâ Diongue, A., Giraud, G. (2011), "Measuring the contribution of extractive industries to local development: the case of oil companies in Nigeria", ESSEC Working Paper, No. WP1109, ESSEC Research Center, ESSEC Business School, Paris, 20/07/2011.
13. Doda, B., Gennaioli, C., Gouldson, A., Grover, D., Sullivan, R. (2015), "Are corporate carbon management practices reducing corporate carbon emissions?", Corporate Social Responsibility and Environmental Management, pp. 1-31.
14. European Commission (EC) (2011), Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee of the Regions: A renewed EU strategy 2011-14 for Corporate Social Responsibility, Brussels, 25.10.2011, COM(2011) 681 final, Available at: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52011DC0681 (Accessed on: July 31, 2015)
15. Giraud, G., Renouard, C., L'Huillier, H., De La Martiniere, R., Sutter, C. (2013), "Relational Capability. A Multidimensional Approach", ESSEC Working Paper, No. WP1306, ESSEC Research Center, ESSEC Business School, Paris, 16/04/2013.
16. GRI (2014), "Forward thinking Future focus – GRI 2013-2014", Available at: https://www.globalreporting.org/information/about-gri/Pages/GRIs-own-reports.aspx (Accessed on: October 13, 2015)

17. GRI (2015a), "About GRI", Available at: https://www.globalreporting.org/information/about-gri/Pages/default.aspx (Accessed on: October 13, 2015)

18. GRI (2015b), "Sustainability Disclosure Database", Available at: http://database.globalreporting.org/ (Accessed on: October 13, 2015)

19. Hansen, U., Schrader, U. (2005), „Corporate Social Responsibility als aktuelles Thema der Betriebswirtschaftslehre", Die Betriebswirtschaft (DBW), Vol. 65., No. 4, pp. 373-395.

20. Hein, Ch. (2010), „Wenn der Gott BASF heißt", Frankfurter Allgemeine Zeitung, 24.10.2010.

21. International Organization for Standardization (ISO) (2015), ISO 14000 – Environmental Management, Available at: http://www.iso.org/iso/home/standards/management-standards/iso14000.htm (Accessed on: October 15, 2015)

22. Jamali, D., Karam, Ch., Blowfield M. (2015). Development-Oriented Social Responsibility: Volume 1 – Multinational Corporations and the Global Context. Austin, Texas: Greenleaf Press.

23. Kalfagianni, A. (2014), "Addressing the Global Sustainability Challenge. The Potential and Pitfalls of Private Governance from the Perspective of Human Capabilities", Journal of Business Ethics, Vol. 122, No. 2, pp. 307-320.

24. Kitzmueller, M., Shimshack, J. (2012), "Economic Perspectives on Corporate Social Responsibility", Journal of Economic Literature, Vol. 50, No. 1, pp. 51-84.

25. Kleimeier, S., Viehs, M. (2015), "CO2 Disclosure Cuts the Cost of Debt", Principles for Responsible Investment: PRI Academic Network RI Quarterly, Vol. 7, Apr. 2015, pp. 11-12.

26. Knox-Hayes, J., Levy, D. (2011), "The Politics of Carbon Disclosure as Climate Governance", Strategic Organization Vol. 9, No. 1, pp. 1-9, Available at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1830401 (Accessed on: October 15, 2015)

27. Kraus, P. (2011). Die Auswirkung von Corporate Governance und Nachhaltigkeit auf den Unternehmenserfolg. Lohmar – Köln: Josef Eul Verlag GmbH.

28. Krumm, R., Volkert, J. (2015), „Möglichkeiten und Grenzen der politischen Realisierbarkeit intra- und intergenerativer Gerechtigkeit", UFZ Discussion Papers No. 11/2015 - GeNECA 13, Helmholtz-Centre for Environmental Research GmbH, Leipzig, June 2015.

29. Lessmann, O., Rauschmayer, F. (2013), "Re-conceptualizing Sustainable Development on the Basis of the Capability Approach: A Model and its Difficulties", Journal of Human Development, Vol. 14, No. 1, pp. 95-114.

30. L'Huillier, H., Giraud, G., Renouard, C. (2014), "Relational Capability as a Measure of Development", Documents de travail du Centre d'Economie de la Sorbonne 2014.98, 2014, Paris, 13/05/2015.

31. L'Huillier, H., Renouard, C. (2015), "Corporate responsibilities towards social transformation. The case of a waste picker empowerment project in Mexico", paper presented at the 15th Conference of the Human Development and Capability Association, September 10-13, 2015, Georgetown University, Washington.

32. Lompo, K., Trani, J.-F. (2013), "Does Corporate Social Responsibility Contribute to Human Development in Developing Countries? Evidence from Nigeria", Journal of Human Development and Capabilities, Vol. 14, No. 2, pp. 241-265.

33. Moczadlo, R., Strotmann, H., Volkert, J. (2015), "Corporate contributions to developing health capabilities", Journal of Human Development and Capabilities, Vol. 16, No. 4, pp. 549-566.

34. Moczadlo, R., Volkert, J., Strotmann, H. (2014), "Bayer CropSience Model Village Project. Contributions to agricultural suppliers' competitiveness and human development", Econviews, Vol. 27, No. 2, pp. 327-341.

