

## THE SOCIAL IN CORPORATIONS: THE POSSIBILITY OF BEING RESPONSIBLE OR INNOVATIVE

*O Social nas Corporações: A possibilidade em ser responsável ou inovador*

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**Abstract:** Some companies realized that they can develop their business successfully when the resources are applied to solve chronic questions of social aspects, which takes us to the Corporate Social Innovation concept. Considering the definition of CSR as a voluntary integration of business operations with social and environmental concerns in a unilateral way (since initiatives are made when and how the firm establishes clear definition about it) CSI goes further, developing initiatives to minimize social or environmental issues with the participation of the involved public, in a bilateral way. Analyzing the most quoted articles about CSR and CSI studies, it has become possible to consider that CSI is an evolution of CSR, since both search to bring up some social benefits; however, CSI offers more sustainable and long-term results. CSI is a new, unexplored field, which brings effective results for private organizations, as well as for society and the environment.

**Keywords:** Social responsibility; Corporate social responsibility; Social innovation; Corporate social innovation.

**Resumo:** Algumas empresas perceberam que podem desenvolver seus negócios com sucesso quando os recursos são aplicados para resolver questões crônicas de aspectos sociais, o que nos leva ao conceito de Inovação Social Corporativa. Considerando a definição de RSC como uma integração voluntária de operações de negócios com preocupações sociais e ambientais de forma unilateral (uma vez que as iniciativas são feitas quando e como a empresa estabelece uma definição clara sobre isso) a ISC vai além, desenvolvendo iniciativas para minimizar problemas sociais ou ambientais com a participação do público envolvido, de forma bilateral. Analisando os artigos mais citados sobre RSC e ISC, foi possível considerar que a ISC é uma evolução da RSC, uma vez que ambas procuram desenvolver benefícios sociais. No entanto, a ISC oferece resultados mais sustentáveis e de longo prazo. A ISC é um campo novo e inexplorado, que traz resultados efetivos para organizações privadas, bem como para a sociedade e o meio ambiente.

**Palavras-chave:** Responsabilidade Social; Responsabilidade social corporativa; Inovação social; Inovação social corporativa.

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## INTRODUCTION

We resolve, ..., to end poverty and hunger everywhere; to combat inequalities within and among countries; to build peaceful, just and inclusive societies; to protect human rights and promote gender equality and the empowerment of women and girls; and to ensure the lasting protection of the planet and its natural resources (United Nations, 2015, p. 3).

United Nations established an agenda for sustainable development for the next fifteen years and comprehends a plan of action for people, planet and prosperity, defined by goals and targets that will stimulate action in areas of critical importance for humanity and the planet (United Nations, 2015). For these actions to be effective, they must be carried out, not only by governments, but also by private companies. The participation of these companies have great effect on the environment and society in general and these actions are, therefore, recognized as social responsibility.

Many terminologies are used to explain the social responsibility of business (Garriga & Melé, 2004). The first work was the seminal book of Bowen (1953), *Social Responsibilities of the Businessman*. Since then, the concern about the environmental and social issues has lead to new concepts: corporate social responsibility (CSR) and corporate social innovation (CSI).

There is no doubt whatsoever that companies have an important role, minimizing environmental effects during the manufacturing or delivery process, while paying attention to social issues. Firms that adopt CSR and CSI strategies demonstrate that the profit is not the main concern.

The concept of CSR is not recent and there are many researches in this area (e.g. Carroll, 1979; McWilliams & Siegel, 2001; Husted & Salazar, 2006). But the CSI concept, which was developed in 1999, was not sufficiently explored.

Considering the importance of the theme, the objective of this paper is to present the concept and characteristics of Corporate Social Innovation (CSI) and Corporate Social Responsibility (CSR), and identify the configuration of this field. In order to achieve this purpose, the ten most cited articles on CSR, published in A1 journals, were selected. Concerning CSI, only ten academic articles were found, which reinforces the need for the deepening of the subject. For such, all these articles were selected and analyzed.

