

LUND UNIVERSITY  
WELFARE POLICIES AND MANAGEMENT  
SOCIOLOGY INSTITUTION

# An Increase in Cooperation between the Public and the Private Sectors: an example of Corporate Social Responsibility as a part of Welfare Mixes in Russia and in Sweden

---

**Elena Kravtcova**

WPMM42, Master's Thesis, 30 credits

Spring semester 2012

Supervisor: Antoinette Hetzler

## **Abstract**

Elena Kravtcova

An Increase in Cooperation between the Public and the Private Sectors: an example of Corporate Social Responsibility as a part of Welfare Mixes in Russia and in Sweden

WPMM42, Master's Thesis, 30 credits

Supervisor: Antoinette Hetzler

Lund University

Sociology Institution

Spring Semester, 2012

Nowadays the private sector tends to increase its engagement into social and environmental issues and cooperate with the public organizations in order to contribute to the development of the societies where the companies operate and also mitigate the environmental damages incurred by industry. The increase in social responsibility by private firms is generally articulated by and pursued through their Corporate Social Responsibility (CSR) policies. The procedures, objectives and scope of such policies differ from corporation to corporation and from country to country.

This thesis employs a functionalist theoretical approach and considers structural differentiation within societies, as indicated by their respective level of development, which is crucial to the advancement of CSR. Sweden is used as an example of an advanced developed country with a high level of social responsibility widely accepted by private corporations. By contrast, in Russia, which is still going through an economically and politically unstable phase of development, some international corporations struggle to implement their established CSR policies. This thesis approaches the concept of social responsibility within the private corporate context as a new form of a welfare mix and aims at considering the nature of the social problems where the private corporation can make a contribution.

The aim of this thesis is to analyze how CSR contributes to solving social problems in Sweden and Russia. Swedish society is more differentiated in terms of the functionalist paradigm, meaning that its economic and political systems function in a relatively clear and stable manner. The thesis concludes by using Sweden's corporations as a benchmark for the development of more effective CSR models and procedures within the Russian private sector.

*Keywords:* Corporate social responsibility (CSR), structural functionalism, mixed economy of welfare, private sector contributions to society.

## The Contents

1. Introduction.....	1
1.1. Background Facts .....	2
1.2. Legal and Ethical Considerations .....	4
2. Theoretical Framework and Research Overview.....	5
2.1. Functionalist approach to understanding of the phenomenon of CSR .....	5
3. Methodology .....	12
3.1. Documentary Research .....	13
3.2. Interview Research .....	14
3.3. Case Study of Atlas Copco AB.....	15
4. Corporate Social Responsibility in Sweden and in Russia.....	16
4.1. Sweden .....	16
4.2. Russia.....	20
4.3. Analysis of the Current Situation.....	25
5. Views from the inside of the Corporations.....	27
5.1. Environment as a Concern – Sony Mobile .....	28
5.2. Environmentally friendly products of Alfa Laval Group .....	30
5.3. CSR at Open Joint-Stock Company “Transcontainer” .....	31
5.4. Quality, Safety, Health and Environment Standards – Keuhne + Nagel.....	34
5.5. The High Level of CSR at DHL, Russia .....	35
5.6. Analysis of the View inside the Corporations .....	37
6. The Case Study Research .....	41
7. Conclusion .....	47
Reference List .....	49
Appendix .....	55
1. Interview Research .....	55
1.1. Interview Guidelines.....	55
1.2. Interview Transcripts .....	55
1.2.1. Interview with Valentina Nikolaeva, OAO “Transcontainer” .....	55
1.2.2. Interview with Irina Fesik, Kuehne + Nagel, Russia.....	59
1.2.3. Interview with Guillaume Marechal, Sony Mobile, Sweden.....	62
1.2.4. Interview with Anna Mashninova, DHL, Russia.....	67
1.2.5. Interview with David Ford, Alfa Laval, the UK.....	71

## 1. Introduction

Social tendencies such as investments made by private firms into public events and organizations, as well as NGOs and governmental organizations consulting companies, demonstrate that today the private and public sectors are more and more connected to each other. They cooperate and work toward common goals, and help each other achieve better results in their respective spheres. The private sector seems to have become more responsible, aligning its work with that of governments, in order to contribute to the development of society in which consumers live (see Bentley, 2008). There is also an increased demand for companies to act in such a way, as customers require their contractors to be socially responsible, hence meeting this demand becomes a necessity for businesses to thrive (Porter & Kramer, 2006). Corporate Social Responsibility (CSR) has become the concept that describes private companies' concern with the development of society, such as the improvement of living conditions in local communities, environmental concerns among others. CSR has been introduced into the policies of a vast majority of companies working within the European market, but in countries where market economy is only emerging, CSR is mostly represented by separate activities such as charity or a responsible tax policy (Steer, 2009). Although direct comparison of the rate and level of development of countries is difficult to make due to their different cultural, social, historical and other contextual factors, in some regards -one of them being CSR- the Russian market is lagging behind that of Europe. The value of CSR has only recently started being considered in Russia, and so far it is mostly only the international companies who have found ways of introducing it into their policies. However this transition is not entirely problem-free (Bentley, 2008).

The main objectives of this paper are to analyze the way the private sector deals with the public issues and contribute to development of mixed economy of welfare in Russia. Hence, the research questions are:

*In what ways and to what extent do private companies contribute to solving social problems in Russia and in Sweden? What are the roles of CSR in mixed economies of welfare in the mentioned countries?*

Throughout this paper Swedish and Russian private firms' attempt to solve various social problems that are not entirely solved or covered by society's welfare systems are investigated. Serving as the basis of this discussion, the main focus will be put on CSR activities within the private sectors in these two countries. There are some issues that are not addressed by the governments and municipalities because they are considered to be too vague

and lacking urgency. Some examples are the adaptation of immigrant children in Botkyrka, one of Stockholm's suburbs, or the problem of stray animals in Russia. Problems always exist even in the wealthiest of societies. Rather than focusing on the complexity of how and why they arise, the focus is rather on examining the ways companies handle the issues that they consider to be important and relevant for the development of a society where their customers, investors and employees reside. Emphasis is put on which CSR activities various companies chose to engage in their home markets in order to improve the social situation. Through analysis of the topic a deep understanding of the differences in CSR implementation by companies in Sweden and in Russia has been made clear and consequently has led to some suggestions for the CSR activity improvement in Russia.

In order to even start drawing conclusions, there is a need to explore how CSR is perceived and related to in Sweden, and in Russia. A deeper insight through specific companies' attitudes in these countries is also relevant and necessary. What kinds of projects do private firms implement? What makes them increase the number of their CSR related activities? As a part of this research, several private companies in Russia and in Sweden were contacted, and company administrators, familiar with the company's CSR policies and their implementation were interviewed, in an attempt to shed light on what social problems they find relevant, and how they go about tackling them. In Russia the aim was to first and foremost contact international companies, as familiarity with the CSR concept and engagement in CSR projects in such companies seemed more probable. In addition a case study was undertaken to provide a better understanding of the topic. Data was collected during my internship at Atlas Copco AB in Stockholm, where I got firsthand experience in implementing CSR activities. The internship and related activities involved research on community engagement and charity projects, all under the scope of the Atlas Copco Group's CSR activities. The case study analysis has not only helped to draw some important conclusions regarding the topic, but it also became a basis for recommendations on how it is possible to increase CSR activities in a private company.

This thesis attempts to make a further contribution to the development of a mixed economy of welfare by underlining the importance of CSR policies in the private sector.

## **1.1. Background Facts**

The line dividing the public and the private has never quite been defined. It is constantly being renegotiated, as it is subject to a multitude of factors such as globalization

and other societal changes (Seeleib-Kaizer, 2008, pp. 1-13). In the context of the Mixed Economy of Welfare (Powell, 2008, pp. 17-33) which implies that states do not function alone but there are also private companies and NGOs working on achievement of social welfare goals, CSR remains a contradictory concept as different companies define it in different ways. Most commonly, however CSR is seen as attempts made by private firms to influence society positively (Baker, 2004).

In the late 1990's, circa the time of the first protests against globalization, a general consciousness arose concerning the decreasing gap between the private and public sectors (Brugmann & Prahalad, 2007). Governments have proceeded with the privatization of industries and the concept of mixed economy of welfare has become more prevalent. The maintenance of welfare systems became a concern of a multitude of agents; public, private and voluntary (Reddin, 2011). Lately the situation has reached a point where the private sector is actually expected to assume social responsibility. The 1990's saw many successful corporations such as Nike, Shell, and McDonald's come face to face with a substantial crisis. Some contributing factors were social, environmental, and health related issues. The result was an increased awareness and attention to certain social responsibilities, such as the improvement of living standards of their customers and of living conditions in the societies in which they operate, and contributions towards education and healthcare in those local communities (Brugmann & Prahalad, 2007). A good way of demonstrating how CSR is not merely an option but a necessity, required by current market conditions, is by considering the example of the Russian company, Norilsk Nickel. This company was forced to start with CSR activities that they engage in today, because its biggest Western partners significantly reduced business with them as they were dissatisfied with the large contamination to the environment that Norilsk Nickel was causing.

In recent decades various activist organizations have put much public pressure on corporations (Porter & Kramer, 2006). As liberalization started and governments' regulations of foreign investments significantly decreased, NGOs and corporations ended up confronting each other. Non-profit organizations saw an opportunity to influence and regulate private firms. Despite the fact that NGOs are often limited when it comes to the number of members and financial resources at their disposal, they can often deprive companies of profit and reputation through their ability to influence people through the media, especially with the intense growth of Internet communication (Brugmann & Prahalad, 2007). There are even examples of NGOs trying to manipulate larger and more influential companies into engaging and investing in various social problems, problems that these companies had nothing to do

with in the first place. For example, Nestlé, who was selling bottled water, became one of the targets of activists in their struggle concerning water consumption in the world (Porter & Kramer, 2006). Coca Cola's sales decreased dramatically after local NGOs in India accused the company of improper usage of water (Brugmann & Prahalad, 2007). Governments then started introducing CSR requirements for companies, aiming to gather valuable economic, social and other information. Consequently more and more companies started publishing CSR reports, though perhaps rather from the standpoint of creating an image of responsibility and be welcomed as benefactors of society, than actual concern for the current issues at hand, thus often resulting in a handful of badly organised activities that completely lacked strategic intention. In an attempt to make CSR more strategic and effective, corporations started collaborating with NGOs, consultants and academics. There is a substantial body of literature on the topic (Porter & Kramer, 2006). Today NGOs tend to cooperate with private companies, and have accepted the private sectors input as one means of tackling social problems. For example, the work of 'World Diagnostics', a private company, which provided the population with HIV and Malaria tests in Uganda, inspired local NGOs to contribute with funds for training of their personnel (Brugmann & Prahalad, 2007).

## **1.2. Legal and Ethical Considerations**

The concept of 'welfare state' has always encompassed more components than just the state itself. It refers to the state, as well as to the private, voluntary and informal components of society (Powell, 2008, pp. 17-33). According to Powell (ibid.), the UK has become a prime example of the state's increasing role in the regulation of many political areas. Although the distribution of provisions is increasingly left in the hands of private structures, the state is becoming the steering power.

One angle from which to analyze CSR is to take a look at the "license to operate" approach. This implies that the social issues in focus of companies' CSR policies are specified by the company stakeholders, such as investors, and customers (Porter & Kramer, 2006). The regulating power within a corporation decides how to carry out necessary duties. Thus, both social conditions and the authorities that deal with their improvement influence to a great extent the set of the CSR activities carried out by a firm.

Government regulations often push companies to be more responsible. These regulations are mainly concerned with policies regarding employees, security regulations, and environmental concerns. Firms are legally obligated to provide products that are harmless for

people and the environment. For example, Sony Mobile is obligated to follow the rules of the ‘National Measurement Office Enforcement Authority’, which regulates the usage of batteries and other energy related products, as well as the usage of a diversity of hazardous materials (National Measurement Office, 2011). In addition, as positive reinforcement, governments also offer tax deductions and other benefits to companies that show an interest toward, and support the health and well-being of their employees. Such governments tend to include the private sector into their welfare system, resulting in symbiotic cooperation. On one hand, the private sector helps with their attempts to solve social issues, and on the other, firms get to introduce benefit programs for their employees, both saving company money and leading to more satisfied and motivated employees.

However, official restrictions and requirements are not the only factors influencing a company’s decision making processes concerning CSR projects. There are a multitude of variables to take into consideration as well as legal requirements. Corporations have to respond to ethical values even though by law they are not obligated to do so, as otherwise they risk losing employees, clients, and stain their reputation, thus resulting in declining economic profit. Society’s values are constantly subject to changes and some ways of doing business are simply not socially acceptable anymore. For instance, taking care of the employees by suggesting extra activities sponsored by a company is not required, but becomes a necessity for a company to maintain a competitive workforce.

All in all, CSR seems not to be a voluntary expression of goodwill by private corporations. On the contrary, the structure and conditions of modern society require companies to act responsibly; otherwise they are left facing the risk of not being accepted, and consequently not successful. Moreover, governments legally restrict the production and usage of some materials as well as reinforce laws concerning the contamination of the environment, so that firms have no choice but to take care of the side effects of their production.

## **2. Theoretical Framework and Research Overview**

### **2.1. Functionalist approach to understanding of the phenomenon of CSR**

Each social phenomenon, seen from a sociological perspective, can be examined through various theoretical frameworks, which could be classified by belonging to either one of two paradigms; the nominalist or the realist approach. The nominalist approach suggests that individuals make up the social system through their behavior. The realist angle claims



that the social system determines the way we act. Expanding on the ‘nominalist framework’, the concept can be dealt with from the point of sociological theory of exchange, which suggests social interaction to be the basis of all social changes. Goal oriented social relations are called relations of exchange between individuals, meaning that in order to reach their goals, people have to interact and communicate (see Mazanik, 2010). CSR here would be considered as a means of communication among individuals and groups.

In this paper the seemingly most encompassing framework from which to consider the concept of CSR was chosen, the theory of structural functionalism, a part of the realistic paradigm. Structural functionalism and functionalism are based on the assumption that society is holistic, an integrated system. The theory is concerned with how institutions maintain themselves and how they manage and balance themselves in order to function in harmony with other parts of the social system. Functionalism understands each part of a social system as fulfilling its own functions and thus helping the system to maintain itself (ibid.). The initiator of functional theory, Talcott Parsons, sees a social system as an open system susceptible to change. Parsons perceives change as continual and evolutionary as opposed to revolutionary. Throughout the process of ongoing change, society becomes increasingly differentiated. Thus, as more versatile structures appear, they are not only aimed at serving those functions which could not be fulfilled by the previously existing units, but they also need to be more functionally adapted to modern society. Simultaneously, new mechanisms for control and integration of different functional systems appear, as means of adaptation of the new structures, to each other and to society. According to Parsons, structural changes appear as a direct result of a change in those values, which regulate interactions within social systems (see Parsons, 2005).

Parsons based his theories, and developed his work on ‘functional approach’ from the already existing premises provided by the social sciences of his time. For example, Durkheim’s concept of ‘Social Facts,’ which assumes that each individual’s behavior is determined by the material and spiritual factors that shape a social system, in Parsons mind seemed to paint a very true picture of the way society works. According to Parsons, it is the individuals fuelled by society’s values and norms that drive through societal action, i.e. in a community ruled by values. The core of any social system is normative order, which in turn organizes the entirety of social life. Individuals behave according to the values predetermined by order. Thus, a social system consists of values, norms, community organizations and roles, which determine the main functions of the societal systems. Parsons chose to refer to this as

adaptation, goal-attainment, integration and latency. These are the main functions fulfilled by social institutions within a society (Keel, 2011).

Among those who criticized different aspects of Parsons' theory was Robert Merton, who suggested his own approach for understanding the functional paradigm. Merton thought Parsons' theory to be too general, and somewhat incomplete, as it did not include the developmental component. Merton himself focused his approach on dysfunction, i.e. on the process triggered by tensions and contradictions within social systems and the changes they go through. Merton also makes a distinction between 'manifest' and 'latent' functions of social institutions, i.e. obvious (e.g. teaching is a function of schools) and recognized (students at schools are not only studying, but also making friends) functions (Long, 2007).

One of the more recent stages in the development of structural functionalism took place in the 1970s, when political scientists Gabriel Almond and Bingham Powell contributed to the paradigm by adding new sets of functions; political socialization, recruitment and communication, all criteria necessary for the comparison of political systems (London, 2012). By the 1980, functionalism was no longer the dominant theory within sociology, although neo-functional theories have become more frequent in recent years. These assume that social change is not a linear development as described by the functionalist approach, but that differentiation in societies can increase and decrease at different stages of their development, depending on the interests of people in power (see Rhoads, 2007). The work of Jeffrey Alexander provides a good example of the neo-functional approach. He developed Parson's ideas further, and promoted functional analysis on micro and macro levels. Alexander adds a component of interactionism to the functional theory by arguing that social action is determined by individuals' free will (see Alexander, Giesen & Mast, 2006). However, the contention here is that just increased differentiation has contributed to additional demands on corporate responsibility.

In terms of functional theory, the division of functions between the public and the private sectors, alongside the increasing complexity considering new interrelations and structures, are parts of the evolution of society. An increased differentiation within the social system has caused a separation of functions between the different actors. As complexity is brought about in a social system, more structures appear, each of them demanding new ways of cooperation, organization and collaboration within the system (ibid.). In the context of the functional theory, CSR takes the role of a new type of relation among different structures within societies. New values of environmental and social well-being are being promoted, as private firms are expected to monitor their effects on the ecological situation, public societies

demand more responsibility from corporations, and employees increase their demands on their employers. Corporations that cannot adapt to this evolution of demands would fail on the private market and be replaced by companies that are more flexible and adaptable to change.

Structural functionalism has been preferred to other sociological paradigms in this paper since the framework seems the most helpful for analysis of the role of CSR inside of societies. CSR is considered one of the functions, which appears as a society becomes more advanced in its social, economic and political development, and fulfills particular requirements set by the system with its given level of differentiation.

The choice of the theoretical framework in this paper is caused by an attempt to be scientifically neutral. CSR is a very controversial concept, which can be treated both very positively and extremely negatively. Looking at the situation in Sweden and Russia it seemed very important to try to discuss it neutrally, which can be achieved through using the right framework. The theoretical choice of structural functionalism led to discussion of the actual functions of CSR. At the same time the discussion is based on the context of development of societal structures, such as the organization of welfare mixes in the given countries.

## **2.2. Evolution of the CSR Concept**

The initial definition of the CSR concept was given by Bowen (1953 as cited in Carroll, 1999) and it refers to businesses' tendency to make decisions, implement policies and take actions according to what supposedly is desirable for societies. Bowen believed that responsibility was the key to corporations' success, even though CSR is not the only conditions for their profitability (see *ibid.*).

According to Whetten et al. (2001), the concept of CSR appeared in the 1950's and for companies it meant limiting state regulations, providing societies with the ability to contribute to the success of businesses, realising a better company reputation among customers and potential employees and also starting to consider social problems as business opportunities. According to McGuire (1963 as cited in Carroll, 1999), corporations no longer can afford to have only economic and legal orientations, they also face certain social responsibilities; firms have to engage in the welfare of communities, education, politics and the well-being of their employees. Walton (1967 as cited in Carroll, 1999) gave a fundamental definition to CSR emphasizing the factor of voluntarism in social activities by businesses, awareness of the possibility that there might not be any direct economically

measured return for their investments. CSR also becomes a part of business education after the Second World War.

Later on in the 1970s, CSR became a more scientifically discussed concept. Firms started employing activities that were directly linked to specific business opportunities under the title of corporate responsibility (Whetten et al., 2001). One of the most famous scientists who worked on furthering the development of the CSR concept at that time, Archie B. Carroll, suggested that CSR consists of the following four components: economic, legal, ethical and philanthropic responsibilities, together forming the CSR pyramid (see Figure 1). The economical component of social responsibility is the basic and most important one and it is represented by the economic profitability of a firm and involves a company's actions regarding issues that help the business to be successful. According to Carroll (Carroll, 1979 as cited in Carroll, 1999), it is important that economic responsibility is not something a firm does only for itself but an effort made towards a better society as well. Legal responsibility implies following the laws concerning its operation of the society in which it is operating. The ethical component stands for actions against causing any kind of harm or damage and for promoting fairness. Philanthropic responsibilities are to do with a company's actions benefiting society, i.e. as it is stated in the later reviewed version of the original Carroll's pyramid, responsible corporations should be good corporate citizens (Carroll, 1991 as cited in Whetten et al., 2001, Carroll, 1998). In the 1970's, CSR scientists also paid attention to the profit-maximizing component of responsibility practices of the private sector: "Social responsibility states that businesses carry out social programs to add profits to their organization" (Carroll, 1999, p. 274). During these times, CSR was viewed as a big part of corporate social performance. Responsibility became more than just an obligation that corporations had as it was found to be rooted in the norms and values of a society (Carroll, 1999).

