

TABLE OF CONTENTS

TABLE OF CONTENTS	5
LIST OF FIGURES	9
LIST OF TABLES	10
LIST OF ACRONYMS	12
NOTE ON CONVENTIONS	14
1. INTRODUCTION	15
1.1. Background	15
1.2. Research Objective and Research Question	16
1.2.1. Why Do Companies Adopt Corporate Social Re- sponsibility?	16
1.2.2. How Does Corporate Social Responsibility Diffuse? ...	17
1.3. Research Design	18
1.4. Basic Assumptions and Hypotheses	18
1.5. Limitations of the Study	19
1.6. Outline of Chapters	21
2. CORPORATE SOCIAL RESPONSIBILITY	22
2.1. The Foundations of Corporate Social Responsibility	22
2.2. Companies and Their Corporate Social Responsibility	25
2.2.1. Why Do Companies Have Social Responsibilities? ...	25
2.2.2. What Social Responsibility Do Companies Have? ...	25
2.2.3. How Do Companies Address Social Responsibili- ties?	27
2.3. Corporate Social Responsibility and Related Concepts	28
2.3.1. Corporate Social Responsiveness and Performance ...	28
2.3.2. Sustainability	29
2.3.3. Corporate Citizenship	30
2.3.4. Synthesis of CSR and Related Concepts	31
2.4. Corporate Social Responsibility Dimensions	32
2.4.1. Voluntariness	32
2.4.2. Stakeholder	33
2.4.3. Economic, Environmental, and Social Impacts	34

2.5. Drivers for the Adoption of Corporate Social Responsibility	37
2.5.1. Moral and Instrumental Motivations	37
2.5.2. Stakeholder-Related Incentives and Pressures	43
2.6. Corporate Social Responsibility Practices	54
2.6.1. Explicit CSR Practices as Indicator for CSR Adoption	54
2.6.2. Codes of Conduct, Standards, and Guidelines	55
2.6.3. Corporate Social Responsibility Reporting	58
2.7. Summary of Corporate Social Responsibility Perspectives	60
3. THEORETICAL FRAMEWORK	63
3.1. Institutions	63
3.1.1. Outline of Institutional Theory	63
3.1.2. Institutions and CSR	65
3.1.3. Institutions and Stakeholder	68
3.2. Stakeholders	69
3.2.1. Outline of Stakeholder Theory	69
3.2.2. Stakeholder Salience	71
3.2.3. Stakeholder Salience for CSR Adoption	73
3.3. Diffusion	75
3.3.1. Outline of Diffusion Research	75
3.3.2. Herd Behavior, Isomorphism, and CSR Diffusion	78
3.3.3. Organizational Characteristics, Change Agents, and CSR Adoption	82
3.4. Propositions: Institutions, Stakeholders, and Diffusion of CSR	85
4. CORPORATE SOCIAL RESPONSIBILITY IN JAPAN	88
4.1. Traditional Business Responsibilities in Japan	88
4.2. Development of Explicit CSR in Japan	89
4.2.1. Economic Efficiency in the Post-War Era and the 1960s	90
4.2.2. Environmental Responsiveness in the 1970s	91
4.2.3. Philanthropy in the Bubble Economy of the 1980s	92
4.2.4. Corporate Citizenship During the 1990s	93
4.2.5. The CSR Management Era Since 2000	94
4.3. Drivers for CSR Adoption	95
4.3.1. External Pressure and Instrumental Motivations	95
4.3.2. Institutional Change and New Stakeholder Issues	97
4.3.3. Stakeholders Salient to Japanese Companies	99

4.4.	Adoption of CSR Practices by Japanese Companies	107
4.4.1.	From Implicit Social Responsibility to Explicit CSR Practices	107
4.4.2.	Codes of Conduct	109
4.4.3.	CSR Reporting	110
4.5.	Discussion	112
5.	EMPIRICAL PART I: QUALITATIVE ANALYSIS OF CSR ADOPTION BY JAPANESE COMPANIES	114
5.1.	The Qualitative Research Method	114
5.1.1.	Research Design	114
5.1.2.	Interview Questions	115
5.1.3.	Accessibility of Data	116
5.1.4.	Selection of Organizations	118
5.1.5.	Conducting the Interviews	120
5.2.	Case Studies of CSR Adoption by Japanese Companies	122
5.2.1.	Sony – CSR Development at a Global Player	122
5.2.2.	NEC – Integrating Global Standards into Local Approaches	130
5.2.3.	Mitsui – Good Corporate Conduct by “Good Quality Work”	137
5.3.	Conclusions From the Case Studies	145
5.4.	Hypothesis Development	147
6.	EMPIRICAL PART II: QUANTITATIVE ANALYSIS OF CSR ADOPTION BY JAPANESE COMPANIES	154
6.1.	Data and Operationalization	154
6.1.1.	Sampling	154
6.1.2.	Dependent Variable: Adoption of CSR Reporting	155
6.1.3.	Independent Variables	156
6.1.4.	Model	161
6.2.	Descriptive Statistics	164
6.3.	Multivariate Analysis	174
6.3.1.	Summary Statistics	174
6.3.2.	Adoption of Non-Financial Reporting	174
6.3.3.	Adoption of CSR Reporting	181
6.4.	Discussion	183
6.5.	Conclusions From the Quantitative Analysis	189
7.	FINDINGS, CONCLUSIONS, AND IMPLICATIONS	191

Table of Contents

APPENDICES	197
Appendix 1: List of Japanese Terms	197
Appendix 2: Interview Guidelines	198
Appendix 3: Data on CSR Development in Japan	203
Appendix 4: Supplementary Statistics	206
REFERENCES	217
CONDUCTED INTERVIEWS	239
FOOTNOTES	243