This paper is divided into six sections. In the second section, the Corporate Social Responsibility concept and the main discussion of the economic impact for companies are brought. The third section presents the concept of Corporate Social Innovation and its managerial application. The fourth section describes the upcoming challenges of CSI. The fifth section presents a discussion of the main points of CSR and CSI concepts. The concluding section offers an evaluation of the subjects and limitations of the study.

## CORPORATE SOCIAL RESPONSIBILITY

During the last decades, many concepts were built to describe Corporate Social Responsibility. The most cited one from the Commission of the European Communities (DAHLSTRUD, 2008, p. 7) defines CSR as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. At the same point, McWilliams, Siegel and Wright (2006), consider CSR as “actions that appear to further some social good, beyond the interests of the firm and that which is required by law”. This second concept considers the importance of moving beyond legal requirements, acting to adopt progressive human resource management programs, develop non-animal testing procedures, recycling, and supporting local businesses, for example.

The CSR can represent high impact in different levels, as cited by Andriof & McIntosh (2001), as social (involvement in external social issues such as education, social inclusion, generation, and employee volunteering), economic (addressing issues relating to jobs, ethical training standards, and product value), and environment (consideration of emissions and waste control, energy use, product life cycle, and sustainable development).

The commitment and the knowledge of the firm, so that the initiatives could not be mistaken to social help or assistance is essential, independently of which level CSR levels will impact. This commitment must be aligned to its corporate strategies.

For some business companies, CSR means a performance as significant part as corporate citizen (Hanke & Stark, 2009). Besides the environmental and social impacts CSR actions can improve, the statement that the environmental performance generates positive returns, impacting on the financial performance of the firm (KLASSEN & McLaughlin, 1996), opens the main discussion about the financial impact of these actions for companies (McGuire, SUNDGREN & SCHNEEWEIS, 1988; McWilliams et al., 2006; Campbell, 2007). Indeed, researches about the relationship between CSR and profitability are inconclusive, presenting negative, positive, or even neutral results (McWilliams & Siegel, 2001). To the authors, there is a mistake in the way the result is calculated; considering that R&D and CSR are correlated (both are associated with products and innovation process), firms need to include CSR to measure financial performance. However, Porter and Kramer (2006, p. 80) emphasize that CSR “can be much more than a cost, a constraint, or a charitable deed – it can be a source of opportunity, innovation, and competitive advantage”. To maximize profit, companies need to improve the revenue at the same level that the cost to improve CSR, attempting to stakeholders and the firm (McWilliams et al., 2006). By analyzing the relationship between CSR and financial performance, McGuire et al. (1988) showed that stock-market returns and accounting-based measures are closely related to CSR, and social responsibility and risk are closely associated, as well. CSR initiatives will be rewarded by the market in economic and financial terms (Carroll & Shabana, 2010). In fact, to guarantee long-term CSR initiatives, the cost and the profit must be measurable, as a way to ensure the agreement of partners and employees.

Why do corporations act in a social responsible way, even when the cost of CSR actions has a negative impact on business? Campbell (2007) describes some factors such as economic and institutional conditions. The economic conditions are based on the idea that in healthy corporations there is a tendency to act more socially responsible than weak financial companies. To confirm the relationship, Waddock and Graves (1997) did a rigorous study of the empirical linkages between financial and social performance. The results of the research confirmed that Corporate Social Performance (CSP) is positively associated with prior financial performance and CSP is also being positively associated with future financial performance. The institutional condition presented by Campbell (2007) shows that firms act in socially responsible way if there is a strong state regulation, collective industrial self-regulation, and normative institutional environment, for instance. Considering that multiple actors are involved at CSR and contribute to the social change (Aguilera, Rupp, Williams & Ganapathi, 2007), the power of the relationship among actors is contingent to the environment.