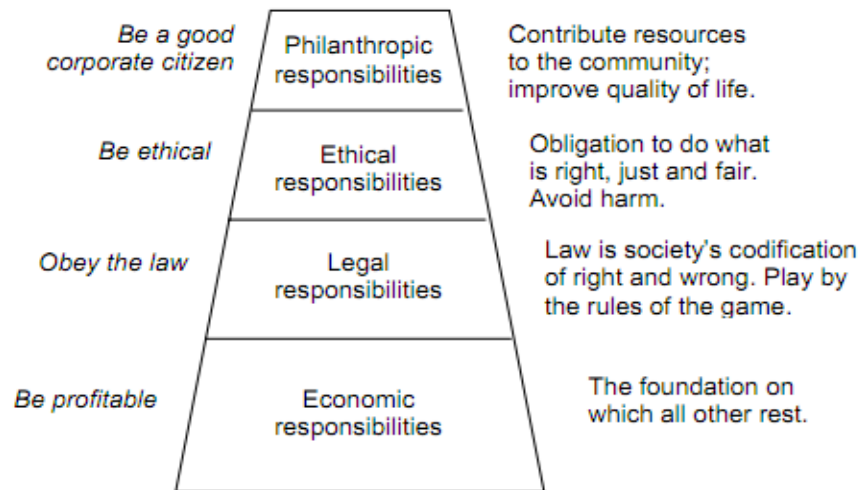


Figure 1. Carroll's CSR Pyramid (see Carroll, 1991)

During the 1980-s and the 1990-s CSR became seen as closely linked the financial performance of companies. Proper corporate citizens were expected to be economically successful. In the 1990s there were more attempts to 'measure' CSR. Kinder (as cited in Whetten et al., 2001) suggested a means of measurement of social performance of corporations based on ten different variables, amongst others environment, employees and community (ibid). Carroll (1999) believed that CSR in the nearest future needs to get more of an empirical connection to all those theoretical assumptions made on the topic in the past fifty years. The author also believed that the concept of CSR has a big future due to the increasing complexity of the relationship between business and society (Carroll, 1999).

One of the definitions of CSR looks at how the self-regulation of companies impacts societies. Here the emphasis is on the fact that businesses' responsibility has shifted orientation from shareholders to stakeholders (Jarvie, 2011). Thus, the CSR concept also refers to the Stakeholder theory, which basically treats any organization as a group of stakeholders, whose interests and goals together compose the goals of the organization in general. Stakeholders, who are usually defined as any group able to affect the objectives of an organization (Fontaine et al., 2006) should be considered by managers of any corporation in their decision-making process (ibid.). A dialogue with the Stakeholders is believed to be the key factor in the development of CSR strategies, as it determines the potential approval, and hence the success of a business in a society.

Currently CSR is mostly considered as a positive phenomenon based on cooperation of NGOs and corporations that have innovative businesses as their weapon (Brugmann & Prahalad, 2007). On the other hand, CSR activities themselves can generate

innovations and many other opportunities when corporations contribute to solving social problems (Porter & Kramer, 2006). For modern developed businesses CSR has become a good investment bringing economic profit by both enhancing the company's reputation and existing employee satisfaction as well as for recruiting new talent.

Nevertheless, already in the 1950's the concept has been criticized. Conservatives believed that CSR creates wealth for the corporations and leaves social problems for governmental organizations to deal with. In their view, allowing the private sector to deal with social issues means not letting pluralistic society develop (Whetten et al., 2001). Some of the contemporary critical views on CSR suggest that despite voluntarism being mentioned in the majority of definitions, activities claimed to be undertaken out of responsibility are in fact no longer voluntary (see Prieto-Carron et al., 2006, Brugmann & Prahalad, 2007). CSR has become a topic of many scientific and business discussions questioning the intention behind the CSR related actions of the private sector, emphasizing that corporations only tend to have their own financial goals and interests at heart in the implementation of their CSR activities. Some scientists also question the very idea of the possibility of a situation, where companies are meant to contribute to societal development and benefit themselves at the same time. They point out that firms often claim to have solved one problem, however in reality have done so by neglecting, or even creating another. For instance, in some Middle Asian countries, companies conduct a struggle against poverty offering their workers extra shifts, but when their female employees work numerous extra hours, they lose the ability to take care of their children (Prieto-Carron et al., 2006, pp. 980-981). Another example is Coca-Cola creating an image of promoting health by educating people concerning HIV, but never drawing attention to the damaging effect of their product on people's teeth (The Responsible Business Experts, 2002). Moreover, many companies give up on their own CSR policies as soon as they show negative influence on profit increase (Prieto-Carron et al., 2006).

Critics often express their mistrust to the concept referring to the economical purpose of business, the goal of which is to make profit and not do the governments' job by dealing with social and environmental problems because systemic effective solutions cannot be suggested by the private sector anyway. Furthermore, even after the 2000, when CSR has become an inevitable condition for most companies' success, some authors consider the projects to be more about communication than about real changes in the firms' practices. Moreover, those changes, which actually took place, are believed to be only about the corporations' economic profit. Some activities help achieve a better image on the market,

some start producing and selling ethical goods, while others use CSR to attract and keep the most qualified employees (Juniper, 2012).

All in all, in this paper CSR is viewed as more or less neutral phenomenon. I tried both not to exaggerate its positive consequences and take into consideration the critical points. CSR is considered as an outcome of society's evolution, i.e. within the framework of the functional paradigm CSR emerged and developed as an objective tendency resulting from increasing complexity of societal interrelations. This paper does not exclude acceptance of corporations' profit urge while implementing CSR policies, neither excludes it the existence of the win-win situation (see *ibid.*). Below CSR is understood as the private sectors' activities aimed at improvement of conditions in societies where private companies operate.

### **3. Methodology**

This thesis deals with the ways in which Corporate Social Responsibility functions within a functionalist theoretical perspective. This paper is based on the assumption that CSR emerged as a corporate practice resulting from increased societal differentiation. The theoretical choice made in this thesis leads to a certain methodological choice, which is analysis of CSR as a new function inside of two different social systems. This analysis focuses on the actual actions and measures taken by the corporations within the given countries. This way it is supposed to exclude personal opinions and assessments given by interviewees, the researcher or the official sources of information and add to neutrality of the investigation and conclusions. The research focuses on how and what the new corporate practice does to serve increasingly more complex societies.

In order to answer the research question posed earlier a triangulation research method strategy is used. Triangulation is understood as an employment of several methods in order to look at one topic from different perspectives (Olsen, 2004). Being most commonly aimed at validation and involving cross-examination of data using a variety of methods (Woods, 2006), this strategy also contributes to the widening of the obtained knowledge (Olsen, 2004). Triangulation strategy in this paper includes using three sociological methods and it is divided into three research steps. First of all, a documentary research of all the available information concerning CSR implementation by Swedish companies has been conducted. The next step of the research involves interviews with representatives of Swedish and Russian companies that have implemented CSR activities. The final step in the methodology

is the use of a case study within a company carrying out CSR activities. Data for the case study was collected during a 10-week internship at Atlas Copco AB in Stockholm.

The general hypothesis for this research is that both Swedish and Russian companies are aiming their CSR activities at solving the existing social problems specific for each of the societies, but that the way in which this is done, and the amount of work involved is assumed to be more developed and better thought through in Sweden than in Russia, making it possible to use the example of the success of Swedish companies' in order to promote the value of CSR in Russia.

### **3.1. Documentary Research**

The hypothesis for this part of the research was formulated in the following way. More information is available on CSR activities of Swedish companies than on those of Russian companies. This could be due to the differentiation process of social change being at a more advanced stage within the Swedish business system than within the Russian business organization.

Documentary research was necessary in this paper mostly for pilot purposes. It is aimed at finding out the factual information regarding the projects and their communication within some of Swedish and Russian companies. In terms of structural functionalism the actual functions of the relatively new societal actor, which is corporations' CSR, are being analyzed. With the help of this first stage of triangulation the research has gotten the necessary preliminary information regarding what exactly is done in general, how much and in what ways it addresses the existing social problems.

Documentary research also serves as a good source of social information, as documents –technically all sorts of written text (May, 2001, p. 178) - provide a good representation of social practices (ibid., p. 176). According to May (ibid.), it is very important to sort through the sources of information, especially when it comes to research on modern phenomena, as an enormous amount of information is available on the Internet. The first part of the documentary research in this paper includes to some extent the process of information selection, i.e. it is done in the manner of a pilot research. Generally the analysis is aimed at understanding the way CSR is implemented by corporations in Sweden and in Russia. At this stage of the research it was crucial to gain an understanding of the general picture to then be able to compare the two societies' ways to get their problems solved by either the public or the private sector or both. Also it was important to establish which kinds of problems are left



up to the firms, and how these firms then participate in the welfare process, if they do at all – all in all, the question in focus was the different ways companies' CSR activities function in different societies, that obviously are at different stages of their political, economic and social development. All available data such as Internet sources, books and articles were employed in this part of the inquiry. The web sites of the largest companies were analyzed. It is important to mention that the smaller local companies were out of focus in this research, as mostly bigger international companies were concentrated on. This selection was based on the fact that the smaller Russian companies not yet have made use of the CSR context in their ways of conducting business. Hence, for the purpose of a valid comparison Swedish local companies were excluded as well.

Reliability of the documentary research -i.e. consistency of results over time and with repeated data collection (Golafshani, 2003) was achieved through the use of multiple sources of information: different web sites on a variety of companies, for example. Validity is defined by whether the research actually measures what it is meant to measure (ibid.). In this research validity is quite easy to achieve, as the research question is quite unambiguous.

### **3.2. Interview Research**

The second part of the triangulation was represented by the interview method. Semi-structured interviewing has been chosen in order to achieve more valid results, as it is easier to analyze. This kind of conversation allows people to speak more on their own terms (May, 2001), while at the same time giving the researcher an opportunity to get answers on his or her particular questions. In this research, interviews with people who deal with CSR activities within international companies were carried out. The sample was selected based on both the availability of these people for interviewing and on the information found on whether the companies CSR programs are active. Thus, representatives of Sony Ericsson and Alfa Laval familiar with CSR activities in Sweden and Kuehne + Nagel, DHL, Transcontainer and Gazprom Neft in Russia were selected as informants. Interviews consisted of several blocks of questions; a description of the company's activities; the company's contribution to the development of the society in which it operates; the place of CSR activities in the everyday work of employees.

The hypothesis was formulated in the following way: CSR activities correspond to the dominant social problems in each country. Representatives within the Swedish companies are more articulate about the functions that can be fulfilled by using CSR practices than

representatives of the Russian companies. The dominant social problems a company chooses to deal with are considered to be defined by the company itself, according to the relevance of the issues. It is known that the corporations tend to contribute to solving problems that are currently urgent in their countries of operation.

Reliability and validity of the interview part of the research can be guaranteed with the help of transparent logical interpretation of information from the interviewees, which can be achieved through clear explanation of what is expected and what kind of data is being collected. Documentations in the form of interview transcripts also contribute to the reliability level of the research, mainly because it gives an opportunity to go back to the information (ibid., pp. 137-142).

### **3.3. Case Study of Atlas Copco AB**

Hypothesis: Since the processes of differentiation are more advanced within the Swedish business culture, Russian firms' CSR activities would be more successful if they could make use of the experience and work of more differentiated societies, such as Sweden.

The purpose of the case study was to take an in-depth look at the CSR activities of a well-known Swedish company with a history of success concerning their CSR projects. Studying cutting-edge practices of one of the most CSR active companies in one of the wealthiest societies in the world is immensely beneficial as the information gained can contribute to the acceleration of social differentiation, i.e. aid societies in their development offering solutions to their social problems through the private sector, when the input of public organizations alone is not sufficient. The 10-week internship included research on community engagement and charity projects. These are considered to be a major part of CSR policy within the Group of companies under the brand of Atlas Copco. I complemented my research with a field trip to Moscow in order to find out more about the implementation of community engagement and charity projects in Atlas Copco in Russia. This experience then also enabled me to help the Group Centre of Atlas Copco to improve CSR policy implementation in Russia by acquiring support for Russian initiatives and offer suggestions on how to improve the quality of their projects. The case study on the internship research documentation contributed to the analysis of how CSR activities function within the Swedish context. Moreover, the suggestions made for the Russian Atlas Copco company can be used as a starting point for less differentiated societies, such as Russia, to develop CSR by promoting the Atlas Copco Corporation in the business environment, as well as contributing to the

strengthening of areas of social services in a larger welfare context. Atlas Copco was taken as an example of success in implementation of CSR projects and its best practices are basically analyzed. It does not mean that Swedish CSR in general or CSR at Atlas Copco are ideal. The description of the general way of CSR implementation in Sweden can be found below. The aim of the case study was basically to find out the ways to arrange successful functioning of CSR applicable to societies with different development levels and hence levels of complexity in terms of the functionalist approach.

Reliability and validity here are not a concern, as the research done for Atlas Copco AB achieved its goals and was considered to be successful from many different perspectives. The case study is relevant to the thesis because it provides a substantial amount of information on the CSR activities of one of the privately owned and stock market listed corporations on the Swedish market on the one hand, and corporation goals and corporation problems on the Russian market on the other. The empirical material gathered during the 10-week case study is highly relevant to the analysis of the further role of CSR and privately owned corporations in the wider development of particular services directed towards welfare management.

#### **4. Corporate Social Responsibility in Sweden and in Russia**

##### **4.1. Sweden**

According to “CSR Sweden” (2012), corporate responsibility implies active involvement of the private firms into development of communities, which is assumed to strengthen interrelations among shareholders, employees and customers. CSR is also aimed at encouraging discussion between the private sector and politicians. “CSR Sweden” itself is a network founded by one of the Swedish NGOs called NFC Sweden (Foundation Swedish Jobs and Society) and supported by the big European network called CSR Europe. In cooperation with the so-called NyFöretagarCentrum (the Enterprise Agency) it deals with consulting companies on the CSR issues, holds CSR conferences etc. (CSR Sweden, 2012). The online newspaper called “CSR i Praktiken” may also be mentioned as one more information resource which might as a non-governmental organization working on communication and support of CSR.. It reaches its goal of communicating the benefits of sustainability principles including CSR activities inside of the private sector through publishing discussions on the topic and stories about the achievements of different companies (CSR i Praktiken, 2012).

Swedish public policy in the sphere of CSR is considered to be advanced (see Schaller, 2011). Diverse political actors work on promotion of CSR activities seeing them as a way to get businesses internationally competitive and to increase international political influence. To achieve this the government introduces laws to increase transparency of business operations and pension laws, as well as supports CSR policies financially and by raising awareness about international standards (ibid.). One of the most famous examples of the government's work on increase of CSR activities is the Swedish International Development Cooperation Agency (Sida)'s promotion of CSR. Sida is an organization lead by the Swedish Foreign Ministry. Giving most of its attention to the issues of democracy, human rights, climate change and gender equality, the organization deals with many problems including CSR development. To help increase of CSR activities Sida works with companies which already have CSR activities on their agenda; at the same time they help to initiate CSR policies in those companies which want to start working in an ethical and responsible way (Sida, 2010). Among other networks there is a platform, called Globalt Ansvar (Global Compact), which was founded by the Foreign Ministry for cooperation of NGOs, government and corporations. This network organizes forums and generally works on the improvement of the ecological situation, promotion of human rights; they also fight against corruption and contribute to development of better working standards. Globalt Ansvar's main goal is the promotion of CSR principles for all the companies operating on the market (Globalt Ansvar, 2012).

Swedish private companies work in accordance with CSR principles quite a lot as well. Usually CSR policies are considered as parts of sustainability policies of the companies. For example, Volvo has a separate department called Sustainable Development, which deals with economic and social development issues (Volvo Group, 2012). Another example is Atlas Copco, which Sustainability Report includes as a major part dedicated to Corporate Responsibility of the Group (Atlas Copco, 2010). In order to understand the context in which the CSR policies are implemented within the private sector in Sweden I analyze several companies' official documentation which they openly publish.

Volvo Group (see Volvo Group, 2012) claims that it has its business oriented on social and economic development and environmental care. Social development is believed to include promotion of human rights as well as regulating the labour issues in a responsible way. The company promises that its goal is to be able to fulfill the demand of the present generation without compromising the needs of the future generations (ibid.). Volvo is included in many sustainability indexes such as Dow Jones Sustainability Indexes and Nordic

Sustainability Index, which means the corporation is one of the leading responsible enterprises on the international level (Volvo Group Global, Our Achievements, 2012). The Volvo Group divides its CSR into four major components: economic responsibility (promise of long-term benefits for all the stakeholders), social responsibility (aimed at creation of long-term relationships with the stakeholders), environmental responsibility (minimization of the negative effect of industrial production on the environment) and social contribution (help to the society's development) (Volvo Group Global, Corporate Social Responsibility, 2012). The corporation has already supported universities in the USA and in France financially, it works on raising road safety and environmental issues awareness. It is an important fact to mention that Volvo considers its social activities as a way to strengthen relationships with the stakeholders, such as customers, employees and local authorities. The company also has its own foundation, which supports social projects, and in 2010 it distributed 36, 3 million Swedish kroner (Volvo Group, 2011).

H&M is one more large Swedish company working on international level. Its CSR policy employs the popular concept of value for money, which for H&M means providing fashion and quality at the best price. Quality implies not only good products, but also the right conditions under which the products are manufactured. Moreover, H&M officially refuses to work with those suppliers who do not follow safety and labor standards and their factories. The company pays much attention to environmental issues. Again, it works with its suppliers a lot in order for them to follow the ecologic standards as well as it follows the publications on consumer tests and NGOs' concerns in order to be aware of what is considered important by the stakeholders of the business. H&M conducts chemical tests of products materials and it also controls its and its suppliers' water consumption and carbon dioxide emissions. H&M's charity concept goal has developed within the area in which the company operates. The projects they implement focus on women and children due to the fact that the company is against child labour and the majority of its employees are women. Education is also a major concern in the corporation's agenda. H&M cooperates with UNICEF and other aid organizations in order to financially support their projects around the world. For example, the company donated 1,5 million US dollars to the HIV/AIDS project implemented by UNICEF. In addition, the corporation has many activities aimed at water supply in countries in need of clean water as well as initiatives aimed at increasing awareness about breast cancer (H&M, 2007).

Probably the most famous Swedish enterprise, Ikea, shares H&M's opinion concerning work with suppliers. Products made from Cotton are Ikea's main sale items, the

company aims to work with cotton manufacturers that have a sustainable way of cotton production, which means less harm for environment, a decrease of manufacturing costs for farmers, better quality for consumers, etc. (ibid.). Ikea claims its CSR activity to be focused in the areas of better living, environmental care and children. The projects which are dedicated to children deal with better living conditions, education and safety for kids. The way Ikea implements its projects is by offering its financial support. So local communities can apply for the company's funds in case they need money for implementation of their projects. This way of implementation of Ikea's CSR policy, when the initiative comes from the clients themselves and not from the management of the corporation, seems to be helping the company to support those projects which are really important for the local communities (Ikea, Charity and Sponsorship Requests, 2011). Ikea also works on better quality and safety of the food served in its restaurants by keeping track of sustainability in the way the food has been grown and produced (Ikea, 2011, Food Safety). Besides, the big part of Ikea's CSR activities is their forest projects. In cooperation with other organizations such as WWF the company focuses on responsible usage of the natural resources (Ikea, 2011, IKEA Forest Projects).

Even smaller chains such as supermarket networks try to lead responsible and sustainable business by suggesting wide ranges of ecological products. Coop is the Swedish chain of supermarkets of which 30 % of its goods are ecological. These organic products are marked with special labels and they are always easy to find (Swedish Institute, 2011). One more retail company focused on food and meals is ICA. It also suggests a variety of organic and healthy products. The chain charges its customers for plastic bags in order to reduce the consumption of plastic. The company also participates in a variety of projects aiming at the decrease of the emissions of carbon dioxide, one of them setting a goal as bold as to attempt to decrease overall carbon dioxide emissions by 30 % by the year of 2020. ICA runs additional campaigns such as supporting the employment of people with disabilities in its stores and encouraging children to eat more fruits and vegetables (Tay, 2011).

All in all, Sweden is perceived by the rest of the world to have a very socially responsible private sector. In the year of 2007 a NGO called Account Ability introduced its Responsible Competitiveness Index, which was topped by Sweden. The Index included many areas in which responsibility in business should be assumed, such as working conditions, environmental issues, corruption etc. Gender equality was emphasized as one of the strongest sides of the Swedish business world (Swedish Institute, 2011). Upholding productive

stakeholder dialogs and the building of trust are assumed to be key factors for business productivity and success in Swedish companies (Tay, 2011).

Figure 2 summarizes the documentary analysis of the CSR activities of the Swedish companies. The diagram shows the degree to which the companies claim and implement their responsibility policies. The lower level of CSR implies implementations of less CSR activities comparing to other companies included in this analysis. The higher level of CSR is related to more activity in the sphere of all kinds of CSR projects. The horizontal axis contains the scale of the companies' CSR projects from local to international.