35. Moczadlo, R., Volkert, J. (2012), „Wettbewerb und nachhaltige Entwicklung bei globalen Governancelücken", in Enke, H., Wagner, A. (Eds.), Zur Zukunft des Wettbewerbs, Metropolis, Marburg, pp. 275-296.

36. Müller-Christ, G. (2010). Nachhaltiges Management – Einführung in Ressourcenorientierung und widersprüchliche Managementrationalitäten. Baden-Baden: Nomos Verlagsgesellschaft.

37. Polishchuk, Y., Rauschmayer, F. (2012), „Beyond 'benefits'? Looking at ecosystem services through the capability approach", Ecological Economics, Vol. 81, pp. 103-111.

38. Przychodzen, J., Przychodzen, W. (2013), "Corporate sustainability and shareholder wealth", Journal of Environmental Planning and Management, Vol. 56, No. 4, pp. 474-493.

39. Renouard, C., Lado, H. (2012), "CSR and inequality in the Niger Delta (Nigeria)", Corporate Governance, Vol. 12, No. 4, pp. 472-484.

40. Renouard, C. (2010), "Corporate Social Responsibility, Utilitarianism, and the Capabilities Approach", Journal of Business Ethics, Vol. 98, No. 1, pp. 85-97.

41. Reverte, C. (2012), "The Impact of Better Corporate Social Responsibility Disclosure on the Cost of Equity Capital", Corporate Social Responsibility and Environmental Management, Vol. 19, No. 5, pp. 253-272.

42. Robeyns, I. (2005), "The Capability Approach. A Theoretical Survey", Journal of Human Development, Vol. 6, No. 1, pp. 93-114.

43. Schölmerich, M. J. (2013), "On the impact of corporate social responsibility on poverty in Cambodia in the light of Sen's capability approach", Asian Journal of Business Ethics, Vol. 2, No. 1, pp. 1-33.

44. Schrader, Ch. (2011). Beiträge multinationaler Unternehmen zur Nachhaltigen Entwicklung in Base of the Pyramid-Märkten. München und Mering: Rainer Hampp Verlag.

45. Sen, A. (2013), "The Ends and Means of Sustainability", Journal of Human Development and Capabilities, Vol. 14, No. 1, pp. 6-20.

46. Sen, A. (1999). Development as Freedom. Oxford: Oxford University Press.

47. Shrivastava, S, Jones, R., Selvarajah, Ch., Van Gramberg, B. (2014), "Organisational Justice. A Senian Perspective", Journal of Business Ethics, pp. 1-18.

48. Strotmann, H., Volkert, J., Moczadlo, R. (2015), "Multinational Companies – can they strategically foster well-being? Results from a case study", paper presented at the 15th Conference of the Human Development and Capability Association, September 10-13, 2015, Georgetown University, Washington.

49. Sullivan, R., Gouldon, A. (2012), "Understanding the limits of voluntary carbon reporting and the potential of mandatory reporting", Working Paper No. 104, Centre for Climate Change Economics and Policy, Paper No. 36, Sustainability Research Institute, September 2012, Available at: http://www.cccep.ac.uk/wp-content/uploads/2015/10/WP104-limits-of-carbon-reporting.pdf (Accessed on: January 21, 2016)

50. UN Global Compact (2015a), Available at: https://www.unglobalcompact.org/ (Accessed on: October 12, 2015)

51. UN Global Compact (2015b), "What is UN Global Compact? Our Work: Environment", available at: https://www.unglobalcompact.org/what-is-gc/our-work/environment (Accessed on: October 12, 2015)

52. United Nations Development Programme (UNDP) (2011), Human Development Report. Sustainability and Equity: a better Future for all, New York, available at: http://hdr.undp.org/en/content/human-development-report-2011 (Accessed on: October 15, 2015)

53. United Nations Development Programme (UNDP) (2008), "Creating value for all: strategies for doing business with the poor", Available at: http://www.rw.undp.org/content/rwanda/en/home/library/poverty/creating-value-for-all---strategies-for-doing-business-with-the-.html (Accessed on: January 21, 2016)

54. Utting, P., Marques, J. C. (2010). Corporate social responsibility and regulatory governance: towards inclusive development. United Nations Research Institute for Social Development (UNRISD). Basingstoke: Palgrave Macmillan.

55. Volkert, J., Strotmann, H., Moczadlo, R. (2014), "Sustainable Human Development: Corporate Challenges and Potentials. The Case of Bayer CropScience's Cotton Seed Production in Rural Karnataka (India)", UFZ Discussion Papers No. 5/2014 – GeNECA 11, Helmholtz-Centre for Environmental Research GmbH, Leipzig, March 2014.

56. Volkert, J., Zoll, F. (2009), "Doing business with the poor. Beneficial for profits AND the poor?", paper presented at the Annual Conference of the Human Development and Capability Association (HDCA), September 10-12, 2009, Lima.