Governments, companies and NGOs need to start thinking in terms of “corporate social integration”, and not in terms of CSR. In the competitive context, companies must find share value in operation practices as in the social dimensions to adopt economic and social development (Porter & Kramer, 2006). The community development is a multidimensional concept. For this development, corporate social actions may contribute for economic, social, ecological, human, political, and cultural capitals of communities’ issues. Corporations can operate in open systems, where stakeholders are more conscious of their rights and expectations about social responsibilities (Muthuri, Moon & Idemudia, 2012).

The engagement of stakeholders is essential to the success of CSR agenda. The engagement driver refers to main motivations such as “personal interest”, “good business practice”, internal benefits, and developing a good business image. This image seems to be more a result than a motive (Hanke & Stark, 2009). Matten and Moon (2008) consider the difficulty to take one concept of CSR, once the meanings and practices of business responsibility are different in each company or even in different countries. Nonetheless, the core idea of CSR is to articulate policies and practices that reflect business responsibility for some wider societal action (Matten & Moon, 2008).

The strategy of the firm is influenced by CSR. Internal resources, international market exposure, and institutional pressures affect the CSR-based differentiation strategy at the product level (Cruz, Boehe & Ogasavara, 2013). In order to integrate social responsibility as a part of the organizational strategy, the discussion on different levels is required. Hanke and Stark (2009) considered three organizational levels. The corporate culture level contributes to develop values, beliefs, and provoke the sense of engagement, which is an important matter to conceptualize CSR. The innovation level contributes to transfer and reflect the experience in the business routine, leading to a learning process and innovation. The civil society level is related to the concept of corporate social innovation (CSI), described on the next section, and is responsible for generating new forms of connection between the organization and the environmental needs (Hanke & Stark, 2009). The best scenario would be that the strategy was driven by CSR, to ensure that CSR rewards all decisions, actions, and processes in the company.

If the company understands the importance of a harder view about the social and environmental problems and applies the relationship of the three levels, doubtless it can be considered a Triple Bottom Line firm (TBL). The TBL companies prioritize economic, social, and also environmental objectives - people, planet, and profit. (Glavas & Mish, 2015). Those companies endeavor resources that are sustainable and, therefore, imitable, commonly found, and replaceable, focusing on collaborative advantage. This new approach totally disagrees to the competitive advantage proposed by the resourced-based view (RBV). The RBV theory assumes that, to guarantee advantage, the resources must have some characteristics - value, rareness, imitability, and substitutability (Barney, 1991). In fact, different from firms that work to guarantee competitive advantage, creating resources that are valued, rare, difficult to copy and to substitute, TBL firms work to guarantee the collaborative advantage, through common resources that could be copied and easily substituted, but also could be valued.

Trying to understand how the TBL firms mobilize resources and capabilities to achieve their goals, Glavas and Mish (2015) explored how companies can (a) integrate their operational context; (b) shaping proactively environment, building their capabilities based on this environment; and (c) resetting value focused, not only the final product or service, but also the inclusion of the total costs in the delivery of products. The TBL companies consider the environment as active work to shape into new markets, influencing peers and changing societal perceptions. The corporate citizen can help to work on the challenge of “economic profit, sustainable processes, the precept of equality, and the principal of self-responsibility lead to a triangle of value-based goals (triple bottom line)” (Hanke & Stark, 2009, p. 509).

The CSR theory usually focus on (1) meeting objectives that produce long-term profits; (2) using business power in a responsible way, (3) integrating social demands, and (4) working in an ethical way (Garriga & Melé, 2004). To achieve these goals, some complementary theories are used as a key argument to CSR, as agency theory, resourced-based view, and theory of the firm. However, it is the stakeholder theory the one most cited in researches, predominantly in supply chain studies (Mcwilliam, SIEGEL And WRIGHT, 2006).