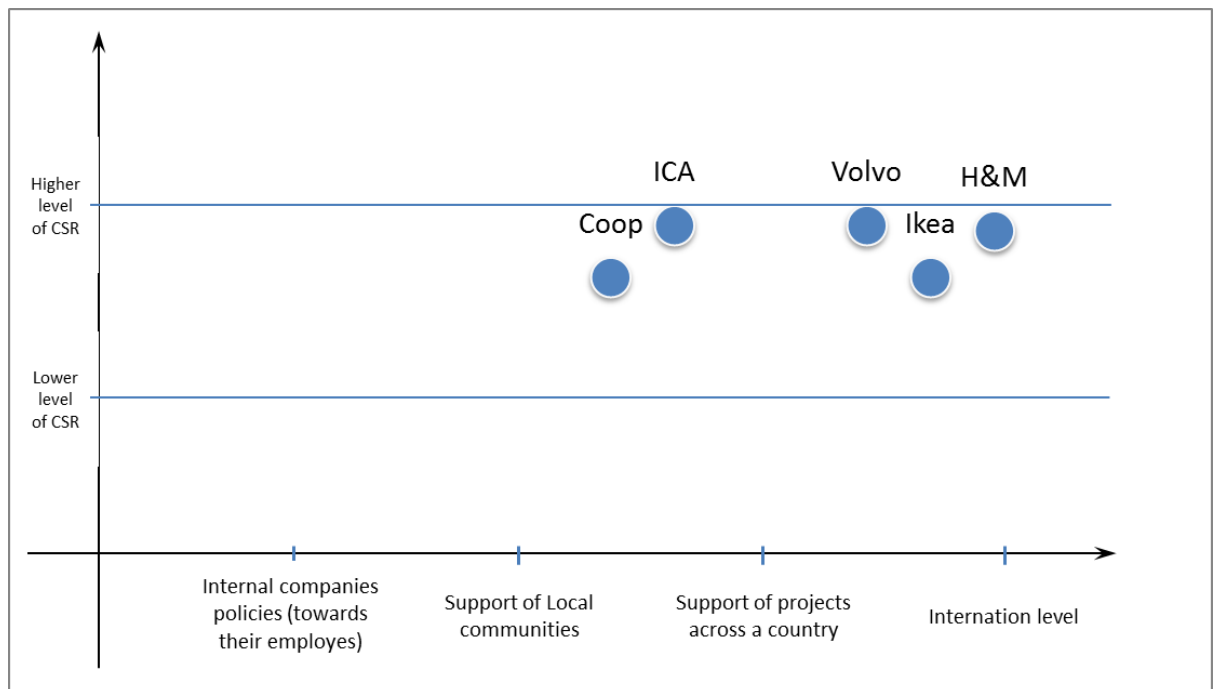


Figure 2. CSR activities of the Swedish companies

#### 4.2. Russia

CSR is a new phenomenon for the Russian reality, but since the Russian economy is becoming more and more focused on the global market, many Russian companies are becoming active on the international market and international companies have also opened offices in Russia. Such companies face the necessity of starting to implement CSR activities. Many of these companies have already grown to play important roles in the social development and infrastructure in several regions of the country. 30 Russian enterprises are members of the Global Compact, but only 4 of them do the reporting (see CSR WeltWeit, 2009). This small group of companies which realized that CSR is not only a part of public

relations but also a major part of corporate governance led an ongoing dialogue with society and efforts to build developmental strategies accordingly (Kostin, 2007).

The biggest problem of CSR development in Russia is lack of transparency in both public and private sectors. Foreign companies with Russian departments have the level of transparency in having their in is the highest (nevertheless, it often doesn't meet the requirements of these companies), the state owned corporations are supposed to have the lowest level of transparency (ibid.). However, many companies operating on the Russian market have already faced the necessity to comply with international standards and become responsible in their ways to do business.

Currently the Russian government is not really engaging in developing partnerships with the private sector. Regardless of liberalistic developments in the economy and the increasing privatization of public services there are still no signs of a mixed welfare economy. Social welfare questions continue to be left for the government to decide. Recently, however, authorities have started realizing the benefits of cooperating with private firms that want to be more responsible and contribute to the development of the societies in which they operate. Nevertheless, neither federal nor local government have any authorities dealing with CSR concerns (ibid.).

One of the first Russian companies which published a CSR report was OAO Gazprom. The report focused on the most important aspects of CSR and sustainable development, which affect all the stakeholders of Gazprom's business, including customers, manufacturers and also politicians. Even though Gazprom is not totally a private enterprise and until the recent years it used to be state monopoly, this report might be regarded as among the first evidence of CSR being a part of the life and development in Russian society. This statement, is however debatable, as Gazpom itself can be considered as monopoly. Moreover, the top managers of the company are successful politicians, so it can hardly be possible to make any statements about CSR functioning in the public and private sectors simultaneously based only on the information about Gazprom. Nevertheless, whoever brings the initiative, social programs and other CSR activities are implemented by the company. The sustainability report summarizes the company's activities in the years of 2008-2009 and it has a slogan "Gas is the energy of the current and the future generations". The document includes the company's policy regarding environmental care, energy saving, safety questions and social activities. Social projects of Gazprom are famous in Russia. The company was the first enterprise spending significant sums of money and implementing noticeable and actively communicated projects such as building of sports schools and swimming pools, support of



the Olympic Games 2014 in Sochi, etc. Gazprom has made a large contribution into development of some Siberian regions, where the government does not have enough of funds to support local people: the company finances building of apartment complexes and infrastructure objects, organization of the right disposal of waste at local factories, development of local industries; also it attempts to improve everyday life conditions for local people. So far swimming pools and sports schools construction are among the biggest CSR projects in Russia. This Gazprom's project is called "Gazprom- to the children" and it includes many activities dedicated to the improvement of children's living conditions including more opportunities for them to do sports with professional instructors and with the best quality equipment, participation in organized by the corporation sports festivals and competitions etc. Gazprom also cooperates with the Russian Orthodox churches. The company supports monasteries and helps reconstruction of the old church buildings. Gazprom implements much smaller projects such as financing of orchestras and ballet troupes, helping to restore monuments and supporting rehabilitation programs for victims of acts of terrorism (OAO Gazprom, 2010).

In 2011 the biggest Russian mining and smelting company Norilsk Nickel published its seventh CSR report. The company is leading in its sphere enterprise on the Russian market, but it currently develops its international business – they have already opened several departments abroad, including for instance Norilsk Nickel Australia. Moreover, Norilsk Nickel has had long relationships with foreign customers, for example, Atlas Copco.. CSR principles of Norilsk Nickel are the following: manufacturing a range of safe and necessary goods demanded by society, quantity of which is compliant with the amount demanded; using resources' saving technique; managing business according to the local laws including tax legislation; conforming to the rules of international agreements; providing more jobs for people living in the communities where the business operates; support of socially vulnerable groups; providing safety of the production; following labour legislation; assistance to the cultural and professional education of employees. As it has already been mentioned, Norilsk Nickel decided to add CSR policy to its management thanks to the fact that some of its international partners did not approve of the company's environmental contamination and lack of any effort to compensate for the damage. It is important to mention that Norilsk itself, initially being a city built around the big factory, is characterized as quite a depressing place by people who have visited the city. The ecological situation here is extreme. However, in the recent years Norilsk Nickel is contributing a lot of money, time and resources into reducing the contamination and compensating the harm made to the city and its inhabitants. It is

evident that the company's charity fund is increasing, as in 2010 the company was able to donate almost 5 times more than in the previous year. Activities aimed at children's sports education including financial support of equipment purchase are priorities for both Norilsk Nickel as well as for Gazprom. Moreover, Norilsk Nickel is donating much money to development of infrastructure and increasing employment rates of the localities. Such projects are especially reasonable because for the last 70 years ago many cities have been built around the company's factories and Norilsk Nickel plants continue to be the main employer in these areas. As for projects dedicated to younger children, one of the most popular kinds of charity activities is building playgrounds for kids. The corporation has organized building many local playgrounds (Norilsk Nickel, 2011). One of such projects in Norilsk has been carried out in cooperation with Atlas Copco in 2011.

Norilsk Nickel and Gazprom are two giant corporations, which used to have monopoly in their spheres in the times of the Soviet Union and many economists still consider them to be monopolists (see RBK, 2011, Rutland, 1997, New Region-Moscow, 2010). These companies cooperate with the government in various areas, which also impacts the the decision-making process.

To create a greater understanding of CSR development in Russia it is necessary to consider the outcome of those companies that play more by market economy rules when they start operating in Russia. Below there is analysis of international companies working in Russia and dealing with CSR issues. Russian companies working only within the country have not been included because unfortunately they have yet to begin CSR projects thus only those who work with foreign firms usually have some initiatives (CSR Journal, 2011).

In the year of 2011 the British audit company Ernst & Young published its first CSR report documenting the firm's CSR activities in Russia. The aim of the report is stated as a provision for a better dialog between the company and its stakeholders. The company has joined the Council of Improvement of Investments' Climate which is directed by the Prime Minister Vladimir Putin. Ernst & Young do a large amount of work dedicated to the improvement of the way business is done in Russia: they participate in development of the corresponding legislation and the principles of corporate governance. The company has also founded the Entrepreneur of the Year awards in order to support young businessmen and helped the Technical Museum to analyze its financial strategy based on the documentation of the leading museums. When it comes to the responsibility of its business trainings at the universities, translating international CSR guidelines into Russian, getting Russian employees to participate in the company's Alumni Parties, collecting clothes for children orphanages,

and supporting charity funds which helping children, pensioners and people with disabilities are among the company's priorities. At Ernst&Young 2012 is declared to be the year of healthy life style (Ernst&Young, 2011).

Intel is carrying out quite a lot of CSR projects in Russia. They started this kind of activities right after they opened 5 offices in Russia in 2004. The Russian employees of the company work for the projects implemented by NGOs as volunteers, for example, they organized celebrations and cooperated with a program called "We make wishes come true" to give New Year's Eve presents to orphans. In 2005 the company organized Intel Computer Clubhouse, where teenagers from the families that live below the official poverty level (they are many in Russia) could come and learn to work with computers. Intel's employees volunteered at the Clubhouse. In general, Intel's CSR program prioritizes ecology, education and helping vulnerable segments of the population (Intel Corporation, 2010).

Although CSR has yet to become a force that affects the Russian business environment and its participants lately it has gotten some attention from the government. For instance, the Ministry of Economic Development has founded an award for "The best company (or project) contributing to the development of local communities within the operation region. NGOs have also gradually started dealing with the issues related to responsible business. CSR Journal is the leading information and analytic web-portal that promotes CSR and the development of sustainable principles in Russian businesses. Scientists, journalists, managers and politicians participate in discussions and publish their articles in the journal. This resource is the leader of searching requests concerning CSR (CSR Journal, 2012). Founded in 1999, the Managers' Association has also started dealing with the responsibility issues. Currently the association has promotes ethical business practices as one of its main goals (Managers' Association, 2011).

The picture of the CSR activities of the Russian companies is shown on Figure 3.

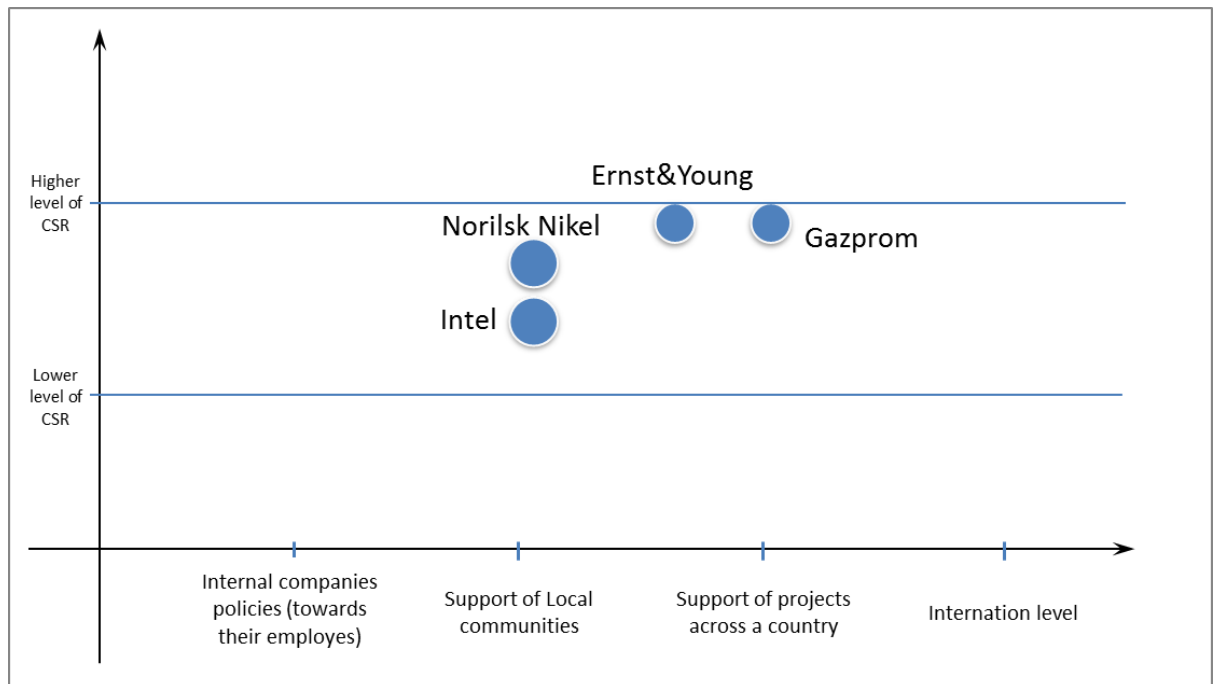


Figure 3. CSR activities of the Russian companies

### 4.3. Analysis of the Current Situation

The hypothesis of this thesis has encompassed the assumption about availability of more information on Swedish company CSR programs compared to that of their Russian counterparts has not been verified to the full extent. Indeed, CSR activities of the Swedish private sector seem to be better organized and communicated, however there still exist a large amount of data concerning Russian CSR activities. Nonetheless, the Swedish CSR policies and projects are more versatile than the Russian ones.

In Sweden CSR programs seem to have an important role in the way the society functions. It does not look like it is an option for the companies to implement CSR projects or not to.. The market (customers, employees, and politicians) accept only responsible ways of managing companies, which means that CSR has actually become imperative function inside of the Swedish system. Comparing to the Russian fragmentary CSR infrastructure the Swedish system has organizations and authorities dealing with the CSR issues on the regular basis. So far Russian society does not have a long CSR history and companies' CSR policies are now emerging. As they emerged in Europe decades ago, through customers' refusal to deal with irresponsible enterprises (Brugmann & Prahalad, 2007), they are now appearing among the biggest Russian companies which are losing their foreign partners that do not want to cooperate with firms damaging the environment and breaking fundamental rules of transparent business. On the other hand, international corporations, which extended their

businesses to the Russian market, bring their Group policies into the Russian society, thus setting new standards for the smaller Russian firms.

Versatility of the Swedish companies' CSR projects is first of all connected with the big amount of help to the developing countries. Swedish employees are enthusiastic about helping African and Latin American countries to get water supply or to help stop child labour in Asian countries. Besides, the Swedish companies have many local activities mostly connected with community engagement field as charity in Sweden cannot be very popular. The Swedish welfare system, mostly run by the government, meets most of the society's vulnerable groups' needs. Thus. Since the Russian welfare state cannot cope with this kind of tasks very well, the firms operating on the Russian market are busy mainly with the charity activities. The local urgent problems such as lack of sports and gym opportunities for children and teenagers, poverty of orphanages etc. are mainly dealt with by the Russian companies, which definitely prioritize local charity activities to community engagement projects.

Coming back to Figures 2 and 3, I would like to emphasize the fact that both Swedish and Russian companies tend to cooperate with the welfare systems, i.e. they obviously act according to the existence of some social, ecological or economic problems, addressing the urgent issues. Thus, Swedish corporations are known for implementing many projects on the international level by cooperating with such organizations as UNICEF or WWF. So the area on the graph (see Figure 2) between support of local communities and support of projects across a country is mostly filled by the welfare state in Sweden, which is why the private firms can proceed to the international level. At the same time, Russian developing society, which is transforming from socialist principles to the liberal ones for the last 20 years has a lot of financial, economic, political and also ethical problems when it comes to the same area on the graphs. It means that the private companies do not really cross the border of support across the country when it comes to their CSR activities (see Figure 3), probably because they see more urgent problems around themselves. All in all, in both cases CSR policies of the companies work in cooperation with the welfare systems, having their achievements as starting points and closing the gaps where the system do not manage to fill. (This assumption is going to be considered in the next section of the research.) According to the results of documentary research, CSR projects carried out by private firms seem to be part of the welfare system. Having become an obligatory function inside societies, where companies are not accepted in case they are not socially responsible, CSR has been included as a component of the modern welfare mixes. The components need to be regarded differently in different

countries, however today they are the parts of the social distribution of welfare anyway (Powell, 2007). At the moment the Russian system, which is still under the transformation period, has many discussions regarding the way to deal with the welfare questions. Should the government take more responsibility or should liberalization take place and make the welfare services commercial? This is partly the reason why there is instability, poverty and contradictions inside the system. But one cannot deny the effects of globalization and liberalization of the economic system in the country. So together with the promotion of the market economy principles the government urges the private sector to go international and thus which assumes the existence of CSR activities in the companies. The imperative character of the CSR function is clearly seen through the analysis of the Russian CSR in connection with the welfare system. CSR becomes one more force which forms the Russian welfare mix and at the same time it becomes an obligatory part of it as responsibility is expected from the corporations. In Sweden the function of CSR, as I have already mentioned, looks more stable. The society itself is more stable and the functions of the public and private sectors are not questioned to that big extent as they are in Russia. CSR has become a part of the welfare system by contributing to the well-being of the state through compensation of the ecologic harm done by manufacturing, through better employment opportunities going along with the developed employment policies etc. And although it is clear that the Russian and the Swedish systems are at totally different phases of their economic and political development, Sweden can become a good example of the way to distribute the social functions inside of a welfare mix.

### **5. Views from the inside of the Corporations**

The aim of the interview part of the research was to: 1) extend the documentary analysis results; 2) draw conclusions regarding the Swedish and the Russian ways to implement CSR policies; and 3) to find out employees' attitudes to the CSR projects and to what degree were they aware about the issue.

The Swedish companies were selected according to the possible availability of the employees familiar with the CSR questions. The resulting type of the sample was caused by the difficulties with finding informants as well as the fact that there was no significant difference between Swedish companies implementing CSR policies as revealed in the documentary research.

The Russian companies included in the sample were supposed to represent the picture revealed by documentary analysis. Companies selected were: one subsidiary of the state-owned organization, which used to belong to the state as well and two international companies with departments in Russia but the common CSR policy originated from the main offices abroad.

Informants were people who are employed by the mentioned firms, familiar with the question of CSR and are involved in the process of implementing CSR policies at their companies. Selection of particular employees was done according to their availability. Interviews were conducted in the semi-structured form via telephone or Skype.

### **5.1. Environment as a Concern – Sony Mobile**

Sony Mobile is an international corporation which deals with production and selling of mobile telephones all over the world. The Swedish part of the company was named Sony Ericsson before, and it is one of the biggest businesses in Sweden.

According to Sony Ericsson's Sustainability Report (Sony Ericsson, 2011), the company manufactures its products as the sole responsible party during the whole life cycle of the phones. Financial results are also included in the report, which means that company is responsible from the point of its economic profitability as well. As for community engagement (unlike many other companies mentioned in this research Sony Ericsson has no charity section in the report), the company mentions its help to Japan after the earthquake, its finance support of schools in Indonesia and China and cooperation with a charitable NGO in Malaysia. In Sweden Sony Ericsson has become a part of an organization called Transfer. It provides high school students with lectures given by professionals in order for the teenagers to be able to choose their future professions and education fields. Sony Ericsson's employees have become lecturers for this program (see *ibid.*).

It turned out to be very difficult to find an informant representing Sony Mobile. The company does not have many contact details on its web-site, and the general reception is apparently situated in England, from where the secretaries connect people with any Sony Mobile company they need, including the Swedish one. The informant, Guillaume Marechal, the validation product manager at the company in Sweden, was recommended as a person who is aware of CSR activities of Sony Mobile. The interview was carried out via the phone and it took 20 minutes.

The informant mentioned the fact that Sony Mobile has a lot of ongoing environmental projects in its companies all over the world. One of the most famous campaigns is called GreenHeart. The company produced a range of the ecologic phones, manufacturing of which used less chemicals. One of these phones has been awarded as the greenest smart phone.

Sony Mobile is taking part in career fairs regularly, it also gives a plenty of students opportunities to do internships at the company. Specifying it as his personal opinion, the informant emphasized that those internships are very much connected with the company's profit orientation:

“So internship means that student works for free basically and company benefits from the research student is doing or by working in expertise field like radio antenna or whatever” - Guillaume Marechal, 2012-02-29 (see Appendix, lines 281-283).

The students might get employed by the company after they complete the internships. Thus, even though internship opportunity might be viewed in different ways including considering it is a community engagement activity giving working experience to many students; it is a good employment policy for the corporation, which has a chance to find the best employees through their intern databases. From this point CSR is a matter of mutual benefit of the company and communities, which contribute to the success of Sony Ericsson's business. The Russian companies have not yet got to this connection, which will be described below.

As for internal responsibility concerning employees, the informant mentioned that Sony Mobile gives the employees a specific amount of money to be spent on fitness. In case the employees do not use the money given to them at gyms, yoga centers etc., this money can't be received in cash. Thus, the company is taking care of its employees' health, which can be regarded as a part of the welfare process. Obviously the state cannot give every citizen money for a gym card, thus the private firm took over this health and sports promotion responsibility by making it free for the employees.