57. Volkert, J., Helbig, J. (1999). Freiwillige Standards im Umweltschutz. Heidelberg: Physica Verlag.

58. World Economic Forum (2015), "Insight Report - Global Risks 2015: 10th Edition", Available at: http://www.weforum.org/reports/global-risks-2015 (Accessed on: August 05, 2015)

59. World Resources Institute (WRI), World Business Council for Sustainable Development (WBCSD) (2004), "The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard", Revised Edition: March 2004, Available at: http://www.ghgprotocol.org/standards/corporate-standard (Accessed on: August 05, 2015)

(Endnotes)

1 The direct citations in this and in the former sentence refer to UNDP (2011: 2).

2 The corporate perspective has been highlighted in the World Economic Forum's (2015) Global Risks Report.

3 Find a more detailed discussion in Sen (2013), UNDP (2011, chapter 2) and Lessmann, Rauschmayer (2013).

4 For these governance issues refer – among many others - to Moczadlo, Volkert (2012) and Krumm, Volkert (2015).

5 For foundational issues of conversion factors refer to Robeyns (2005), for environmental conversion factors see Polishchuk, Rauschmayer (2012).

6 They include an Allianz micro-insurance program in India, BASF's fortification of basic nutrition in developing countries, Grameen Danone in Bangladesh, Nestlés "milk district" project in India and Pakistan, Procter & Gamble's water purification filters in the developing world, Bosch Siemens' vegetable oil stove and Telenoor's Grameenphone in Bangladesh.

7 See Schrader (2011: 165-181) for overall findings beyond each of the single cases.

8 Findings of this research have been, inter alia, documented in L'Huillier et al. (2014), Giraud et al. (2013), Renouard, Lado (2012), Diongue et al. (2011). Furthermore, based on conceptual work of Renouard (2010) the concept of "relational capability" has been established and operationalized by a "Relational Capability Index" (Giraud et al. 2013) which both will be discussed in section 4.

9 For more information on this issue in the model village project context refer to Moczadlo et al. (2015).

10 This is a well-established finding and critique of private standardization. Among others, the role of power and information asymmetries in standardization processes and resulting consequences have been discussed in Volkert (1999).

11 For example, there are more than 300,000 certifications to ISO 14001 in 171 countries around the world. See ISO (2015).

12 21,093 GRI Reports are published so far based on the GRI Framework, see: GRI (2015b).

13 In 2015 the CDP investors initiative is backed by more than 822 institutional investors representing an excess of US$95 trillion in assets, see CDP (2015b).

14 Scope 1 emissions are direct GHG emissions from sources that are owned or controlled by the company; scope 2 emissions include GHG emissions from the generation of purchased electricity consumed by the company, scope 3 emissions are other indirect GHG emissions that occur from sources not owned or controlled by the company (WRI, WBCSD, 2004:5).

Kerstin Anstätt
Jürgen Volkert

Utjecaj društvene odgovornosti poduzeća na održivi ljudski razvoj

Sažetak

Cilj je rada provesti kritičku analizu rezultata, nedavno objavljenih, prvih istraživanja o utjecaju društvene odgovornosti poduzeća (DOP) na održivi ljudski razvoj. Pokušat će se oblikovati zaključci o učinkovitim strategijama za DOP i posljedice za upravljanje i istraživanje. S obzirom da bi DOP trebao stvarati vrijednost kako za poduzeća tako i za društvo, u ovome radu želimo pokazati da bi pristup utemeljen na sposobnostima (eng. *Capability Approach – CA*) i usmjeren na ljude mogao osigurati zanemareni, ali neophodan uvid, u to kako aktivnosti poduzeća utječu na pojedince i zajednice. Na temelju novije literature o utjecaju DOP-a na održivi ljudski razvoj ističemo kakve potencijale DOP ima za unaprjeđivanje opće dobrobiti u višestrukim dimenzijama održivoga ljudskog razvoja. Nadalje, kritički procjenjujemo izazove i ograničenja DOP-a kao strategije za očuvanje i poticanje održivoga ljudskog razvoja. Iako se povećava dobrobit zahvaljujući DOP-u, istraživanja pokazuju da korporacijske strategije ipak mogu ugroziti društveni kapital, sposobnosti za stvaranje odnosa i zajedničko djelovanje. Nadalje, poduzeća i istraživači DOP-a dosad su manje pozornosti posvetili pitanju kako poduzeća utječu na okoliš. Pitanja nejednakosti i pravičnosti koja proizlaze iz korporativnoga djelovanja često su bila uzrok nasilja protiv korporacija, čak i tamo gdje se opća dobrobit povećala. Zaključak je da bi poduzeća trebala strateški promišljati niz čimbenika koji potiču i koče DOP kako bi sagledalo sve prilike i prijetnje s kojima se suočavaju. Za ovo nije dovoljna analiza inputa i outputa aktivnosti u okviru DOP-a, nego je potrebna temeljita procjena njegova cjelokupnoga utjecaja. Na taj će način korporacije ublažiti rizike, unaprijediti povjerenje dionika i povećati svoju konkurentnost.

Ključne riječi: društvena odgovornost poduzeća (DOP), procjena utjecaja DOP-a, održivi ljudski razvoj, dno piramide (BoP), pristup utemeljen na sposobnostima