There is no doubt that the supply chain requests CSR strategies (e. g. Seuring & Muller, 2008). Studies about actions of CSR in supply chain demonstrated the importance of “recognizing the expectations of many stakeholders with respect to assuming more social responsibility becomes the main driver for a firm’s sustainability competitiveness and growth” (Spena & Chiara, 2012, p. 84), and can increase the potential for innovation and value generation to the firm and its network. However, the innovation is not applied to social or environmental issues, but to develop products instead.

To find a strategy for CSR, it is necessary to understand the meaning of two elements that are interconnected. On one hand, for a responsible corporate citizen, the actions must be legitimized towards incremental and unwritten laws and norms, affecting the corporate culture. On the other hand, sensemaking and sensegiving stimulate new relations involving organizational actors and stakeholders (Hanke & Stark, 2009).

In the light of the concepts and characteristics of CSR, there is a main aspect that is not considered. Usually, CSR initiatives are unilateral, not demanding the community involvement. That involvement is necessary to ensure long-term and sustainable benefits. That is the purpose of the Corporate Social Innovation, presented and described at the next section.

## **CORPORATE SOCIAL INNOVATION**

The CSR theory demonstrates its importance and concerns about social and environmental aspects. Otherwise, if companies often give the money to solve the problem and corporate volunteer activities only “scratch the surface” (Kanter, 1998, p. 124).

Considering that social innovation is “a measurable, replicable initiative that uses a new concept or a new application of an existing concept to create shareholder and social value” (Herrera, 2015, p. 1469), there is an expectation of the society that international corporations need to be socially responsible, and to tend to this demand, it must establish a social innovation strategy.

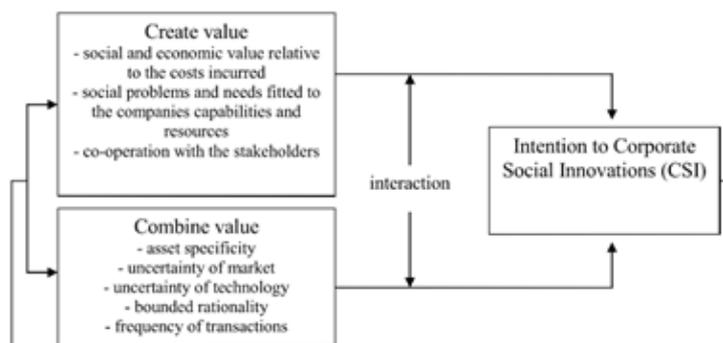
The new paradigm is the Corporate Social Innovation, which proposes a partnership between private companies and public interest, producing profitable and sustainable changes for both sides (Kanter, 1998). Corporate Social Innovation (CSI) works “as the introduction of a new way, method, or system (innovation) to meet collective needs in a social responsible manner.” (Canestrino, Bonfanti& Oliaee, 2015, p. 3). CSI is affected by culture. Rexhepi et al. (2013) propose a new view to CSI, focused on low-income market – Base of the Pyramid (BoP).

For companies, that is a new configuration, supported by research and development and operating funds, creating opportunity for learning and business development, using the core competencies of the business. The idea is that social problems are economic problems. The actions are focused on results, stretching their capabilities to produce innovations, which give business and community payoffs. The primary justification is the new knowledge and the new capabilities that will be forged from innovation. “The business gets bottom-line benefits: new products, new solutions to critical problems, and new market opportunities” (Kanter, 1998, p. 132). The idea of that connection refers to civil society level (Hanke & Stark, 2009), which proposed jointing learning process on a societal level, producing new forms of corporate social actions and corporate social innovation. The CSI resolves social concerns and considers shareholder value (Herrera, 2015). On the other hand, high-impact business contributes to the social sector, bringing benefits and long-term results. In this new paradigm, the social sector shares the responsibility.