The informant is not aware of any activities of the Swedish office of Sony Mobile towards charity internationally or locally. He also emphasized the importance of economic profit of this kind of projects, which are definitely carried out by Sony Mobile's foreign offices. According to Guillaume, in this capitalist society the aid projects are aimed at getting some economic profit or tax reduction.

Based on this interview it is possible to conclude that Sony Mobile's CSR activities are mainly connected with the company's orientation on increasing economic profit. This is



one of the points of those who tend to criticize CSR as a concept (see Coors & Winegarden, 2005; Tung, 2006). But in the frame of the functionalist approach of this paper the economic profit orientation cannot be treated as something negative: CSR is incorporated in the Swedish (in this case) society, and it fulfills its specific functions inside of it being a part of economic, social and other systems.

## **5.2. Environmentally friendly products of Alfa Laval Group**

Alfa Laval is a company which deals with heat transfer, separation and fluid handling in the spheres of food, water and energy supply, pharmaceuticals and environmental protection (Alfa Laval, About Us, 2012). Environmental concern seems to be very important for the corporation since it is communicated to rather big extent through the company's official web-site. Alfa Laval has been releasing sustainability reports since 2007, but even before that since 2003 the company has been doing so-called Progress reports, which also contained environmental component (Alfa Laval, About Us, Reports, 2012).

David Ford, Corporate Social Responsibility Manager of Alfa Laval became an informant for this research. David is working from the UK, but he is responsible for all the CSR activities within the Group of companies, thus he was asked about the general Group policy as well as particular activities in Sweden. The interview has been carried out via telephone on the 19<sup>th</sup> of March 2012.

According to the informant, Alfa Laval has economic profit from the environmental aspect because many of the products suggested by the company are aimed at reducing energy consumption and reduction of contamination anyway, thus just by selling them the corporation gets the direct business profit:

“By coincidence, a lot of Alfa Laval products are used for environmental applications <...> quite a lot of the need for our products are coming from environmental concerns in the society” – David Ford, 2012-03-19 (see Appendix, lines 576-578).

At the same time, the company implements some projects dedicated to the environmental concern and of course it also meets the global and local ecologic requirements:

“The Swedish legal standards on environment are some of the hardest in the world, the toughest” – David Ford, 2012-03-19 (see Appendix, lines 557-558).

Alfa Laval is participating in career fairs, many of the Group's companies implement such activities as tree planting. According to David Sweden's infrastructure is very developed as the state manages the vast majority of the issues, thus the Swedish Alfa Laval office does not need to implement so many community engagement projects as other corporate locations

may implement. The company has not carried out many international projects, but they are currently looking at the opportunity to support some projects within UNICEF's Save the Children. The informant also mentioned that Atlas Copco's project Water for All (financing water supply in the 3d world countries) is a great example and Alfa Laval should also participate in this kind of activities.

CSR activities aimed both at charity and community engagement and at the Group's employees are mostly local initiatives, according to David. They are supposed to report to the Group center, but decisions on what and how should be implemented are made locally. Nevertheless, the Group has started looking at the problem of white collar workers' stress connected with their disability to escape from work even when they have time off because of all the available modern devices. Employees also participate in some team building activities on the local level. But the Group center does not demand any reporting on this topic. The companies are obligated to document only the fact of their ability to fulfill the local legal environmental requirements:

“<...> but there are local initiatives which we don't ask to report on because <...> it would be too much to read actually” – David Ford, 2012-03-19 (see Appendix, lines 692-693).

### **5.3. CSR at Open Joint-Stock Company “Transcontainer”**

Transcontainer is a company which deals with logistics, i.e. it works with transportation of cargos in containers via railway across Russia and also to Germany, Finland etc. The company has business connections with many countries across the Russian border. In July 2005 Transcontainer became an independent private enterprise when it was separated from the railway monopolist, Open Joint-Stock Company “Russian Railways”.

The core of the company's Social Responsibility is its HR policy. Transcontainer's main goal is to create a better working environment for its employees, who are supposed to associate the company's success with their personal achievements and to understand that their contribution makes up this success. The company has different programs aimed at increasing employee motivation and their business education. Transcontainer also claims a commitment to the ecological situation. In 2008 the company increased financing for environmental projects significantly and currently it is trying to use technical processes which contaminate the environment less. The firm stands for the right way of the industrial waste disposal in order to make its business more ecologically responsible. And the last but not the least sphere of Transcontainer's CSR activities is charity, which the company dedicates to helping sports

schools with equipment, participating in rehabilitation programs for people with disabilities, as well as contributing to the restoration of religious and historic objects. Besides, the company gives financial support to families with more than three children (according to Russian legislation, these families are considered as a vulnerable group and they have an opportunity to get benefits) and donates money to children's hospitals.

Valentina Nikolaeva, the deputy chief of the HR and social projects department of Transcontainer from Moscow, Russia had become an informant for this interview. The interview had been conducted via telephone on the 28<sup>th</sup> of February, 2012. Valentina spent 15 minutes of her working time to answer the research questions.

First of all, I would like to mention the fact that it was quite hard to find someone in charge of CSR activities in Transcontainer even though I was employed by this company couple of years ago and I still have a lot of connections there. Valentina is supposed to be the only person except for her boss who officially deals with social questions and CSR at the company. When the informant was found and asked for help, she was a little bit confused by the topic of the interview and was afraid of the questions she would not be able to answer emphasizing that she will not give more information than it is already published on the corporate web-site (Transcontainer, 2012).

Indeed, the informant did not provide the research with any more factual data than is published on the company's web-page. Actually, she was not really articulate about most of the projects mentioned officially, but more interested in the HR department's project dedicated to the commercial pension fund for the employees. The idea of the program is that each person working for Transcontainer can sign up to contribute to the commercial pension fund. Each employee's contribution is equally matched by the company, thus people can decide on the size of their future pensions themselves. This program is regarded as one of the ways to keep people working for Transcontainer. Knowing the Russian reality, I would like to emphasize the fact that social benefits, especially those which provide goods in the long run, are regarded as an important factor for one's decisions whether to work for a company or not. Pensions in the country are often lower than the living wage, so the commercial pension fund can easily become a reason to stay employed by some company despite of other possible disadvantages.

On the other hand, Transcontainer is an excellent example of a private firm being a part of the welfare mix. Russian system is undoubtedly becoming a mixed economy of welfare. The reasons for this process might become a topic for a separate discussion, but at the moment it is obvious that not only those welfare organizations left without state financing

are turning to commercial providers of welfare services, but also private firms with their own businesses not connected with the welfare issues become a part of the system, closing the gaps formed by the government's inability to provide the benefits as a result of social redistribution of welfare functions.

Even though the informant admits that the pension fund program has connection with keeping people from changing the employer, she does not associate the initiative with economic profit for the company:

“Here it is hard to say about the economic profit. Because, in general, these are expenses. You know, for example, an employee, saving money, gives some part of it to the fund each month. The same sum is given by the company, which means that for the firm these are expenses...” – Valentina Nikolaeva, 2012-02-28 (see Appendix, lines 68-73).

On the other hand, the company's success is associated with the importance of human resources:

“We consider human resources to be our company's main goal. That is why we take care of our employees seeing the results of their effort” – Valentina Nikolaeva, 2012-02-28 (see Appendix, lines 35-37).

The lack of connection between the company's profit and its CSR projects made by people responsible for the activities might be a reason why the projects are not actually implemented to a bigger degree. Basically the only activity Valentina is familiar with is this commercial pension fund, which is actually coming from Russian Railways, a part of which Transcontainer used to be. The program is an initiative from the Management, not from the employees and it is not really implemented by the employees. They use its benefits, but even the HR department considers the projects to be a part of the company's corporate governance:

“Everyone should do his or her work. In general, the company should make profit. And the HR department's task is to provide the company with the qualified specialists” – Valentina Nikolaeva, 2012-02-28 (see Appendix, lines 109-113).

Being responsible is not the purpose. The main task is to make profit, which does not really correspond with the only CSR project on the agenda, because the activity is an expense. Besides, the company does not consider itself to be contaminating the environment. Thus, going back to Carroll's CSR pyramid, it is possible to conclude that Transcontainer has not gone further than the second level of the CSR structure.

#### **5.4. Quality, Safety, Health and Environment Standards – Keuhne + Nagel**

Keuhne + Nagel is also a logistics company. It is one of the world's leading logistics operators which started its business in the 1980-s in Germany. Keuhne + Nagel are currently in locations working around the world and one of its rather big offices is located in Russia.

CSR projects are actively promoted by the head office of the company. The quality, safety, health and environment (QSHE) standards are maintained by Keuhne + Nagel. The firm has plenty of safety and environmental certificates on the global scale and it aims to provide the best quality services all over the world and it functions according to the customer orientation approach.

The informant, who represented Keuhne + Nagel for this research was Irina Fesik, the HR manager of the company in Russia, in its office in Saint-Petersburg. The interview has been carried out via Skype on the 28th of February, 2012.

Despite the information on CSR given on the company's web-page according to the informant not many projects are implemented. Like the representative of Transcontainer, the informant from Keuhne + Nagel is articulate about only one project that has been recently carried out. According to the informant this project is a charity activity, which had been an initiative from the main office of the company in Germany. This New Year's Eve instead of giving the corporation's clients in Saint-Petersburg presents as it is usually done, the company sent them all cards saying that the money usually spent on the gifts has been donated to the fund "Present a Life", which deals with children's rights and makes the so-called "orphan drugs" (medicine that is very rare and often not available) available for children. This fund also works on changing legislation which does not benefit children and carries out campaigns dedicated to finding donors.

The Russian employees of Kuehne + Nagel do not have and they actually do not need to have any charity or community engagement initiatives because the local company's CSR is governed from the head office, which is situated abroad. Unfortunately, this is the way many foreign companies work in Russia. The effectiveness problem here is that foreign management often has very few people working with CSR and they can hardly have an opportunity to analyze all their enterprise's foreign markets and the social situations there. So they do not succeed so much especially when it comes to raising the level of CSR participation among employees. This also happened at Kuehne + Nagel. Employees did not participate in the decision-making process. All the decisions concerning the project were taken by the head office managers.

“Look, probably I should have read those letters, which they were sending. They were informing that here, the management made a decision. I don’t think it was our Russian management who decided” – Irina Fesik, 2012-02-28 (see Appendix, lines 178-181).

The informant also emphasized that nobody was really sure where the money was spent, which is a big issue in Russia for many private firms and NGOs. They have to deal with very reliable organizations and funds and ask for regular reporting because fraud occurs quite often.

It is important to mention that the project is of social welfare character. What the company donated money to development of legislation for children’s rights, parental leaves for people whose children are sick, etc. So Kuehne + Nagel cover another part of welfare system in Russia, which the state does not manage to deal with properly.

Like Valentina, the representative of Transcontainer, Irina does not believe that the project she was talking about brings the company economic profit. It is considered to be charity, which did not even work for good image for the corporation because the cards with information about the project were sent to people who already are Kuehne + Nagel clients. Again, the company demonstrates lack of interest to do CSR projects in case they are connected only with welfare and have nothing to do with direct economic profit.

“We are an irresponsible company” – Irina Fesik, 2012-02-28 (see Appendix, line 127).

Ecologic component of CSR is also neglected by the company in Russia. Even though on the Group level environment is one of the basic components of the CSR policy, the representative thinks that the firm does not bring any harm to the environment, which is why it is not necessary to deal with the issue. However, Kuehne + Nagel takes care of its employees, which not so many Russian companies do. Very competitive salaries are combined with regular parties in Moscow where all related accommodations are paid by the company.

### **5.5. The High Level of CSR at DHL, Russia**

DHL is a famous international corporation, which has its companies in about 120 countries all over the world and which specializes in logistics sphere. For people who are at least a little bit familiar with the concept of CSR in Russia DHL is a well-known example of the responsibility principles put into reality. The company is one of the first private enterprises that actually started implementing CSR projects in the Russian market. Nowadays

DHL still helps other firms not only being an example and taking part in diverse activities, but also consulting interested companies and sharing experiences.

The informant from DHL, Anna Mashnina, Communicative Executive at DHL's office in Moscow, Russia, helped the research with a lot of information regarding the particular projects carried out by DHL. Anna also demonstrated the fact that she is very familiar with the idea of CSR, with the way it should be implemented, how it is implemented and why. DHL seems to be seriously standing out of the whole range of Russian companies willing to deal with CSR.

DHL has three branches of CSR activities globally: Go Green, Go Help and Go Teach. The Russian company has projects within all three directions. They participate in tree planting as well as giving the client the choice to pay a little extra in order to get their cargo sent carbon dioxide neutral as this additional money is spent on environmental projects implemented by DHL. The company also collects paper in order to send it for recycling which is not very common for the Russian reality yet. Nevertheless, these are not initiatives from the Russian employees yet as these activities are global and are carried out internationally. Within Go Help Russian DHL is providing help to those who are in need due to natural disasters. For example, when there was fire in forests across Russia the company was transporting basic things to those places where people suffered. Besides, DHL regularly transports medication which is not available in Russia for one of the charity funds helping children. The direction of Go Teach is aimed at educating children who are deprived of this opportunity. Employees of DHL visit orphanages and hospitals in order to teach children such basic things as ability to listen and to finish tasks given to them. Everything is done in cooperation with another charity fund. The education project has recently been awarded as the best social project within DHL network.

According to the informant, the ideas of the projects are mostly global DHL initiatives. But it seems that for the Russian business reality this is already a lot, because the number of the active employees is constantly increasing and they have already initiated one project within Go Green, which is planned to be implemented soon. The high level of CSR within the Russian part of DHL may be proven also by the fact that the informant connects the economic profit with the projects:

“Although we do not set the goal to make profit of the social projects, thanks to them we are discussed and it has positive influence on our reputation” – Anna Mashnina, 2012-03-07 (see Appendix, lines 510-512).

Moreover, Anna is talking about DHL as a responsible company, which contributes to environmental and social projects not only locally, but also on the international level. The interviewee is articulate about the connection of the money, time and effort put into children's education with the future success of DHL business:

“It is important that our potential future clients are educated. The higher the educational level in the country, the higher the level of economic development, this is profitable for business” – Anna Mashninova, 2012-03-07 (see Appendix, lines 496-498).

The company's global ecological responsibility is also understood and communicated by the informant, who believes that in each part of the world each company has to deal with the issues because in case of any local disaster people everywhere may suffer.

One more very important point made by Anna is that the problem of corruption and of money disappearing on its way to people in need is solved by DHL with the help of complete implementation of the projects from the start until the end:

“We don't give money to the funds, we use the project approach, and i.e. we implement the project. We don't give money to the funds just like this” – Anna Mashninova, 2012-03-07 (see Appendix, lines 520-521).

## **5.6. Analysis of the View inside the Corporations**

Different companies implement diverse CSR activities, but some common tendencies can be noticed as a result of this part of the research.

First of all, Swedish companies associate the projects' implementation with getting economic profit for themselves. Many authors (Coors & Winegarden, 2005; Tung, 2006 etc.) regard this fact as a sign of commercial nature of CSR, meaning that it is nothing but intention to multiply profit when it comes to charity and goodwill from the private sector. But in the light of the functionalist approach the Swedish way of understanding CSR, which is apparently seeing it as something which a company cannot avoid on the way to the success on the market, the phenomenon of CSR has become an integral function in society, which is a part of business and an important component of businesses' success. In Russia CSR activities remain optional. They are not connected with economic profit or any other part of the business process, but are considered as something benefiting the employees and the reputation of companies, but not their economic component. For the Russian companies those rare CSR activities that they implement are still considered as expenses. Going back to the research overview made for this paper, it is clear that CSR policies of the majority of Russian companies are correspondent with one of the critical views on the concept of CSR. The



policies are more about communicating the responsibility principles than about real actions and practical changes in the corporations' policies (see Juniper, 2012).

Nevertheless, the part of the hypothesis which contained the assumption about the CSR activities responding to the most urgent social problems has been proven. In Russia, where the state cannot completely manage to cover all the social problems and help all the social groups, the private sector responds with donating money to orphanages and problems of children and also with helping the employees to make sure they will have pension when they are retired. The concept of community engagement is not articulated among the Russian companies. Charity is what is mainly done. On the other hand, the Swedish companies tend to work with community engagement more. They donate money to the third world countries, but they seem to never do it in Sweden, because there is simply no demand for it. Swedish welfare systems is able to take care of all the vulnerable groups and the only need which is met by the Swedish company might be professional orientation of high school students, especially those with immigrant background, promotion of sports activities among company employees, etc. Thus, it is possible to conclude that CSR has become a part of welfare mix and it proves the development of the mixed economy of welfare. But as different countries have different backgrounds and different standards of living, the private sector contribution covers different issues.

Despite lack of the need to help Swedish welfare system, the private sector does not really have this choice of implementing the CSR activities or not. More developed Swedish society has worked out this imperative CSR function with the time of liberal market and societal growth and development. Russia, which has got rid of the communistic regime 20 years ago and which is still in an unstable phase from an economic and social development perspective, is only making attempts to make the economy and politics function according to the market principles. This developmental delay (compared to the Swedish society) has resulted in the fact that CSR function has only started being articulated among the companies working on the Russian market. CSR is not obligatory in Russia, even though most of the companies are originally foreign.

Based on the results of the interview research, I would like to come back to Carroll's CSR pyramid (see Figure 4) and try to understand what stage are the companies that have been discussed in this paper are at.

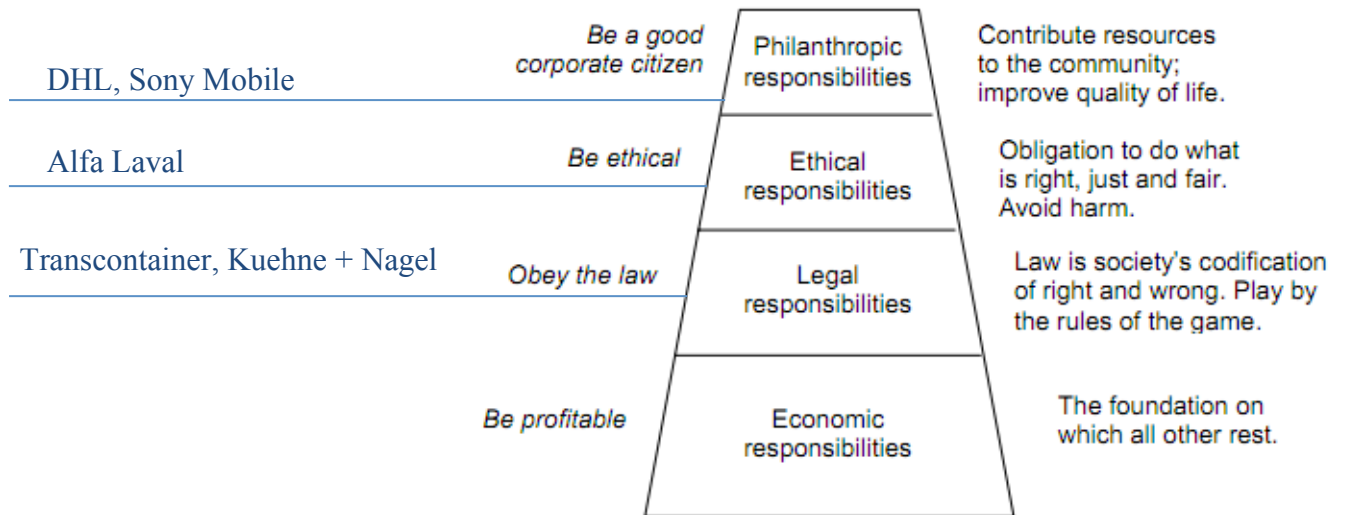


Figure 4. The positions of the investigated companies within Carroll's CSR Pyramid (see Carroll, 1991).

The diagrams below (see Figure 5 and 6) depict the level and the character of CSR activities of the companies included in the research.

