

The Ages and Stages of CSR

From Defensive to Transformative Corporate Sustainability & Responsibility

By Wayne Visser

I have found it useful to view the evolution of business responsibility in terms of five overlapping economic periods – the Ages of Greed, Philanthropy, Marketing, Management and Responsibility – each of which typically manifests a different stage of CSR, namely: Defensive, Charitable, Promotional, Strategic and Transformative CSR.

My contention is that companies tend to move through these ages and stages (although they may have activities in several ages and stages at once), and that we should be encouraging business to make the transition to Transformative CSR in the dawning Age of Responsibility. If companies remain stuck in any of the first four stages, I don't believe we will turn the tide on the environmental, social and ethical crises that we face. Simply put, CSR will continue to fail.

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Business Age	Stage of CSR	Modus Operandi	Key Enabler	Stakeholder Target
Greed	Defensive	Ad hoc interventions	Investments	Shareholders, government & employees
Philanthropy	Charitable	Community programmes	Projects	Communities
Marketing	Promotional	Public relations	Media	General public
Management	Strategic	Management systems	Codes	Shareholders & NGOs/CSOs
Responsibility	Transformative	Business models	Products	Regulators & customers

The Age of Greed is characterised by *Defensive CSR* in which all corporate sustainability and responsibility practices – which are typically limited – are undertaken only if and when it can be shown that shareholder value will be protected as a result. Hence, employee volunteer programmes (which show evidence of improved staff motivation, commitment and productivity) are not uncommon, nor are expenditures (for example in pollution controls) which are seen to fend off regulation or avoid fines and penalties.

Charitable CSR in the Age of Philanthropy is where a company supports various social and environmental causes through donations and sponsorships, typically administered through a Foundation, Trust or Chairman's Fund and aimed at empowering community groups or civil society organisations.

Promotional CSR in the Age of Marketing is what happens when corporate sustainability and responsibility is seen mainly as a public relations opportunity to enhance the brand, image and reputation of the company. Promotional CSR may draw on the practices of Charitable and Strategic CSR and turn them into PR spin, which is often characterised as 'greenwash'.

Strategic CSR, emerging from the Age of Management, means relating CSR activities to the company's core business (e.g. Coca-Cola and water management), often through adherence to CSR

codes and implementation of social and environmental management systems, which typically involve cycles of CSR policy development, goal and target setting, programme implementation, auditing and reporting.

Transformative CSR in the Age of Responsibility focuses its activities on identifying and tackling the root causes of our present unsustainability and irresponsibility, typically through innovating business models, revolutionising their processes, products and services and lobbying for progressive national and international policies.

Hence, while Strategic CSR is focused at the micro level – supporting social or environmental issues that happen to align with its strategy (but without necessarily changing that strategy) – Transformative CSR focuses on understanding the interconnections of the macro level system – society and ecosystems – and changing its strategy to optimise the outcomes for this larger human and ecological system.

Transformative CSR – which I also refer to as CSR 2.0 – is based on five principles: Creativity, Scalability, Responsiveness, Glocality and Circularity. These hold the key to making change happen, at a societal, organisational and individual level, and ensuring that we can all make a difference.

Article reference

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