A successful private-public partnership includes six features. The first one is a clear business agenda, which needs to be related to specific social necessities. The second one is having strong partners committed to change, who could count with public servants and community figures to work on change. The third one is investment by both parties, which is the best way to guarantee full commitment of the corporate as the community partner. The fourth is rootedness in the user community, which enforces the idea that innovation is facilitated when developers learn directly from user experience. The fifth is about the links to other organizations, which show the importance of the expertise of key players in the broader community. The last one is a long-term commitment to sustain and replicate the solution, which requires sustained commitment, since innovation is related to uncertainty (Kanter, 1998). Companies must engage in processes of innovation where the ideas, products, and processes have to be adapted to significantly generate benefits to the business, the community stakeholders, and the wider society (Muthuri et al., 2012).

The concept of CSI fills the lack of CSR for the creation of shared value. “An innovative company seeking shared value is open to the creation of new products, services, models, and strategies based on other criteria, than those traditionally dominant” (Pyszka, 2013, p. 29). The concept of CSI is evolutionary and has a main assumption, that is, the participation in commercial firms in innovative projects that are measurable and dependent on cooperation of all the stakeholders. The link of shared value, CSR, social innovation, and transaction cost was proposed by Pyszka (2013), who presents the determinants of conditioning initiatives in the form of CSI (Figure 1).

**Figure 1**  
**Determinants of conditioning initiatives in the form of CSI**



Source: Pyszka, 2013, p. 32

Considering those determinants, the relationship between companies and their partners results in co-creation of shared values over organizational stakeholders.

Companies that want to improve CSI initiatives have to integrate non-market assessments in their environmental analysis and strategic devices, in addition to promote engagement and openness to work with stakeholders (Herrera, 2015). Also, considering the main objective of the institutionalization of social innovation, some frameworks are requested. The first component, strategic alignment, results from the integration of environmental and social issues into corporate strategy, in every level possible, as stakeholders, corporate footprint and general strategy considerations, and integrating market and non-market conditions. The second component, institutional elements, presents the institutional mechanisms (stakeholders engagement, operational structures and processes, and organizational culture) that drive, enable, and embed social innovation values and process. The last component, clarity in intent, works to all focus areas, as governance and society, customer and product responsibility, and value chain and environment (Herrera, 2015).

CSI can be also related to marketing propositions. Gopaldas (2015) establishes a connection between positive marketing and corporate social innovations. Positive marketing is defined as “any marketing activity that creates value for the firm, its customers, and society at large” (Gopaldas, 2015, p. 2450), which theorized two additional antecedents that extend the multilevel pressure theory of CSI: activist executives and networked customers. The activist executives are proactive, have personal and passionate convictions, and high identification with political objectives. Positive marketing efforts cannot be totally attributed to external pressures, but partially to activist executives. Networked customers expect companies to deliver benefits, not only to individual customers, but also to the other stakeholders. Those characteristics are aligned to the corporate social innovations worked by companies.

A new approach was presented by Matei and Drumasu (2015), who apply the concept of CSI of the public sector. They considered that it may be the solution for the challenges in social and environmental contexts faced by the contemporary society. For the authors,

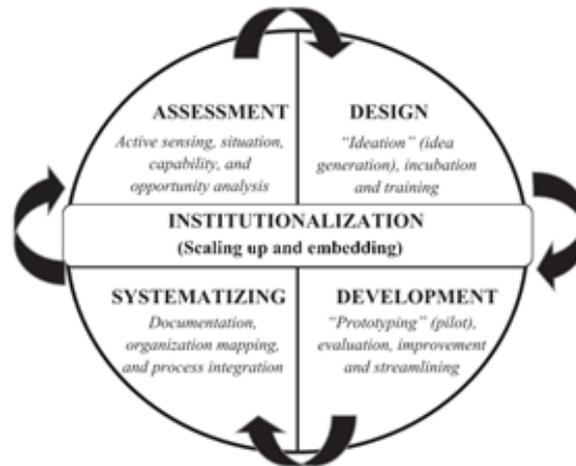
Corporate social innovation of the public sector is an efficient, effective and sustainable form of coordination and control of an organization that aims to protect and solving social problems, new or unmet until now, of the society overall, by adoption and diffusion of new solutions (Matei & Drumasu, 2015, p. 408).