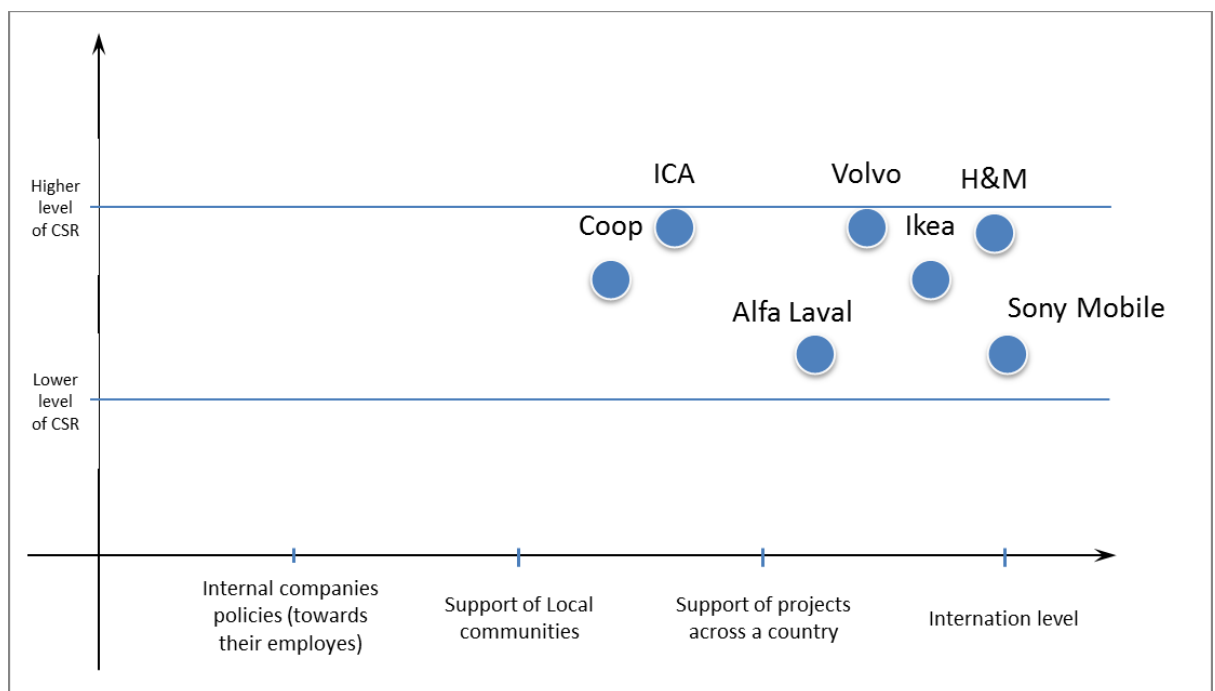


Figure 5. CSR activities of the Swedish companies

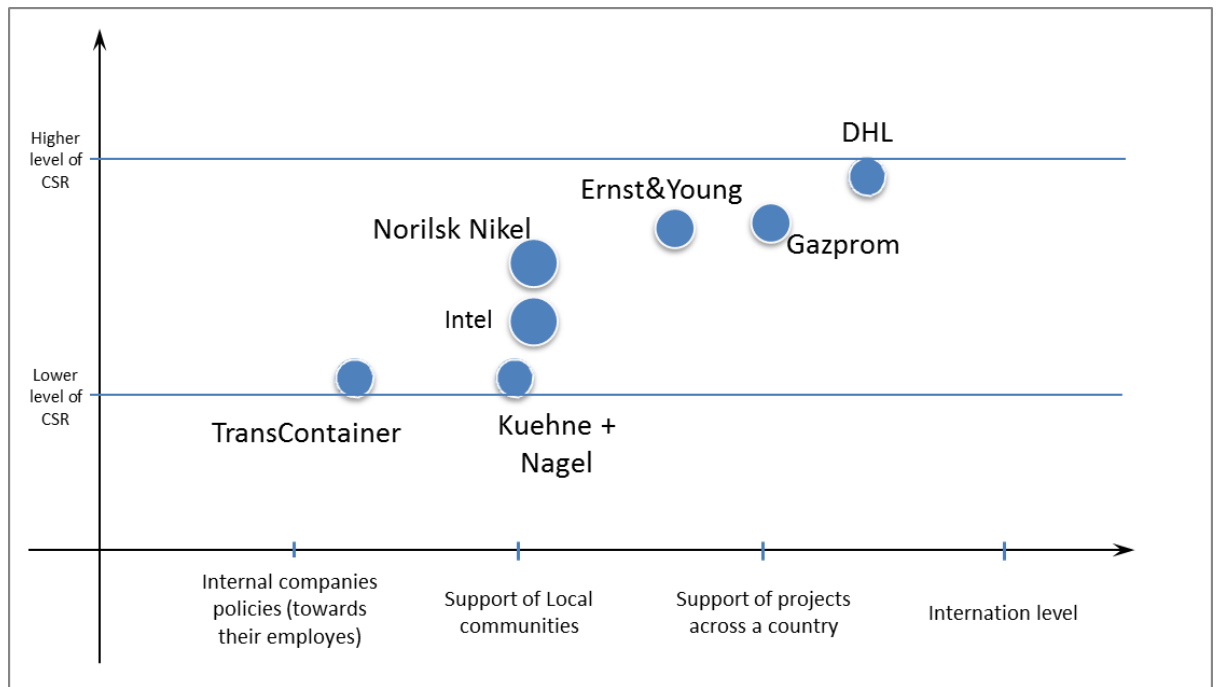


Figure 6. CSR activities of the Russian companies

Finally, according to the above diagrams it is possible to compare the general CSR activities levels in the mentioned countries. See Figure 7.

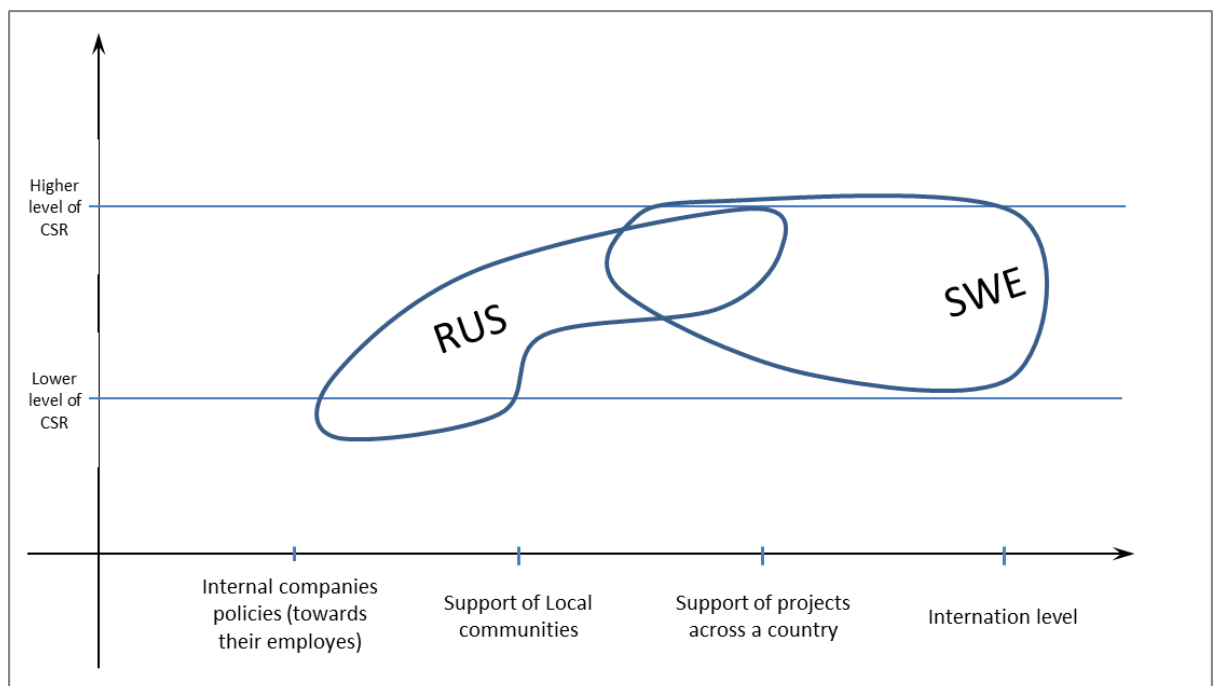


Figure 7. CSR in Sweden and in Russia

All in all, the hypothesis for the interview research, which made an assumption that the employees of the Swedish companies are more articulate about the CSR issues compare to those of the Russian firms, has basically been proved. In Russia people who are supposed to be familiar with their companies CSR activities tend to give less information than their

employers publish on the official sites. Nevertheless, DHL is the exception to this tendency and according to the information collected within the case study described below DHL has become a role model for many international companies struggling to get their Russian departments interested in implementing CSR projects.

## **6. The Case Study Research**

According to Yin (2003), case study as a research strategy is usually used in order to get knowledge of social, political or other phenomena. The explanatory case study below is aimed at clarifying the way CSR works inside one international company, which is dealing with the topic both in Russia and in Sweden independently. This case study is believed to be able to provide the basis for significant generalization and explanation (see *ibid.*) of the different ways to implement CSR projects in the welfare mix context. It was also supposed to provide suggestions for the Russian companies to boost their CSR activities as well as employee participation in them. The advice is based on learning from the best practices of more developed and in terms of functional theory differentiated Swedish welfare and economic system.

According to the results of the first two parts of the triangulation, the most general Swedish way of doing CSR is more advanced than the Russian practice. Swedish society is more developed and Swedish private companies have more experience of working with the CSR function, which is required within their environment. Russian companies, which have just started implementing their responsibility policies, encounter many problems trying to make their business socially responsible. Thus, for the Russian enterprises in order to be more successful in Russia and abroad and also contribute to society's development, it is possible to make some recommendations basing on the experience of the company, which is successfully working within the more advanced and differentiated Swedish system and where CSR has already become an obligatory function required from the firms by the society.

Atlas Copco AB has been selected as the case for this research because the Swedish company of the Group is considered successful in its CSR projects as well as many other Atlas Copco companies all over the world. But employees of Atlas Copco in Russia have not reported on many CSR activities they have carried out. Furthermore, the results of the 10 week internship research at Atlas Copco Group center are also employed in the case analysis for this paper. The research was initially dedicated to finding out the factors which make the Community engagement and charity projects work in Swedish Atlas Copco and in the

Group's other locations. Moreover the aim was also to define those reasons which keep Russian Atlas Copco from being active in its CSR activities and to give advice on improvement of the projects' results and quality and as well as increasing of the employees' participation. Although the internship research was connected with community engagement and charity activities only, it applies to this paper thanks to the fact that the mentioned part of CSR is quite significant and representative and it can be employed as a functional example of CSR within the discussed societies.

First of all, Atlas Copco is a large Group of companies, which sells its products in 170 countries around the world. Each company is considered to be independent, but has to follow the Group policies regarding such business aspects as branding, ethic rules, community engagement and charity policy and so on. CSR is a big part of Atlas Copco Group's work. It is included in the yearly sustainability reports, the achievements are being communicated through the Group's publications, in the newspapers and through the employees on the local level. For example, Atlas Copco in South Africa has been awarded for being the most sustainable HIV/AIDS project by the Swedish Workplace HIV/AIDS Program after they organized regular centralized checking for HIV/AIDS for all of their employees. The economic value of this project was also appreciated by the managers of Atlas Copco in South Africa, who realized that healthier and more motivated employees resulted in higher performance.

In order to find out which factors make the CSR projects work six interviews with the managers were carried out. The companies selected for the sample were chosen basing on their Community engagement and charity reporting to the Group center. The most successful company managers participated in 30 or more minutes of semi-structured interview carried out via the phone from Stockholm. The HR manager Hanna Jacobsson, who has recently stopped dealing with the community engagement and charity issues at the Swedish company of the Group, was interviewed in person. All in all, managers from Sweden, Germany, Chile, China, Ghana and South Africa were included in the sample. Furthermore, the factors which increase success of the projects in Atlas Copco Group are the following:

- Setting employer branding as a goal.

Employer branding as a policy of companies to get a reputation as good employer can be achieved with the help of CSR projects through implementation of various projects dedicated to well-being of the companies' current employees and through advertising themselves as responsible employers in order to attract new people.

- Culture of helping each other.

It is very hard to change the situation in case the entire country's culture does not include the pattern of helping other people. The absence of this component might be the result of historical reasons.

- Considering the projects as returns of investment.

The projects should be regarded as bringing economic profit to a company. Employees should be aware of the fact that if a company's image includes responsibility component it works for the enterprise's business success as well.

- Clear structure of implementation and reporting.

Employees should always know in which way their help and donations are used. They should also see the results of their own voluntary work.

Atlas Copco AB, the Swedish company of Atlas Copco Group, is more focused on the community engagement component than on charity activities. One of the biggest and the longest projects of the Swedish company is dedicated to helping social adaptation of the teenagers from the suburb of Stockholm called Botkyrka. Those kids are usually from the families with immigrant multicultural backgrounds and often their parents don't have any education. Atlas Copco meets them several times each semester and engages them into different activities such as bowling and climbing, but they also get to meet employees of Atlas Copco, who discuss environmental and technical issues with the children. The company also deals with the project called Nacka, which also includes teenagers from the suburb of Stockholm. These high school students get to know many aspects of engineering as a profession, they meet young people working for Atlas Copco. With this kind of project the company hopes to increase interest in technology and raise the level of education of young people. These activities are considered to be profitable for both sides: the society in which the company operates is getting help in its development and the private firm also takes care of a relatively vulnerable group in the population. Furthermore, Atlas Copco itself contributes into its own future by increasing interest in technology among high school students which will associate the company with plenty of opportunities and possibly become well-educated engineers and work for Atlas Copco in future.

As for Atlas Copco in Russia, the field trip, which became a part of the research, revealed several problems which keep the company from implementing Community engagement and charity project to the extent which is expected by the Group center despite

the fact that the Russian employees have lots of initiatives and the desire to help. The negative factors are the following:

- Individualism in culture

As it has been mentioned above, the cultural habit of helping each other is very important. In Russia, since the hard situation in the 1990s when many people lost their jobs and did not have any money people were not willing to help others. Most of them try to have as much their own savings as they can in order to be safe in case the unstable Russian society experiences some political or economic crisis again.

- Poor support of the initiatives from the managers' side.

Employee initiatives need to be supported by management in order to result in successful CSR projects. Community engagement and charity policy adapted for the Russian reality by marketing communications executive and active volunteer, Evgenia, has spent several months on the table of one of the higher managers without being approved.

- Lack of understanding of connection between the projects and business success of the company.

The projects are not considered as returns of investment or as a positive factor for the company's reputation. Employer branding policy is hardly supported.

- Lack of transparency inside of the Russian economic and political system.

If transparency and clear understanding of donation schemes were mentioned as a positive factor affecting the level of CSR activities, it is obvious that the Russian company will have a problem with this point because the system inside of which the firm has to operate is very much affected by such negative tendencies as corruption and lack of transparency inside of the Russian political and economic systems. According to the interviews carried out during the field trip, people are not sure to where the donated money goes. It is also very hard to find a charity fund to cooperate with. The employees responsible for the CSR activities have to require detailed reporting from those organizations that they choose to deal with or spend plenty of time dealing with the whole projects since other organizations cannot be relied on.

It is important to mention the difference between the character of the projects carried out by Atlas Copco companies in Sweden and in Russia as is very much connected with the

specific social problems within the societies, which approves the hypotheses which were set earlier in this research. Swedish Atlas Copco deals with increase of interest in technology and with social adaptation of children of immigrants. Those people are taken care of by the welfare system basically, but their educational and personal development is capable to contribute into the picture of the whole society's development and bring some positive results to the company. Moreover, Swedish employees are interested in participating in the Water for All organization, which was founded by Atlas Copco employees in 1984 and keeps gathering more and more people together in order to help water supply in Africa and South America, in places, where water is not easy to get. Russian social problems are mainly connected with lack of finance of welfare institutions from the state: absence of the necessary equipment in the hospitals, problem of numerous homeless animals in the streets, lack of finance in social institutions, etc. That is why in Russia the projects which are supported are dedicated to buying toys and sweets for children in the orphanage close to Moscow, where some kids have never tasted sugar before, gathering food left over at the office canteen in order to feed the homeless dogs which live in the area around the office, giving the old office furniture to the nearby hospitals, etc. The initiatives in Atlas Copco in Russia come only from the employees and these people, even though they are not showing the best results to the Group center, are the first all over the country to share something they have with those in need. According to Atlas Copco employees in Russia, there are too many problems inside of the country for them to be interested in helping people from other countries, that is why such programs as "Water for All" is not interesting for them.

Moreover, as it has been found out within the previous parts of the thesis research and also during the field trip within the internship investigation, the Russian society does not demand CSR activities from the companies operating on its market so far. Nevertheless, the country's social situation would need the private sector's contribution pretty much as Russian welfare system as many components of the political apparatus of the country has been going through major transformations since the Soviet Union was broken up in the beginning of the 1990s. Since the tendency of societal development revealed by this research is towards differentiation and emergence of new imperative functions such as CSR, and the societal evolution is understood from the position of functionalist approach, i.e. differentiation is the result of development and new functions emerge from this differentiation Russia is most likely to reach the developmental stage of Sweden sooner or later. However, the problems exist today and these problems are urgent and need to be solved. Of course, issues as homeless animals, financial support of people with disabilities, financing of hospitals etc.



should be solved by the state's initiative, but where the government cannot help, why not increase the private firms' involvement? For these reasons based on the example of the developed Swedish system I suggest the following as tools to help the private firms become a part of the welfare mix sooner, thus contributing to wellbeing of the society in which they do their businesses and increase their own profit by getting the reputation of responsible and caring corporate citizens.

- ✓ Increase of management's support.

When managers realize the importance of CSR activities, when they allow employees of their companies to dedicate part of their working time as well as office resources (transportation, for example) to implement the projects they will stop being in conflict with people's workload and an increase in participation is likely to emerge.

- ✓ Sharing and using other companies' experiences.

Russian employees of Atlas Copco started their activities with a large amount of help from DHL, because the latter is much more experienced in the field CSR. If more experienced companies, including Atlas Copco, could share their knowledge with those who want to start, but do not know how and which kinds of problems might appear on the way, the CSR activities could spread faster and easier. Besides, sharing the CSR successful companies' experience on the way the projects turn out to be returns of investments which would definitely help to increase companies' participation.

- ✓ Start with projects bringing obvious benefits, rather than fast and easy ones.

Although this is rarely possible because CSR projects are more likely to bring long-term benefits for companies, it is worth trying to go for some activities which will show positive results faster. It is not necessarily financial benefits which company can get out of the projects' implementation. It is also a better working atmosphere and team building experience for the employees who can be engaged in the same kind of goodwill activities and later improve their working results through the friendly office environment. Or it can be through the HR sphere where the advantages would be obvious very fast because the company's CSR activities would bring advertising and attract new applicants. In Russia, recruitment is a big issue for international companies, because good specialists do not speak English, which is often the corporate language and is necessary for being employed, but people speaking English rarely specialize in

any other subject, so increase of number of applicants, which can be achieved with the help of CSR advertisement, is important to employers.

- ✓ Control implementation of the projects from the start until the final stages.

Corruption and dishonest ways of doing business and non-profit activities are a big issue in Russia. Many employees of Atlas Copco in Moscow as well as other people with whom I had a chance to discuss the lack of CSR initiatives in Russia have emphasized the fact that not being aware of where the money goes and who spends it and how makes people give their ideas concerning donations and help to charity funds. Thus, following the examples of DHL and Atlas Copco, implementation of the projects by the employees themselves might be much more productive.

It is important to mention that even though Atlas Copco succeeds in its CSR policy's implementation, it undoubtedly has some things to improve. First of all, the Group center struggles to develop CSR practices in the Russian company. Projects are not paid enough of attention in Moscow for many reasons, some of which could be and probably will be addressed on the Group level. Besides, the obvious success of Atlas Copco's CSR is a good basis for learning the best practices and carrying out suggestions for improvements in other companies. Nevertheless, the Swedish way of CSR implementation in general might have a less positive assessment than the one for Atlas Copco.

## **7. Conclusion**

As a part of modern business and social life, CSR has indeed become a component of welfare mixes both in Russia and in Sweden. Research has revealed private sectors of both of the countries mostly focus their CSR policies at the most urgent issues existing inside of the societies. More developed and differentiated in terms of the functionalist approach Swedish society, which has its welfare system working extremely well, leaves the environmental and international aid spheres up to the private sector. Meanwhile the developing and economically and politically unstable Russian reality with many discussions concerning a better way to organize welfare many major social problems such as financing of orphanages, hospitals or education are currently neglected and private firms try to contribute to help them.

In this situation, where the Russian welfare system as well as many other aspects of the life of the society has no clear division of functions or clear structure of the actors, which are supposed to fulfill the basic functions, CSR is only developing as a concept inside of the

local companies. They still have a low level of development of CSR policies that are mainly copied from the foreign ones and do not exactly correspond with Russian legislation and the general way the societal system functions. CSR activities in general seem to have quite sporadic character and people responsible for them inside of the corporations have little idea about the purposes and consequences of the effective implementation of CSR projects.

This research has helped identify the fact that CSR is a part of the welfare system of countries since it deals with the pressing social issues inside of the state. Hence, more advanced CSR functioning has the ability to make a more significant contribution to a country's well-being. And that is why this function of the private sector should be helped and developed as one of the ways to get the welfare system working. Russia is a good example of the unstable not quite formed welfare system, which can be developed with the help of the public and the private sectors' cooperation in the sense of the increased differentiation of the society, where some particular welfare functions are given to the private sector. Measures such as fighting corruption at the local private level, or working with managers at the international level, should be pursued. Such measures would help managers understand the importance and actual profitability of the CSR activities and ensure the proper implementation and functioning of the projects.

In general, the example of the way the private and the public sectors represented by corporations and welfare system respectively work together in Sweden can be treated as a role model for socially, economically and politically less secure societies. Furthermore, it is fair to assume that no matter how the social welfare system is organized, the positive effect on the society's well-being can be possibly achieved as long as the concept of mixed economy of welfare allows and encourages private companies to participate in solving social issues. Undoubtedly Swedish CSR model has its pitfalls, and lack of criticism of it might be considered as a limitation of this paper. However, the aim of the research was to investigate the functions that CSR fulfills within the given societies and the problems it actually covers or would be able to cover. Finally, more in-depth analysis of the Swedish CSR, which surely also has some room for improvement, is an extremely interesting topic for already existing and future research.