Matei and Drumasu (2015) compared social innovation structure in UK and Romania, pointing out some implementing documents in Romania. Besides the concept of CSI of the public sector, the initiatives don not corroborate with the idea. A financing program addressed to individuals for the purchase and equipping home with environmentally friendly heating sources was used as an example, but it can be considered that the financing program for the purchased home is a public (governmental) responsibility, and the friendly heating sources can be considered as a social innovation.

The mistake using CSI concept seems to be common, since it has not been widely publicized and studied.

Seeking to minimize the difficulty of understanding of the above application, Herrera (2015) established a framework that uses a five-stage process, combining CSR implementation and business innovation (Figure 2).

**Figure 2**  
**Social innovation process**



**Source: Herrera, 2015, p. 1469**

That framework could be used for companies, or even governments that want to systematize the innovation process, mainly because that process can take years or even, decades. A disciplined method to implementing social solutions helps realize positive and extensive social outcomes.

Even considering the developed approaches above, including shared value idea and the concept of the results between companies/government and society more clearly presented, there are some upcoming challenges of CSI, which will be described on the next section.

### **PRACTICAL CASES OF CSI**

To analyze the empirical examples described at the cited researches is relevant to keep in mind the concepts of CSR and CSI. CSR will be used by following concepts defined by McWilliams et al. (2001): "actions that appear to further some social good, beyond the interests of the firm and that which is required by law". CSI will be used by following the concept created by Kanter (1999), who considers the partnership between private companies and public interest, producing profitable and sustainable changes for both sides.

Table 1 presents the companies and governments initiatives and an observation if it fits the CSI concept.

Table 1 – CSI initiatives

COMPANY/ GOVERNMENT	AUTHOR	PRESENTED STRATEGIES	GAIN TO SOCIETY	GAIN TO COMPANY/GOVERNMENT (CSI ALIGNMENT)
Bell Atlantic	Kanter (1999)	(1991) Gave computers to 135 inner-city students and their teachers to use at home, with the objective of improve students' skills and involve parents in their children's educations. To improve the solution, has found new ways of handling data transmission, and consequently, it identified a new market in distance learning.	135 computers	New market in distance learning
IBM	Kanter (1999)	(1994) Created tools to connect parents to teachers digitally, so that parents could view their children's schoolwork from home and compare it with the district's academic standard. IBM created some new products to improve the connection tools, as voice recognition tool, for example.	Digital connection between parents and teachers	New products as voice recognition tool
Marriott International	Kanter (1999)	Work training program with the unemployed (Vietnam veterans, ex-offenders, disabled, recent immigrants, welfare mothers). The hotel group reaped the benefits of a more stable workforce and high standards of service.	Training program to welfare recipients	Skilled and dedicated workforce
Bank Boston	Kanter (1999)	(1990) Launched the First Community Bank, to target newcomers to the banking system.	Banking opportunity	New customers
Romanian public sector	Matei & Drumasa (2015)	Financing program for purchasing and equipping houses with environmentally friendly heating sources; frame document that regulates employer; incentive program of renewing the fleet; individuals receiving a voucher that they can use to purchase a new car; guarantee loans for those who want to purchase a house; aims to create a regional and global competition through innovation.	Several social and environmental programs	There is no direct involvement of the society. The initiatives are unilateral.
Danone	Pyszka (2013)	Product and educational action – "Milk start"	Adequate amounts of vitamins to poorer children	The increase in sales of this and other products.
3M	Herrera (2015)	Adopts the triple bottom line approach. Develops eco-friendly products and has policies for market and no-market factors, engaging stakeholders in co-creation products and services.	Eco-friendly products – do not affect the environment	Market share and brand awareness
Intel	Herrera (2015)	Education program improves education and health care among marginalized sectors.	Education and health care	Broadening markets or by developing innovative, low-cost solutions

Analyzing the examples on Table 1, only public initiatives could not be considered as CSI, which does not mean that it does not exist, but the results could not be sufficiently described.

Considering all the cases, the idea of shared value, the concept of the interconnection of the results among companies/government and society became clearer. However, there are some upcoming challenges of CSI that will be described on the next section.

### UPCOMING CHALLENGES OF CSI

The seminal article ended foreseeing that the mentioned examples were still in progress, but in the future "they could be the way business is done everywhere" (Kanter, 1998, p. 132). After fifteen years, the concept still deserves attention and an agenda can be established considering researchers and the author suggestions.

Hanke and Stark (2009) pointed out that CSR strategizing questions are still not answered, and that idea also mixes to CSI strategies. Explicitly, there is still a whole world to be studied on organizational strategies for CSR and CSI. Lining up to the strategy aspect, Spina and Chiara (2012) suggest researches about the relationship between CSR and supply chain, in order to identify threats and opportunities for the effective implementation of integrated innovation strategy.

Research is required to present the innovations created, the way they take shape and put into practice to increase community development (Muthuri et al., 2012) and the challenge of institutional regulation and support government policies to stimulate innovation and creation of appropriate co-participation actions among stakeholders (Pyszka, 2013).

Rexhepi (2013) reinforces the need for stronger interaction between CSR and innovation, while Canestrino et al. (2015) reinforce the need for better recognition of cultural drivers of innovation to develop CSI.

The public sector must and can develop CSI actions, as shown by Matei and Drumasu (2014), but they should be better defined and applied. The framework of social innovation process, created by Herrera (2015) could be useful for that matter.

Finally, most CSI initiatives were developed by international corporations, mainly multinationals, raising the question whether only large companies or multinational ones, can generate CSI. Empirical researches could brighten the idea that medium/small companies are also able to develop CSI initiatives.

## DISCUSSIONS

As mentioned earlier, the concept and application of CSR was well developed over the years. However, even having been coined for over fifteen years, the CSI theme is still incipient.

At the seminal article published at Harvard Business Review, Kanter (1998) developed the concept of CSI and described the actions developed by Bell Atlantic, IBM, Bank Boston and Marriot Hotel. Although the author being a Harvard's scholar, the article has no scientific basis. This may be the reason why CSI has not advanced, until now. The following articles do not have the same recognition.

Besides the seminal article, other four were empirical or theoretical empirical, which analyzed the initiatives at Timberland, Mattel, Herman Miller, 3M, Intel, and Danone, but the first three couldn't be considered as CSI, but CSR. One paper presented the cultural influence of CSI, comparing companies in Italy and Iran. (Spena & Chiara, 2012; Pyszka, 2013; Canestrino Et Al., 2015; Herrera, 2015). In the end, an article tried to connect the CSI theory to public sector. Unfortunately, the cases described do not corroborate the concept (Matei & Drumasu, 2015).

At the theoretical papers, the most used theory was CSR (Rexhepi Et Al., 2013; Spena & Chiara, 2012; Canestrino Et Al., 2015). Hanke and Stark (2009), for instance, developed a framework to support measures and instruments to make the complex CSR process more visible and manageable. Pyszka (2013) also used CSR, but trying to fill the gap between this theory and the creation of a shared value using social innovation. Theories like the agency theory, resourced-based view, theory of the firm, and stakeholder theory were cited, but barely discussed.