## Reference List

- Alexander, Jeffrey C., Giesen Bernhard, Mast, Jason L. (Eds.). (2006). *Social Performance: Symbolic Action, Cultural Pragmatics, And Ritual*. Available: books.google.com. Last accessed 6<sup>th</sup> Apr 2012.
- Alfa Laval (2012). *About Us. Reports*. Available: <http://www.alfalaval.com/about-us/sustainability/reports/pages/reports.aspx>. Last accessed 1<sup>st</sup> Apr 2012.
- Alfa Laval (2012). *About Us. The best heat transfer, separation and fluid handling technologies*. Available: <http://www.alfalaval.com/about-us/pages/about-us.aspx>. Last accessed 1<sup>st</sup> Apr 2012.
- Atlas Copco (2010). *Annual Report. Sustainability Report. Corporate Governance Report*. Stockholm: Atlas Copco AB.
- Baker, Mallen (2004). *Corporate Social Responsibility – What does it mean?* Available: <http://www.mallenbaker.net/csr/definition.php>. Last accessed: 23d Jan 2012.
- Bentley, Ed (2008). *Corporate Responsibility*. Available: <http://themoscownews.com/business/20080626/55335038.html>. Last accessed 4<sup>th</sup> Nov 2011.
- Brugmann, Jeb, Prahalad, C.K. (2007). *Cocreating Business's New Social Compact*. Harvard Business Review. Reprint R0702D.
- Carroll, Archie B. (1991). *The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders*. Available: <http://www.cbe.wvu.edu/dunn/rprnts.pyramidofcsr.pdf>. Last accessed 6th Feb 2012.
- Carroll, Archie B. (1998). *The Four Faces of Corporate Citizenship*. Business and Society Review, Vol. 100-1, pp. 1-7. Available: <http://onlinelibrary.wiley.com/doi/10.1111/0045-3609.00008/abstract>. Last accessed 20<sup>th</sup> Feb 2012.
- Carroll, Archie B. (1999). *Corporate Social Responsibility: Evolution of a Definition Construct*. Business and Society, Vol. 38-3, pp.268-295. Available: [http://uga.academia.edu/httpwwwterryugaeduprofilespersonid443/Papers/398629/Corporate\\_Social\\_Responsibility\\_Evolution\\_of\\_a\\_Definitional\\_Construct](http://uga.academia.edu/httpwwwterryugaeduprofilespersonid443/Papers/398629/Corporate_Social_Responsibility_Evolution_of_a_Definitional_Construct). Last accessed 20th Feb 2012.
- Coors, Andrew, Winegarden, Wayne (2005). *Corporate Social Responsibility – Or Good Advertising?* Available: <http://www.cato.org/pubs/regulation/regv28n1/v28n1-noted.pdf>. Last accessed 1<sup>st</sup> Mar 2012.
- CSR i Praktiken (2012). *Om affärstidningen CSR i Praktiken*. Available: <http://csripraktiken.se/om-oss/>. Last accessed 17<sup>th</sup> Feb 2012.
- CSR Journal (2011). *Российские компании стремятся развивать корпоративную социальную ответственность = Russian companies tend to develop corporate*

- social responsibility*. Available: <http://www.csrjournal.com/lib/networkoverview/1830-rossijskie-kompanii-stremjatsja-razvivat.html>. Last accessed 26<sup>th</sup> Feb 2012.
- CSR Sweden (2012). *Om CSR Sweden*. Available: <http://www.csrsweden.se/OmCSRSweden.aspx>. Last accessed 20th Feb 2012.
- CSR WeltWeit (2009). *Russia. The role of CSR*. Available: <http://www.csr-weltweit.de/en/laenderprofile/profil/russische-foederation/index.nc.html>. Last accessed 24<sup>th</sup> Feb 2012.
- CSR Network (2004). *What is CSR?* Available: <http://www.twotomorrow.com/news/what-csr/>. Last accessed 9<sup>th</sup> May 2012.
- Ernst&Young (2011). *Отчет о корпоративной ответственности за 2011 финансовый год = Report on corporate responsibility in 2011 finance year*. Available: [http://www.ey.com/Publication/vwLUAssets/Corporate-responsibility-report-2011-ru/\\$FILE/Corporate-responsibility-report-2011-ru.pdf](http://www.ey.com/Publication/vwLUAssets/Corporate-responsibility-report-2011-ru/$FILE/Corporate-responsibility-report-2011-ru.pdf). Last accessed 26th Feb 2012.
- Fontaine, Charles, Haarman, Antoine, Schmid, Stefan (2006). *The Stakeholder Theory*. Available: <http://www.edalys.fr/documents/Stakeholders%20theory.pdf>. Last accessed 28<sup>th</sup> Feb 2012.
- Globalt Ansvar (2012). *Om Globalt Ansvar*. Available: <http://www.regeringen.se/sb/d/2657/a/180442>. Last accessed 20th Feb 2012.
- Golafshani (2003). *Understanding Reliability and Validity in Qualitative Research*. Available: <http://www.nova.edu/ssss/QR/QR8-4/golafshani.pdf>. Last accessed 7<sup>th</sup> Feb 2012.
- H&M (2007). *H&M Corporate Social Responsibility Report 2007*. Available: [http://www.hm.com/static/csrreports/2007/pdf/CSR\\_Report.pdf](http://www.hm.com/static/csrreports/2007/pdf/CSR_Report.pdf). Last accessed 22<sup>nd</sup> Feb 2012.
- Ikea (2011). *Charity and Sponsorship Requests*. Available: [http://www.ikea.com/ms/en\\_GB/about\\_ikea/our\\_responsibility/applying\\_for\\_support/applying\\_for\\_support.html#](http://www.ikea.com/ms/en_GB/about_ikea/our_responsibility/applying_for_support/applying_for_support.html#). Last accessed 23d Feb 2012.
- Ikea (2011). *Food Safety*. Available: [http://www.ikea.com/ms/en\\_GB/about\\_ikea/our\\_responsibility/food\\_safety/index.html](http://www.ikea.com/ms/en_GB/about_ikea/our_responsibility/food_safety/index.html). Last accessed 23d Feb 2012.
- Ikea (2011). *IKEA Forest Projects*. Available: [http://www.ikea.com/ms/en\\_GB/about\\_ikea/our\\_responsibility/ikea\\_forest\\_projects/index.html](http://www.ikea.com/ms/en_GB/about_ikea/our_responsibility/ikea_forest_projects/index.html). Last accessed 23d Feb 2012.
- Intel Corporation (2010). *Сотрудники Intel помогают делать окружающий мир лучше! = Intel's employees help to make the world a better place!* Available: <http://www.intel.com/corporate/europe/emea/rus/intel/corpresponsibility/volunteering.htm>. Last accessed 26<sup>th</sup> Feb 2012.
- Jarvie, Michelle E. (2011). *Corporate Social Responsibility. In Schiffman, Howard. Green Issues and Debates. An A-to-Z Guide*. Thousand Oaks, CA: SAGE. Available:

- [http://sage-reference.com.ludwig.lub.lu.se/view/greenissuesdebates/n36.xml?rskey=XqFT1z&result=6&q=corporate social responsibility#entrycitation](http://sage-reference.com.ludwig.lub.lu.se/view/greenissuesdebates/n36.xml?rskey=XqFT1z&result=6&q=corporate+social+responsibility#entrycitation). Last accessed 31<sup>st</sup> Jan 2012.
- Juniper, Tony (2012). *CSR – Time for a New Interpretation?* Available: <http://www.robertsbridgegroup.com/what-we-think/csr/>. Last accessed 9<sup>th</sup> May 2012.
- Keel, Robert O. (2011). *Structural Functionalism*. Available: <http://www.umsl.edu/~keelr/url.html>. Last accessed 29<sup>th</sup> Mar 2012.
- Kostin, Alexey (2007). *Russia: the Evolving Corporate Social Responsibility Landscape*. Available: [http://www.enebuilder.net/globalcompact/e\\_article000775164.cfm](http://www.enebuilder.net/globalcompact/e_article000775164.cfm). Last accessed 29<sup>th</sup> Jul 2012.
- London, Scott (2012). *On Structural Functionalism*. Available: <http://www.scottlondon.com/articles/almond.html>. Last accessed 29<sup>th</sup> Mar 2012.
- Long, Russ (2007). *Introductory Sociology. Theoretical Perspectives*. Available: <http://dmc122011.delmar.edu/socsci/rlong/intro/perspect.htm>. Last accessed 29<sup>th</sup> Mar 2012.
- May, Tim (2001). *Social Research. Issues, Methods and Process*. New York: Open University Press.
- Managers' Association (2011). *Об Ассоциации = About the Association*. Available: [http://www.amr.ru/index.php?option=com\\_k2&view=item&layout=item&id=2&Itemid=332](http://www.amr.ru/index.php?option=com_k2&view=item&layout=item&id=2&Itemid=332). Last accessed 26<sup>th</sup> Feb 2012.
- Mazanik, Maxim (2010). *Методология Исследований Коммуникации = Methodology of Communication Research*. Available: [www.fdu.uz/fdutz/sotsiologiya/manbalar/qullanmalar/3.doc](http://www.fdu.uz/fdutz/sotsiologiya/manbalar/qullanmalar/3.doc). Last accessed 1<sup>st</sup> Feb 2012.
- National Measurement Office (2011). *Enforcement*. Available: <http://www.bis.gov.uk/nmo/enforcement>. Last accessed 29<sup>th</sup> Feb 2012.
- New Region-Moscow (2010). *Совет директоров «Газпрома» одобрил убийство экономики РФ = "Gazprom"'s board has approved the murder of the Russian economy*. Available: <http://www.nr2.ru/moskow/280227.html>. Last accessed 26<sup>th</sup> Feb 2012.
- Norilsk Nickel (2011). *Отчет о корпоративной социальной ответственности. 2010 год. = Report on corporate social responsibility. 2010*. Available: [http://www.nornik.ru/\\_upload/editor\\_files/file1688.pdf](http://www.nornik.ru/_upload/editor_files/file1688.pdf). Last accessed 26<sup>th</sup> Feb 2012.
- ОАО Gazprom (2010). *Отчет о деятельности в области устойчивого развития 2008/2009 = Report on activities in the sphere of sustainable development 2008/2009*. Available: [http://www.gazprom.ru/f/posts/91/196623/gazprom\\_sr\\_2008-2009\\_rus.pdf](http://www.gazprom.ru/f/posts/91/196623/gazprom_sr_2008-2009_rus.pdf). Last accessed 24<sup>th</sup> Feb 2012.

- Olsen, Wendy (2004). *Triangulation in Social Research: Qualitative and Quantitative Methods Can Really Be Mixed*. Available: <http://research.apc.org/images/5/54/Triangulation.pdf>. Last accessed 7<sup>th</sup> Feb 2012.
- Parsons, Talcott (2005). *The Social System*. Available: <http://books.google.se>. Last accessed 27<sup>th</sup> Jul 2012.
- Porter & Kramer (2006). *Strategy and society. The Link between Competitive Advantage and Corporate Social responsibility*. Harvard Business Review. Reprint R0612D.
- Powell, Martin (2007). *Understanding the Mixed Economy of Welfare*. Bristol: Policy Press. Available: [search.serialssolutions.com](http://search.serialssolutions.com). Last accessed 28<sup>th</sup> Feb 2012.
- Powell, Martin (2008). *Welfare State Reforms in the United Kingdom*. In Seeleib-Kaiser, Martin (Ed.), *Welfare State Transformations. Comparative Perspective* (pp. 17-33). New York: Palgrave Macmillan.
- Prieto-Carron, Marina, Lund-Thomsen, Peter, Chan, Anita, Muro, Ana, Bhushan, Chandra (2006). *Critical perspectives on CSR and development: what we know, what we don't know, and what we need to know*. Available: [http://bdsnetwork.cbs.dk/publications/INTA82\\_5\\_09\\_p977-988.pdf](http://bdsnetwork.cbs.dk/publications/INTA82_5_09_p977-988.pdf). Last accessed 31<sup>st</sup> Jan 2012.
- RBK (2011). *OAO «Газпром» = OAO "Gazprom"*. Available: <http://www.rbc.ru/companies/gazprom.shtml>. Last accessed 26<sup>th</sup> Feb 2012.
- Reddin, Mike (2011). *The Mixed Economy of Welfare*. Available: [http://web.mac.com/mikereddin/PublicGoods/Social\\_Policy\\_Course\\_Notes\\_files/Mixed%20Economy%20of%20Welfare.htm](http://web.mac.com/mikereddin/PublicGoods/Social_Policy_Course_Notes_files/Mixed%20Economy%20of%20Welfare.htm). Last accessed 29<sup>th</sup> Feb 2012.
- Rhoads, John K. (2007). *Critical Issues in Social Theory*. Available: <http://books.google.se>. Last accessed 15<sup>th</sup> Jul 2012.
- Ritzer, George, Goodman, Douglas J. (2004). *Sociological Theory*. Available: <http://higher.ed.mcgraw-hill.com/sites/0072817186/>. Last accessed 31<sup>st</sup> Jan 2012.
- Rutland, Peter (1997). *Buttle Rages over Russia's Natural Monopolies*. Available: <http://tradeforecast.biz/en/usefull/119-stock-market/13706-stock-market-investing-glossary-n-natural-monopoly-more-battle-rages-over-russias-natural-monopolies>. Last accessed 26<sup>th</sup> Feb 2012.
- Schaller, Susanne (2011). Sweden. In Gtz, The CSR Navigator. *Public Policies in Africa, the Americas, Asia and Europe*. Available: [http://www.bertelsmannstiftung.de/bst/en/media/xcms\\_bst\\_dms\\_23053\\_23054\\_2.pdf](http://www.bertelsmannstiftung.de/bst/en/media/xcms_bst_dms_23053_23054_2.pdf). Last accessed 18<sup>th</sup> Feb 2012.
- Seeleib-Kaiser, Martin (2008). Welfare State Transformations in Comparative Perspective: Shifting Boundaries of 'Public' and 'Private' Social Policy? In: Seeleib-Kaiser, Martin (Ed.), *Welfare State Transformations. Comparative Perspectives*. New York: Palgrave Macmillan, pp.1-13.

- Sida (2010). *Corporate Social Responsibility*. Available: <http://www.sida.se/English/Partners/Private-sector/Ethical-business-in-developing-countries/CSR/>. Last accessed 18<sup>th</sup> Feb 2012.
- Sony Ericsson (2011). 2011 *Sustainability Report*. Available: <http://dl-www.sonymobile.com/cws/download/1/105/200/4/1329205969/SustainabilityReport2011.pdf>. Last accessed 29<sup>th</sup> Feb 2012.
- Steer, David (2009). Corporate Social Responsibility in Russia. In *The Moscow Times*. Available: [http://www.themoscowtimes.com/business/business\\_for\\_business/article/corporate-social-responsibility-in-russia/390199.html](http://www.themoscowtimes.com/business/business_for_business/article/corporate-social-responsibility-in-russia/390199.html). Last accessed 4<sup>th</sup> Nov 2011.
- Swedish Institute (2011). *CSR: Sweden leads by example in corporate responsibility*. Available: [http://www.sweden.se/eng/Home/Business/Ethics\\_and\\_Business/Facts/CSR/](http://www.sweden.se/eng/Home/Business/Ethics_and_Business/Facts/CSR/). Last accessed 22<sup>nd</sup> Feb 2012.
- Tay, Eugene (2011). *3 key lessons on CSR from Swedish companies*. Available: <http://www.greenbusinesstimes.com/2011/12/08/3-key-lessons-on-csr-from-swedish-companies/>. Last accessed 23<sup>d</sup> Feb 2012.
- The Responsible Business Experts (2002). *Moral under the microscope*. Available: [http://www.article13.com/A13\\_OurPress.asp?strAction=GetPublication&PNID=93](http://www.article13.com/A13_OurPress.asp?strAction=GetPublication&PNID=93). Last accessed 1<sup>st</sup> Feb 2012.
- Transcontainer (2012). *Corporate Responsibility*. Available: <http://www.trcont.ru/the-company/corporate-responsibility/>. Last accessed 12<sup>th</sup> Mar 2012.
- Tung, Fred (2006). *Profit-Maximizing CSR*. Available: <http://www.theconglomerate.org/2006/08/profitmaximizin.html>. Last accessed 1<sup>st</sup> Mar 2012.
- Volvo Group (2012). *Volvo Group Presentation, EU*. Available: [http://www.volvogroup.com/group/eu/en-gb/aboutUs/environment/susdev\\_nt/pages/susdev\\_nt.aspx](http://www.volvogroup.com/group/eu/en-gb/aboutUs/environment/susdev_nt/pages/susdev_nt.aspx). Last accessed 20<sup>th</sup> Feb 2012.
- Volvo Group (2011). *Volvo Group Sustainability Report 2010*. Available: <http://reports.volvogroup.com/en/SocialResponsibility/Society.html>. Last accessed 20<sup>th</sup> Feb 2012.
- Volvo Group Global (2012). *Corporate Social Responsibility*. Available: <http://www.volvogroup.com/group/global/en-gb/responsibility/Pages/responsibility.aspx>. Last accessed 20<sup>th</sup> Feb 2012.
- Volvo Group Global (2012). *Our Achievements*. Available: <http://www.volvogroup.com/group/global/en-gb/investors/CSR/Pages/CSR.aspx>. Last accessed 20<sup>th</sup> Feb 2012.
- Whetten, David A., Rands, Gordon, Godfrey, Paul (2001). What Are the Responsibilities of Business to Society? In: Pettigrew, Andrew (Ed.), *Handbook of Strategy and Management* (pp. 374-409). Thousand Oaks, CA: Sage. Available: [53](http://sage-</a></p></div><div data-bbox=)



reference.com.ludwig.lub.lu.se/view/hdbk\_strategymgmt/n17.xml?rskey=XqFT1z&result=2&q=corporate%20social%20responsibility#entrycitation. Last accessed 27<sup>th</sup> Jan 2012.

Woods, Peter (2006). *Qualitative Research*. Available: <http://www.edu.plymouth.ac.uk/resined/qualitative%20methods%202/qualrshm.htm#Validity>. Last accessed 27<sup>th</sup> Jan 2012.

Yin, Robert (2003). *Case Study Research. Design and Methods*. London: Sage.

## Appendix

### 1. Interview Research

#### 1.1. Interview Guidelines

##### II. The company's understanding of CSR

- What is the company's brand promise/ slogan?
- What does the company work with? Does it make harm to the environment? Does it benefit vulnerable groups?
- Are CSR achievements communicated within the company? If yes, in which way? Internationally, locally or both?
- Why does the company need its CSR policy? In which way is it useful for the company, if it is useful? Would it be better (is it possible at all?) if nothing was done?

##### III. The way the company implements CSR projects

- How did the company start working with CSR?
- What is currently done? Which kind of projects? What are the biggest projects run at the moment?
- Why are employees supporting those projects which are carried out? Is it correspondent with the most urgent social problems? Where do the initiatives come from (managers or employees)?
- Who is dealing with the maintenance of the projects?
- Are many employees participating? What could be the good factors increasing employees' participation?

#### 1 1.2. Interview Transcripts

##### 2 1.2.1. Interview with Valentina Nikolaeva, OAO "Transcontainer"

3 I. – Interviewer, V. – Valentina

4 I.: Я бы хотела спросить Вас о корпоративной социальной ответственности в  
5 Трансконтейнере. Как это понимается? И почему, и как, и что, и кто это делает и так  
6 далее. Вопросы я эти в принципе задаю, потому что я пишу диссертацию сейчас по  
7 поводу корпоративной ответственности...

8 V.: Я поняла, он мне все объяснил, можете это не объяснять.

9 I.: Хорошо.

10 V.: Давайте вопросы.

11 I.: Да. Ну значит, прежде всего, то, с чем работает компания, приносит ли это какой-то  
12 вред окружающей среде? Как Вы считаете?

13 V.: Еще раз, чего-то идет какой-то фон, я не поняла, еще раз. Еще раз повторите  
14 вопрос.

15 I.: То, с чем компания работает, это какой-то вред окружающей среде приносит?

16 V.: Нет, Вы знаете... Мы... Думаю, что нет. Вред окружающей среде? Наша  
17 компания... Ну а какой вред? У нас, мы же делаем, у нас грузоперевозки, мы  
18 осуществляем перевозки грузов в контейнерах, понимаете как? Ну правда у нас есть  
19 ремонтные предприятия, которые ремонтируют вагоны... но я не думаю, что там  
20 сильно какая-то там... Что-то мы наносим какой-то вред окружающей среде. Не могу  
21 сказать. Вопрос это, честно, говоря, не мой.

22 I.: А польза какая-то?.. Каким-то, может быть, незащищенным слоям населения...  
23 Побочные эффекты от производства вашего.

24 V.: Нет, ну поскольку наша компания занимается перевозками, то, естественно, мы, так  
25 сказать, удовлетворяем потребности нашего... И так сказать предприятий, т.е.  
26 производства, да, в перевозках, и конкретных людей. Мы, например, перевозим личные  
27 вещи, понимаете? Мы вот оказываем конкретную, конкретные услуги не только  
28 предпринимателям, не только каким-то предприятиям, юридическим лицам, но и  
29 физическим лицам, т.е. вот нашим, так сказать, гражданам нашей страны.

30 I.: Понятно. А вот я знаю, что у вас скидки какие-то есть... военным например.

31 V.: Ну это, знаете... по этому поводу я, к сожалению, не могу вам ничего ответить,  
32 потому что я не компетентна в этих вопросах.