On the other hand, Muthuri et al. (2012) were concerned about how multinational companies (MNC) innovate to address sustainable community development issues in developing countries. This main idea is connected to Rexhepi et al. (2013), who also analyzed CSR and innovation, but highlighting the focus on low-income market – Base of the Pyramid (BoP). Nonetheless, at the end, the subtheme was with little depth. However, besides the main objective to fill the gap in CSR for the creation of a shared value using social innovation, Pyszka (2013) also addressed BoP when described Danone's solution to CSI.

Matei and Drumasu (2015) brought a new view to CSI to connect the concept to the public sector, but the research was not strong enough to prove that the initiatives were CSI.

Finally, Gopaldas (2015) connected the concept of CSI to the positive marketing, that is, a marketing innovation that works to create value for the firm, customers, and society. Despite the marketing bias, it is related to the creation of shared value, as exposed by Pyszka (2013).

Some of CSI researchers presented empirical examples to illustrate or prove the concept. Those examples were almost developed at multinational companies, such as Bell Atlantic, IBM, Marriott International, Bank Boston (Kanter, 1998), Danone (Pyszka, 2013), 3M, and Intel (Herrera, 2015). Those cases demonstrated the relationship between companies and society, proving the mutual gain (shared value). In a different approach, Matei and Drumasu (2015) presented CSI at the public sector, even though the results presented were not deep enough to corroborate the concept.

The main assessment that can be done is that CSI has not been properly developed, with several fields to be investigated. Unlike the CSR that already has different approaches, from creation and application deployment models to evaluate economic results on CSR actions, CSI boasts a range of options, as mentioned in the previous item - Upcoming challenges.

Analyzing the time and quality of publications, this gap is easily proved. The seminal article is from 1999 and only from 2009 the following scholarly publications were researched. One article published in 2009, two in 2012, two in 2013, and four in 2015. Also, analyzing the quality of the publications, the seminal article was published at A1 journal (HBR). The articles of Hanke and Stark (2009), Herrera (2015), and Gopaldas (2015) also were published at A1 journals. That shows that the level and deepening of the publications are possibly getting better.

It is important to highlight the weakness in studies of CSI: so far, the articles have not established relationship with base organizational theories. Filling this gap with developing depth and diversifying approaches, CSI would be a strong organizational theory (Sutton & Staw, 1995).

## CONCLUSIONS

This theoretical essay proposed to present the concept and characteristics of Corporate Social Innovation (CSI) and Corporate Social Responsibility (CSR). In order to achieve that objective, researches about the theme were analyzed.

At a certain moment, companies noticed that social problems are economic problems and if they apply their resources to solve chronic problems of the social sector, their own businesses will be developed (Kanter, 1999). Thus, the Corporate Social Innovation concept arises, as an evolution of the Corporate Social Responsibility concept.

CSR can be considered as voluntary integration of the business operation and social and environmental concerns, which goes beyond of law's requirement, in a unilateral way (initiatives are done when and how the firm sees fit). Once CSR brings the social and environmental concerns to the firm, those initiatives are done when and how the firm defines it— in a unilateral decision way. Because of that model, some CSR actions do not work like they should, mostly because the involved parts are negligent during the decision processes, which result in actions that do not tend to their needs.

The needs of society are frequently changing and the participation of the involved parts is requested. Only with the participation of the private companies and the society, will it be possible to produce the expected results. In order to achieve that goal the community needs to participate from the project until the implementation of the initiatives. That way their needs will be answered, as the belonging feelings are developed, resulting in generation of opportunities to those who are considered the poorest populations. Both approaches search to further some social good, but CSI offers sustainable and long-term results. CSI is a new, unexplored field, which brings effective results to private organizations as well as society and environment. CSI is an innovation in the business model, which will challenge companies “selling to the poor and helping them improve their lives by producing and distributing products and services in culturally sensitive, environmentally sustainable, and economically profitable ways.” (Prahalad & Hart, 2002)

The field of CSI studies is in progress and presents positive research perspectives. Future research can be done assessing the relationship between social innovation and CSI, clarifying the benefits of the social and profit approach.

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