33 I.: Понятно. А корпоративная ответственность, проекты, которые осуществляются,  
34 много ли об этом говорить вообще?

35 V.: Знаете, корпоративная ответственность значит... Мы как бы, мы так считаем, что  
36 человеческие ресурсы – это наша главная ценность нашей компании. И поэтому мы  
37 заботимся о том, чтобы наши сотрудники видели и результаты своего труда, и  
38 воспринимали свои какие-то там личные, значит, успехи, трудовые успехи неотделимо  
39 от достижений компании, потому что они, понимаете, как компания отработает, как  
40 она... Какие прибыли мы получим, значит, в общем-то от этого зависит благополучие  
41 каждого работника компании, т.е. вот таким образом персонал, в общем, он понимает,  
42 что он мотивирован на хорошую работу.

43 I.: То есть это прежде всего внутренняя у вас идет ориентация?

44 V.: Да.

45 **I.:** У вас нет никаких социальных проектов? Там, я не знаю, поддержка дет.домов.

46 **V.:** Да, и значит мы всячески стараемся создавать условия для и комфортной работы, и  
47 определенные социальные гарантии предоставляем нашим сотрудникам. Вот...  
48 Например, эти гарантии связаны, так, ну с чем там... Например, у нас есть такие  
49 программы, как негосударственное пенсионное обеспечение, в котором компания  
50 принимает непосредственное участие, вот в этой вот программе... Это когда работник  
51 на паритетных условиях с компанией одновременно формирует свои пенсионные  
52 накопления. Из которых будет потом начислена негосударственная пенсия. Она  
53 зависит от стажа работы, ну и так далее.

54 **I.:** Это по всей стране или только Москва, только Питер?

55 **V.:** Нет, это касается... Наша компания, она имеет семнадцать филиалов, которые  
56 находятся во всех, ну во многих, вернее, практически, это вся страна от Калининграда  
57 до Южно-Сахалинска.

58 **I.:** И вся страна вот этот пенсионный... пенсионные вот эти вещи делает.

59 **V.:** Да-да-да, во всех филиалах действует вот это вот... это же филиалы нашей  
60 компании, естественно, у нас коллективный договор единый для всей компании, и  
61 поэтому все это закреплено вот именно, и одинаково доступно тем, кто работает в  
62 Воронеже, в Красноярске, в Иркутске, в Омске, ну, в любом другом городе.  
63 Новосибирске, Санкт-Петербурге, в Москве и там во всех городах. Там, где люди наши  
64 работают, они, пожалуйста, имеют шанс участвовать в формировании своих, так  
65 сказать, пенсионных накоплений для последующего начисления негосударственной  
66 пенсии.

67 **I.:** А вы думаете, это приносит какую-то экономическую прибыль для компании?

68 **V.:** Ну, вы знаете... Здесь насчет экономической прибыли я затрудняюсь ответить.  
69 Почему – потому что это в общем-то расходы вообще-то. Потому что ну вы понимаете,  
70 вот например, работник, формируя накопления, он какую-то часть ежемесячно  
71 отчисляет. Такую же точно часть отчисляет и компания на его счет, вот, т.е. это  
72 расходы компании, но это дает возможность нам удерживать персонал и быть  
73 конкурентоспособными на рынке труда с другими компаниями, понимаете?

74 **I.:** Да, а вот по поводу рынка труда еще, у вас, может быть, есть какие-то проекты по  
75 участию в ярмарках вакансий или какие-нибудь университеты там сотрудничают с  
76 вами?

77 **V.:** Ну вы знаете, нет. Мы вообще-то... Понимаете, у нас достаточно такой...  
78 достаточно узкий рынок труда, мы используем, пользуемся, понимаете, т.е. это в

79 основном компании, которые в сфере грузовых перевозок, которые особенно вот  
80 открытым акционерным обществом Российские Железные Дороги, которым и мы,  
81 собственно говоря, тоже являемся пока что, материнская компания у нас открытое  
82 акционерное общество Российские Железные Дороги, и вот все, что они создали в  
83 сфере грузовых перевозок, это, ну как вам сказать, наши партнеры по бизнесу, ну или  
84 конкуренты – как угодно их называйте, и рынок-то труда у нас один и тот же,  
85 понимаете, с ними. Поэтому участие в каких-то там ярмарках, у нас нет такой... это...  
86 не нужно этого делать, потому что у нас четко наши работники, основная масса,  
87 основные профессии – это те, которые вот у нас, так сказать, общий с ОАО РЖД,  
88 проще говоря, общий рынок труда, потому что вот... И здесь все компании, которые  
89 принимают участие и они как бы занимаются грузовыми перевозками, вот и все,  
90 понимаете? Это все четко определено, и поэтому участвовать в каких-то там ярмарках  
91 вакансий, мы не принимаем такого участия. Если нам нужны какие-то эксклюзивные  
92 специалисты, ну, например, может быть там айтишники, то мы просто используем там  
93 для этого просто вот, например, там headhunter там тот же, какие-то рекрутинговые  
94 компании, которые нам помогают, мы смотрим вакансии, там знакомимся с ними,  
95 ищем кандидатов, которых очень много, вот и все.

96 **I.:** Понятно, а поддержание вот этого, т.е. работа бумажная вся – это работа HR?

97 **V.:** Ну да, конечно.

98 **I.:** Т.е. это не то, что инициатива от каких-то других сотрудников? Они просто внутри  
99 наслаждаются, получают, да?

100 **V.:** Нет, я че-то не поняла. Наслаждаются, в смысле?

101 **I.:** Ну т.е. они просто получается пользуются тем, что HR для них делает, что они не  
102 приходят, не приносят идеи?

103 **V.:** Задача HR – обеспечить компанию квалифицированными специалистами, это наша  
104 функция основная, и мы ее и выполняем, а как иначе? А остальные, те остальные,  
105 которые работают – их задача совершенно в другом состоит, они должны зарабатывать  
106 деньги. Они должны продвигать наш брэнд, они должны взаимодействовать с  
107 клиентами, они должны продавать услуги для того, чтобы у нас были, так сказать,  
108 доходы большие, должны привлекать клиентов, понимаете?

109 Т.е. каждый должен заниматься своим делом. А в целом, компания должна получать  
110 вот прибыль. Вот и все. А задача HR – обеспечить компанию на данном этапе  
111 квалифицированными специалистами, чтобы они были лучшими специалистами,

112 чтобы они не бежали там во все стороны, понимаете как. И ну в общем так, в таком  
113 духе.

114 **I.:** Понятно! Спасибо огромное, у меня кончились вопросы!

115 **V.:** Все, пожалуйста, до свидания.

116 **I.:** До свидания.

117

### 118 **1.2.2. Interview with Irina Fesik, Kuehne + Nagel, Russia**

119 **I.– Interviewer, Irina – Irina**

120 **I.:** Ну мне вообще нужно узнать, что у вас делается, какие проекты у вас есть.

121 **Irina:** Именно корпоративная социальная ответственность?

122 **I.:** Ну, да, меня в принципе все эти интересуют: вопросы, связанные с экологией,  
123 вопросы, связанные с благотворительностью, вопросы, связанные с вот этой вот...  
124 внутренней темой о том, что мы наших сотрудников так любим, что мы их отправляем  
125 на природу раз в месяц, например.

126 **Irina:** Ну ты знаешь, у нас безответственная компания [смеется].

127 **I.:** Нет!.. Про твою штуку я прочитала, что у вас...

128 **Irina:** У нас есть пьянка 2 раза в год.

129 **I.:** Это team building!

130 **Irina:** Хорошо, напиши team building.

131 **I.:** «У нас есть team building два раза в год», прекрасно.

132 **Irina:** Нет, ну вот единственное, что... Ну так как у нас де логистикой контора  
133 занимается, то на экологию нам, в принципе, плевать, потому что у нас нет ничего  
134 такого, чтобы ее портило, вот. Соответственно, ну только благотворительность, и вот  
135 единственная благотворительная акция, которую я знаю, которая проводилась – это вот  
136 в этот новый год взяли весь бюджет на подарки клиентам и отправили в  
137 благотворительный фонд.

138 **I.:** В России?

139 **Irina:** В России. Там, где фонд... сирот. Или чего-то там такого. Короче, фонд Чулпан  
140 Хаматовой. Ну поищи в интернете. Там написано, чем они занимаются.

141 **I.:** И вы уверены, что деньги пришли куда надо?

142 **Irina:** Нет.

143 **I.:** У меня такое ощущение, что его просто по дороге кто-то стащил.

144 **Irina:** Ну, да. Может быть, не знаю.

145 **I.:** Я просто в интернете прочитала, что... короче... QSHE statement, который типа для  
146 всех, по всему миру, для всех ваших компаний, что это... сейчас тебе скажу. Quality...  
147 Я не могу это сейчас найти. Про то, что все хорошие и как много все делают, и по  
148 всему миру, и все обязаны из ваших.

149 **Irina:** Так а слушай, ты можешь вообще на наш сайт залезть и что-нибудь там  
150 почитать. Потому что там же есть эти media relations всякие.

151 **I.:** А русский сайт есть? Нашла только .com.

152 **Irina:** Нет, он .com и есть, но там есть как бы подразделение, типа Россия.

153 **I.:** Ага, тогда понятно. Слушай, а у вас есть какой-нибудь brand promise?

154 **Irina:** Чего?

155 **I.:** Ну какой-нибудь там, допустим, не знаю... как выяснилось, у Трансконтейнера это  
156 звучит «Сохранно. Вовремя».

157 **Irina:** Типа... Типа это, мантра?

158 **I.:** Ну да-да, как слоган или я не знаю...

159 **Irina:** Ну нет, у нас есть там миссия... mission statement, есть всякие такие темы типа  
160 правила, принципы работы, но это все как бы на сайте там есть.

161 **I.:** Ну т.е. нет там такого, что я вот, допустим, когда в Атлас Копко работала, там внизу  
162 каждого письма, когда подписываешься с корпоративной почты, типа committed to  
163 sustainable productivity. Кто бы ни написал, что бы ни написал, у всех внизу эта  
164 надпись.

165 **Irina:** А, нет, ну такого как бы нету... Ну именно такого, короткого. Там есть вот  
166 mission statement, он как бы такой, более длинный просто, но его никто не пишет.

167 **I.:** И что, вы вот не загрязняете среду, получается?

168 **Irina:** Нет. У нас даже транспорта своего в России нет.

169 **I.:** А что-нибудь наоборот, что-нибудь очень хорошее делаете? Я не знаю, бесплатно  
170 перевозите малоимущим семьям.

171 **Irina:** Нет, ничего такого не делаем. Я говорю, мы безответственная контора.

172 **I.:** Ну т.е. у вас и народ тоже не ходит к начальству и не говорит, что вот там приют  
173 есть, давайте пойдём туда денег отнесем.

174 **Irina:** Нет.

175 **I.:** А как так получилось тогда, что вы дали деньги этому фонду? Кто придумал?

176 **Irina:** Ну, так получилось, не знаю.

177 **I.:** Это сверху, да, пришло?

178 **Irina:** Слушай, надо на самом деле было, может быть, мне почитать всякие вот эти  
179 рассылки, потому что они же рассылали. Там написано, что вот, руководство приняло  
180 решение. Я думаю, что это не наше российское руководство приняло такое решение. У  
181 нас же это, штаб-квартира там, за бугром. Так что скорее всего они там что-то делали.  
182 Тебе знаешь, куда надо было обратиться? Найти какого-нибудь чувака из Мака.

183 **I.:** Блин, это все такое вранье в Маке... Я что-то недавно этим вопросом озадачилась  
184 про Мак, это еще хуже, чем Трансконтейнер.

185 **Irina:** А что, Трансконтейнер что-то делает?

186 **I.:** У Трансконтейнера написано на сайте, что они в 2008 году вместо четырех  
187 миллионов рублей на экономические проекты отдали четырнадцать. Ты мне про свое  
188 все-таки скажи. Ты думаешь, что это принесет все-таки какую-то экономическую  
189 прибыль вам в России?

190 **Irina:** Никакую.

191 **I.:** Никакую? А зачем тогда это сделали?

192 **Irina:** Благотворительность.

193 **I.:** Ну, а благотворительность, она же тоже и реклама, получается.

194 **Irina:** Ну, тут понимаешь, как бы эта реклама, она распространилась только на  
195 действующих клиентов, потому что им вместо подарков обычных послали открытки,  
196 куда написали, что вот, извините, мы вам подарков не дадим, потому что мы все бабло  
197 потратили на детей. Вот и все. Ну т.е. только, я не знаю, какой-то респект от клиентов.

198 **I.:** Ну а клиенты в следующий раз такие: вот, какая ответственная компания, мы в  
199 следующий раз будем только к ним обращаться, потому что они ни хрена не  
200 загрязняют атмосферу, а то, что они загрязняют, они компенсируют.

201 **Irina:** Ну ты же понимаешь, что это не так.

202 **I.:** Нееет, я в Швеции!

203 **Irina:** Я в Швеции, я в домике! Не, на самом деле, в России это, по-моему, не работает  
204 вообще никак.

205 **I.:** Ну нет, ну как же! Ну а как же реклама? Вот Норильский Никель, допустим. Они  
206 вместе с Атлас Копко построили детскую площадку в Норильске, потому что в  
207 Норильске вообще не было детских площадок. Там такой город-завод, все в смоге. И  
208 они построили там детскую площадку и Атлас Копко очень рады, потому что они,  
209 получается, свои логотипы на эту площадку поставили. И теперь все, кто будет  
210 проходить мимо, они: О, Атлас Копко, круто.



211 **Irina:** На самом деле, такое предприятие, как Норильский Никель, оно должно так  
212 делать, потому что оно настолько загрязняет атмосферу и настолько пилит бабло, что  
213 ничего не выделить – это было бы с их стороны просто хамством.

214 **I.:** Ну блин... на самом деле, не было бы. Они легко могли бы этого не делать, пока все  
215 иностранные партнеры отказались с ними работать. Потому что они сказали, что вы  
216 типа так загрязняете, что мы вообще с вами работать не будем. И они такие: Ну  
217 ладно...

218 **Irina:** Ну ладно, поставим детскую площадку за три рубля.

219 **I.:** Да-да. Вместе с одним из своих клиентов. Все получили какую-то рекламу...

220 **Irina:** А еще распилили при этом бабла!

221 **I.:** И Газпром таким же занимается.

222 **Irina:** Газпром на самом деле строит всякие там спортивные объекты. Они недавно  
223 открыли бассейн, например. Большой.

224 **I.:** Ну ладно, тогда понятно. Спасибо!

225 **Irina:** Не за что.

226

### 227 **1.2.3. Interview with Guillaume Marechal, Sony Mobile, Sweden.**

228 **II. – Interviewer, G. – Guillaume**

229 **G.:** Now Sony Ericsson is Sony Mobile, so it's Japanese company. I'm trying to think of any  
230 social stuff we do like that... Sony Mobile... But... I cannot think about anything similar.

231 **I.:** Do you participate in any career fairs? Like at Lund University, it was some time ago, at  
232 economics department, when the companies come and they sort of advertise themselves as  
233 employers.

234 **G.:** Yeah, they contact the universities to promote themselves, yes?

235 **I.:** Yes, sort of.

236 **G.:** Yes. And?

237 **I.:** I don't know, they advertise themselves, so that people know them and they can be  
238 employed and apply for positions. Does Sony do it?

239 **G.:** Yes, Sony has done that. Yes. They have some... Lund University fair... Last year I  
240 think. In November or October and we were there.

241 **I.:** Okay. And what about the environment projects? Could you please repeat what you told  
242 me before, because there was some connection problem.

243 **G.:** Okay, so environmental projects. So... These are phones that... Depends what you want  
244 to want to know. Because there is some compliancy by legal, some specification, that is ruled  
245 in the world, that we need to have certain level of chemical, a certain level of radiation  
246 emission. It's not because we want to do it, it's because we need to do it in order not to affect  
247 people's lives, so they don't go crazy. That the phone is stable, that the chemicals used are  
248 okay, that... those are compliancies that we need to do, those are rules, so it's nothing  
249 special, I think, in one way. It's... it's making quality product for customers. And so I am not  
250 sure if this fits in what you want.

251 **I.:** Yes-yes, it does, don't worry! It is corporate responsibility. You are a responsible  
252 company, you work not to do harm to other people.

253 **G.:** Okay. So you want to know the names of the compliancy methods that we are following?

254 **I.:** If you have them in mind, then yes, I would like to.

255 **G.:** Wait, I am just thinking because I know them, I have to check, I have to remember, just a  
256 second... Yes... Just a second... So, for example, I am sending you the link. Restriction of  
257 use of certain hazardous... in electronic equipment... that's like one of the biggest  
258 enforcements and I think like... It's something new since five years or ten years, or  
259 something like that. There is some other stuff. I can dig in if you are interested, I think, you  
260 can find a contact inside, they can find environmental questions as well.

261 **I.:** Okay.

262 **G.:** Are you interested in having an environmental contact?

263 **I.:** It's okay, I can read it here, I can see the .pdf file, enforcement. I mean that's useful  
264 material anyway. And... Is it something international or...

265 **G.:** Yes, that's international. Some of the documents I can show you...

266 **I.:** So, is it something which you have to do and this is sort of coming from management and  
267 all the employees have to work with it. Do I understand it right?

268 **G.:** Well, it's part of the... you know, like part of the delivery process. This one department,  
269 that's making sure that this is done accordingly. This is just to make sure that we can deliver  
270 our products to all the markets, because some markets don't require maybe this specification,  
271 this compliancy. But for... yes.

272 **I.:** And about the career fair. Do you think that for the company coming to the university and  
273 advertising itself, does it bring any economic profit?

274 **G.:** I didn't understand the question, sorry.

275 **I.:** When the company comes to a university and advertises itself, like showing that “we are  
276 this company and you are students, you can be employed”, is it able to bring any economic  
277 profit to the company?

278 **G.:** Yes, of course! Because we get free... we get students who work for free, of course.

279 **I.:** Really, are you offering only internships?

280 **G.:** Yeah, there is always opportunity for internship at our companies in Sweden and in  
281 Europe as well. So internship means that student works for free basically and company  
282 benefits from the research student is doing or by working in expertise field like radio antenna  
283 or whatever. And then, maybe after one year the student gets the job, so it's all... of course,  
284 it's beneficial, it shows how... it shows on one side how good we are and it's a prestigious  
285 company, so the students want to of course work for this company and... unfortunately it's  
286 not like... Sony doesn't give any money to these students, because there is a lot of demand,  
287 there's too much demand, so they can just pick whatever they want. It's kind of a capitalist  
288 system, so... it's not... I don't know if I answered your question.

289 **I.:** Yes, sure! And what about some internal policies for the employees? Do they have some  
290 events for you? Can you apply for something or maybe some free trips or whatever.

291 **G.:** They have... fitness allowance, so I think you... like maybe... in every company in  
292 Sweden, like Tetra Pak or... I know a lot of companies do that, they give between one  
293 thousand five hundred kronor to two thousand kronor per year for the employee to spend for  
294 fitness, so going to the gym or go to yoga, whatever. But people who are not using that, they  
295 don't get money, so they give that... other than that that's it.

296 **I.:** Why don't they get this money?

297 **G.:** Because they are not using that.

298 **I.:** So they don't want fitness basically?

299 **G.:** Yeah. I mean if they don't go to the gym or whatever, they don't benefit these two  
300 thousand kronor.

301 **I.:** Okay.

302 **G.:** I don't think about any other initiatives that we get in Sony Ericsson. That's it.

303 **I.:** Do you think that if there were some projects like support of water supply for children in  
304 Africa, would people be interested in this? Would you want to donate some money for this  
305 kind of projects?

306 **G.:** Me? Or Sony Mobile?

307 **I.:** Well, you are a part of them as far as I understand. People like you compose the whole  
308 company.

309 **G.:** Yes, but I don't represent Sony Mobile and then... so... I cannot answer for Sony  
310 Mobile, what they want to do. Sony Mobile is interested to invest money, you know, for blah  
311 blah... In the end they won't do it. There are many projects that's going on. I don't know  
312 what Sony is doing as the whole, the big company Sony, I'm sure there is something, they are  
313 investing into you know charity donation, and charity donation when you are doing that, you  
314 have some kind of tax free benefits, so it's of course, it's valuable for companies to donate  
315 some money for helping children here and there, because they are getting money too.

316 **I.:** In which way?

317 **G.:** Because they are tax deductible, money that they invest to charities and so on, then they  
318 would have from one of this state, for example, in the US, they will get a tax deduction  
319 because they invest in charities and so on. So I mean it's not that, you know, investing money  
320 for helping the poor or blah blah blah, so everybody is getting money from it and at the end  
321 of the day the people will not get money or real help, it's those people in Africa, because we  
322 are benefiting from them, so it's just a... that's my personal opinion, so it's just... it's not,  
323 because it's a capitalist world, so everything is made only for the money. So it's not because  
324 people are believing that... the only companies that do something... are ideal companies.  
325 That don't have any money or don't do anything for the money, but those companies, they  
326 cannot exist because otherwise they would die, so for example if you look at the Red Cross or  
327 whatever, they are multimillion companies, they have investment in Switzerland and they  
328 generate money because they need to survive in this capitalist world, so for me the social  
329 benefits or whatever that brings money to the third world countries and so on, they looks nice  
330 on paper, but it's promotion to make it look good to society, but when you are not... or when  
331 the company knows that.. it's not that nice.

332 **I.:** Yes, I understand. But you said that you were not a part of Sony Mobile, but you are part  
333 of Sony Ericsson, right?

334 **G.:** Yeah, I am part of Sony Mobile! I work for Sony Mobile. That's corrects. I can have a  
335 different opinion than Sony Mobile or the company I work for, it's a different... I am home  
336 right now, right?

337 **I.:** Yes of course. I am looking for opinions anyway, this is what I am aiming at, so... No  
338 projects in Sweden, like charity stuff, you don't know about them?

339 **G.:** I don't know, I haven't heard about Sony Mobile giving money to poor country or  
340 something, I know for environmental issues and stuff like this Sony Ericsson is doing some  
341 kind of phones, stuff like this, where it's called Green Heart, the Green Heart project. Those

342 phones are, like using less chemical products and all this and less paper material and so you  
343 might want to read on this.

344 **I.:** Yes, I will check the link that you gave me. It's a bit hard to talk and check at the same  
345 time. But I will later!

346 **G.:** Yeah, I am sending you the Green Heart projects. This there were like people, these  
347 people on project for the Green Heart, they are taking care of that, so it's maybe interesting  
348 for you...

349 **I.:** Yes, sure, is it Swedish?

350 **G.:** Yep.

351 **I.:** Or international?

352 **G.:** This is a... well, it's international. It's Sony Mobile. It's... we have don't some phones,  
353 they are Green Heart and they are like... they are environmentally friendly.

354 **I.:** Okay. Something maybe specific Swedish you can think about? Including the employees'  
355 benefits like fitness for example. Something really Swedish, which is done only in Sweden.

356 **G.:** Hm...

357 **I.:** Is this gym thing Swedish?

358 **G.:** It's driven in Sweden, but you know it's Sony Ericsson, it's Sony Mobile, it's in China,  
359 in Japan, in Sweden and in San-Francisco, so it's an international company, it's not only...  
360 you know.

361 **I.:** And they do the gym project on international level as well? So in Japan it's the same?

362 **G.:** Yes. It's for everybody the same. I cannot think about special benefits in Sweden.  
363 Because it's a big international company, it's one of the few in Sweden that does something  
364 very Swedish, so you know...

365 **I.:** Okay. And what is your position exactly?

366 **G.:** I am a validation product manager. Like I am launching phones for an operator in Europe.  
367 It's called Orange. They are based in like... Romania, Slovakia, Poland, UK, France,  
368 Sqitxerland, Spain, Portugal, Belgium and so every time we launch a phone in those countries  
369 with Orange, then we go through a validation period with the operator and then managing the  
370 validation period with them. So making sure that the phone is according to their requirements  
371 and that it meets everybody's expectations, that it has good quality and if they give us  
372 [unclear], then we launch the phone in all those targets.

373 **I.:** Okay, great. Well... If you cannot think can't think about any more social projects within  
374 Sweden, then I basically don't have any more questions. I can just read the Green Heart  
375 thing.

376 G.: Honestly, I don't think that it has been anything done from Sweden, from us. Like to help  
377 poor people or stuff like that. I don't think that they've done.

378 I.: Okay, thanks a lot!

379 G.: No problem, I tried to help as much as I can.

#### 380 1.2.4. Interview with Anna Mashnina, DHL, Russia

381 I.- Interviewer, A. – Anna

382 I.: Не могли бы Вы в целом рассказать о проектах, осуществляемых DHL? Ну так,  
383 вкратце.

384 A.: Ну вообще, у нас существуют три направления корпоративной социальной  
385 ответственности: Go Green – защита экологии, Go Help – помощь при бедствиях и  
386 катастрофах и Go Teach – помощь в получении качественного образования. Если  
387 интересуют вообще какие-то глобальные проекты, то у нас есть отчет, который  
388 издается, там подробно обо всем написано. Если говорить про Россию, то у нас тоже  
389 все эти направления развиты, но с поправкой на нашу локальную специфику.  
390 Допустим, в рамках Go Green мы помогаем различным экологическим организациям,  
391 участвуем в их волонтерских мероприятиях, например, мы сотрудничаем с Green  
392 Peace. Наши сотрудники два раза в год ездят сажать деревья вместе с ними, собирают  
393 желуди, сажают от этих желудей... устраивают лесные питомники на дачах у себя,  
394 вот... Это такого плана мероприятия. Потом... мы поставляли материалы участником  
395 акции, такая большая акция, 160 российских городов участвовало. Еще в плане Go  
396 Green у нас в 2010 году запустилась услуга для клиентов для наших, она еще есть в  
397 порядка сорока странах мира. Когда клиент доплачивает определенную сумму денег  
398 сверх стандартного тарифа и его груз считается CO2 нейтральным, потому что вот эти  
399 деньги, которые он оплачивает сверх, мы отправляем на экологические проекты  
400 мирового масштаба: тропические леса, возобновляемые источники энергии и т.д. Об  
401 этом даже можно подробнее в глобальном отчете прочитать. У нас есть новая услуга с  
402 2010 года, мы пока ее активно не продвигаем, но с этого года, думаю, начнем. Это  
403 такое единственное предложение от России. Это что касается Go Green.  
404 Соответственно, если говорить про какие-то внутренние процессы, т.к. мы экологичная  
405 компания и делаем что-то внутри компании направленное на это, вот... И мы вот  
406 собираем бумагу, на переработку отправляем, у нас регулярно обновляется автопарк,  
407 потому что известно, что новая машина, она потребляет меньше топлива и делает

408 меньше выхлопов в атмосферу, вредных. Все как бы влияет на уровень углекислого  
409 газа, который наша компания выбрасывает в атмосферу. Существует цель сократить  
410 выбросы углекислого газа на 30 % к 2020 году. У нас, мы рассчитываем на основе, мы  
411 ведем учет расхода электроэнергии и расхода топлива. Вот эти, по особой схеме,  
412 которую нам разработала какая-то швейцарская консалтинговая компания, мы их  
413 перерабатываем, переводим в CO<sub>2</sub>. И мы можем понимать, сколько каждый филиал,  
414 каждый офис вырабатывает углекислого газа. Вот это наша цель его сократить. Так,  
415 это вроде по Go Green все. Если что вспомню, еще расскажу. Вот, что касается Go  
416 Help, на глобальном уровне у нас в рамках Go Help действует волонтерская программа,  
417 когда мы помогаем, в случае стихийных бедствий и катастроф мы помогаем  
418 аэропортам обрабатывать и доставлять гуманитарную помощь, т.е. понятно, что когда  
419 чрезвычайной положение, хаос царит, и вот наша задача – предупреждая этот хаос,  
420 обучить людей, как правильно взаимодействовать в чрезвычайных ситуациях с точки  
421 зрения логистики. Кроме того, среди наших сотрудников набираются люди,  
422 специально обучаются, как действовать в чрезвычайных ситуациях и вот отправляются  
423 в горячие точки. Ну а если говорить про Россию, то в 2010 году, когда были ужасные  
424 вот эти пожары, которые достигли и Москвы, вот этот дым, который был, мы помогали  
425 МЧС доставлять гуманитарную помощь. В Нижегородскую область, в Волгоградскую,  
426 кажется. Вот... И по-моему в Екатеринбурге мы тоже доставляли. Кроме того, наши  
427 сотрудники собирали вещи для погорельцев. Еще одно направление деятельности в  
428 рамках Go Help, которое мы делаем в России, – это регулярное донорство крови. В  
429 московском офисе мы сдаем два раза в год кровь, вот, наши сотрудники, как раз через  
430 две недели будем сдавать опять. Еще в рамках Go Help в России именно мы  
431 сотрудничаем с фондом Подари Жизнь. И возим для них из-за границы  
432 незарегистрированные в России лекарства. Вот. Там была такая сложная ситуация у  
433 них, никто не знал как их легально ввозить в Россию, поэтому раньше эти лекарства  
434 ввозились волонтерами в чемоданах, но в определенный момент девушку задержали на  
435 таможне, там арестовали ее, предъявили обвинение, вот и как бы весь этот скандал  
436 дошел до президента и он попросил таможенные органы разобраться во всем этом.  
437 Вот, и таможенные органы обратились к перевозчикам, и DHL была единственной  
438 компанией, которая взялась решить эту проблему, потому что законы, они настолько  
439 неоднозначны у нас, что сложно самим таможенным органам предоставить легальную  
440 схему провоза этих лекарств. Вот мы уже больше года им доставляем эти лекарства,  
441 проводим бесплатное таможенное оформление и частично оплачиваем перевозку.

442 Вот... и вот с этого года мы еще начали возить для них образцы крови. Но это уже из  
443 России за границу, в зарубежные лаборатории. Это что касается Go Help. Что касается  
444 Go Teach. Go Teach у нас развита в основном волонтерская работа. Все начиналось  
445 просто с волонтерской команды: сотрудники раз в месяц посещали два московских, не  
446 московских, а подмосковных заведения: это больница и сиротский приют. И играли,  
447 проводили время с детьми. И где-то через год у сотрудников возникла большая  
448 потребность оказывать влияние на будущее детей, и вот сейчас у нас уже второй год,  
449 даже наверное больше, с 2006 года идет проект образовательный, называется 1 167.  
450 Один – это тот час в неделю, который волонтеры проводят вместе с детьми, и они  
451 оказывают влияние на оставшееся время, которое дети проводят без волонтеров.  
452 Вместе с фондом Большая Перемена мы разработали структуру занятий. Если мы  
453 изначально хотели давать им школьную программу, но профессионалы из фонда, они  
454 нам объяснили, что это невозможно за такое короткое время дать школьную  
455 программу, за один час в неделю, поэтому мы концентрируемся в своих уроках на  
456 таких навыках, как умение слушать, отвечать, заканчивать задания. И эти навыки, они  
457 в последствии помогут в учебе. Этому проекту, как я уже сказала, два года. По началу,  
458 было человек двадцать волонтеров, которые ежемесячно проводят занятия, сейчас их  
459 порядка пятидесяти, и это не только наши сотрудники, но и наши клиенты.  
460 Сотрудники наших клиентов. Вот, и этот проект, он был признан лучшим социальным  
461 проектом в сети DHL экспресс, глобально, среди 120 стран. Его аналог существует и не  
462 в России. Вот. И, в принципе, вкратце если говорить, то это все.

463 **I.:** Ага, а вот по поводу российской специфики, она откуда берется? Я имею в виду, что  
464 это вам кто-то говорит из менеджмента местного, что делать? Или это сотрудники  
465 инициативу проявляют? Откуда идеи?

466 **A.:** Ну мы смотрим, допустим, Disaster and [неясно] Stream, но у нас нет стихийных  
467 бедствий, как там землетрясение, цунами и т.д., т.е. у нас, мы не можем готовить  
468 аэропорт к этому, у нас нет такой потребности, но мы отталкиваемся от того, что  
469 неважно, масштабное там бедствие или горе отдельной семьи. Мы как бы в рамках Go  
470 Help мы еще также помогаем ветеранам, а если говорить про Gr Green, у нас на  
471 глобальном уровне действует политика пользования бумагой, но в России она слабо  
472 применима, потому что у нас не производят переработанную бумагу, у нас только  
473 там... [неясно] есть, соответственно, мы производим [неясно], а не переработанную.

474 **I.:** Понятно, ну т.е. социальные проекты – это, в общем-то ваша идея, это не то, что вам  
475 говорят, что делать.



476 А.: Нет, нас как бы... У нас все это на добровольных началах, в принципе, если ты  
477 этого не делаешь, никто тебе не говорит, что... что не так. Все делается добровольно.

478 I.: А много народу участвует.

479 А.: В мероприятиях? Вот тут у нас раз в год проводится День Волонтера. В этом году,  
480 ну не в этом, а который вот 2011 был, в нем приняли участие 1200 человек. В России  
481 именно. Ну вот с каждым годом растет, в первом Дне Волонтера было 350 человек,  
482 сейчас уже больше тысячи. Вот такая вот динамика. Вот.

483 I.: А в процентном соотношении это сколько будет от общего российского числа?

484 А.: Это где-то одна треть, наверное.

485 I.: Ну это много да, я даже по Атлас Копко если сравнивать, это гораздо больше.

486 А.: Если, допустим, считать те, которые регулярно принимают участие, то, может  
487 быть, не так много. Которые несколько раз в год там, шесть-семь, их не так много.  
488 Может, человек 200 всего лишь...

489 I.: Понятно. А в плане зачем, т.е. у нас на российском рынке, на сколько мне известно,  
490 это еще не такая обязательная вещь, как на европейском или на глобальном рынке.  
491 Зачем вам это нужно? Зачем вы это делаете?

492 А.: DHL – это социально ответственный бизнес, и эти все направления социальной  
493 ответственности, они чем-то продиктованы, они не просто так, допустим, если это  
494 образование, то нам важно, чтобы к нам потом приходили грамотные люди,  
495 сотрудники, важно, чтобы наши клиенты будущие, потенциальные клиенты, тоже  
496 были образованы. Чем выше уровень образования в стране, тем лучше развита  
497 экономика, для бизнеса это выгодно. А если говорить про Go Green, то, допустим, мы  
498 как официальный перевозчик, мы используем самолеты, и ни для кого не секрет, что  
499 это наиболее вредный вид транспорта, поэтому мы стараемся... Например экология,  
500 например, нет такого, что это только там где-то в Европе, допустим, да... Это же мир,  
501 он единый, и если что-то где-то в плане экологии не так, то, скорее всего, это отразится  
502 и на других частях света, все взаимосвязано, поэтому как глобальная компания мы  
503 несем ответственность за все, что происходит в этом плане.

504 I.: А приносит это какую-то экономическую прибыль для компании? Вот эти проекты  
505 все.

506 А.: Ну конечно, экономия ресурсов, она безусловно отражается на экономии  
507 финансовых ресурсов.

508 I.: А социальные проекты?

509 **A.:** Социальные... мы не ставим себе цели с помощью социальных проектов сделать  
510 себе прибыль, хотя о нас много пишут и говорят, поэтому это безусловно отражается  
511 на нашей репутации.

512 **I.:** А в ярмарках вакансий, в университетах, допустим, вы участвуете?

513 **A.:** Сложно сказать. Потому что у нас студенты, они не являются нашей целевой  
514 группой, вот... И соответственно... По-моему, наш HR отдел не участвует в ярмарках  
515 вакансий. Да, Елена, а вам еще много, а то меня тут коллеги выдергивают...

516 **I.:** А нет-нет, у меня еще один небольшой последний вопрос, и я Вас больше не мучаю.  
517 У меня вопрос по поводу российской реальности в плане, не страшно ли вам, что вы  
518 деньги в фонд отдаете, а они куда-нибудь... воруют их по дороге. Нет?

519 **A.:** А мы не отдаем деньги в фонды, мы используем проектный подход, т.е. мы  
520 конкретно осуществляем проект. Мы просто так не отдаем деньги в фонды.

521 **I.:** Все, поняла, спасибо огромное!

522 **A.:** Вам спасибо, если что, звоните еще!

523 **I.:** Да, спасибо большое. До свидания.

#### 524 **1.2.5. Interview with David Ford, Alfa Laval, the UK**

525 **I.** – Interviewer, **D.** – David

526 **I.:** Could you please tell me about those projects which your company has? And I am  
527 interested in Sweden, could you tell me about Sweden?

528 **D.:** Yes. Okay.

529 **I.:** Maybe couple of words about what's being done.

530 **D.:** About Alfa Laval, what it does...

531 **I.:** Yeah, about CSR.

532 **D.:** CSR... Have you looked at our web-site? On CSR?

533 **I.:** I've googled this question, but it's not really much...

534 **D.:** Okay, if I can point you to... I'm just going on to the web here... The right web-site you  
535 can read a lot about it. On the [alfalaval.com](http://alfalaval.com) web-site.

536 **I.:** Okay.

537 **D.:** Can you hear me?

538 **I.:** Yes, sure, I am opening.

539 **D.:** Oh, you are opening, okay.

540 **I.:** It's here.

541 **D.:** And then... Tell me when you are on the Alfa Laval web-site.

542 **I.:** Yes, I'm here.

543 **D.:** Yes, if you click on About us in the top bar, then on the left hand side you can see  
544 Sustainability, click on that one... And then... and then where, let me see... And then on the  
545 left hand side you can see Reports. Click on the reports and then you see the list of reports,  
546 business principles, sustainability report 2010, 2007, report 2010, then on the bottom of that  
547 you can see reports and reference, can you see this?

548 **I.:** Yes, but is it global? Or...

549 **D.:** This is global, yes.

550 **I.:** And I am really interested about Sweden, because I am studying about Russia-Sweden  
551 comparison... And if you probably know something about what's done in Sweden?..

552 **D.:** Okay, I don't think Sweden is any different to the global... And... We treat all the  
553 countries the same in the world, so Sweden is the same. I see your questionnaire.

554 **I.:** Maybe something specific they are doing in the social sphere? Or in... I mean, probably  
555 ecology should be the same, environmental projects, they shouldn't be very different, but  
556 something like community engagement or... charity stuff.

557 **D.:** No, we don't do anything really different in Sweden to anywhere else in the world. The  
558 Swedish legal standards on environment are some of the hardest in the world, the toughest.  
559 No... it's not very... But if you read the reports, you'll find what we do.

560 **I.:** Okay, then I just ask you questions about Sweden including as well. Why do you need  
561 those projects?

562 **D.:** Why do we need?

563 **I.:** Why do we need CSR projects? Why is it useful?

564 **D.:** I think the main reason is that as a company we have a responsibility to the society. And  
565 so we produced what we call business principles, which if you like CSR policies. And then  
566 these are aspirations and they are things that we aim for. And then we have to manage and  
567 work towards these goals, and it's something that the employees, the management believe we  
568 should work towards, to be responsible within society. So that's why we do it. And I think if  
569 you think of multi-national corporations, and particularly multi-national corporations which  
570 are the leaders in the fields, like Alfa Laval is with our products we are the global leader.  
571 Then it's responsibility for the global leaders to lead, and not just in the products, but to set  
572 an example and try to set the standards of conducts in everything they do.

573 **I.:** So it's basically goodwill, it's not something that you get economic profit from it.

574 **D.:** No, I don't think we don't get economic profit from it though.

575 **I.:** And what about something like...

576 **D.:** I mean, lots of... by coincidence, a lot of Alfa Laval products are used for environmental  
577 applications, protecting the environment, clean water, saving energy, so our products, for you  
578 know, climate change, quite a lot of the need for our products are coming from environmental  
579 concerns in the society. So that way we make a profit from it. But we were making profit  
580 from it before the last ten years, when society's put much more focus on the sustainability.  
581 It's not new for us. It just happens to be our products, yeah...

582 **I.:** Do you participate in any career fairs?

583 **D.:** In careers fairs? Yes, I think... Well, I am not up-to-date on this in Sweden, normally we  
584 used to in Lund University, we used to in Stockholm, Göteborg, we used to... But I am not  
585 up-to-date on that in Sweden, it's not in my field. And I think we are doing in some other  
586 countries as well, where we haven't quite a large number of employees and we want to  
587 recruit graduates, so I think in China, in some of the states in the USA, in the UK, in Holland,  
588 I think we take part in the careers fairs at the universities, probably in quite a number of  
589 countries, but we don't ask our companies whether they take part in career fairs, so I don't  
590 know.

591 **I.:** They decide on their own?

592 **D.:** Yes, they decide on their own.

593 **I.:** Yes, and if they decide on their own, where does the initiative come from? Locally? Or is  
594 it from some group management?

595 **D.:** Where does what come from?

596 **I.:** The initiative for all those projects. Who decides to implement them?

597 **D.:** On CSR projects?

598 **I.:** Yes!

599 **D.:** Some we come from corporate, so from the board of the company, from the executive  
600 group management, and I report on this. But that's from group management, some from the  
601 board, some of them come from... so they come from the corporate direction. And when they  
602 start working locally on the corporate CSR projects, they often locally [unclear] projects for  
603 that. So an example is... I had one last week. For a small company we have in America. I  
604 think, they employ about thirty people, but they've done a lot for a local community... and in  
605 a local newspaper and their web, on the local newspaper I can see it in the headlines, and so  
606 on what they've been doing, so... then they would take local initiatives as well as the  
607 corporate ones.

608 **I.:** So they probably adjusted to the social reality around them?

609 **D.:** I hope so, yes. I mean it's very different in India compare to in Sweden. So in India they  
610 participate in... We have quite large factories in India and their local community they'll be  
611 involved in various local projects, so for example in India I know they are working... All  
612 together in all our factories with employees to have a tree planting program in India for  
613 example. We don't have that in Sweden.

614 **I.:** Of course! I've been working with CSR for Atlas Copco and asking people about Swedish  
615 company, it's impossible, because they don't basically have anything, they just do some  
616 community engagement stuff for increasing interesting in technology. That's it. Basically.

617 **D.:** Yes. But if you... Because I mean the infrastructure in Sweden from the state it's  
618 probably one of the largest in the world per capita in GDP and government bodies in Sweden  
619 are one of the highest in the world, and so there's lots in Sweden in infrastructure and  
620 community engagement provided by the tax payer. And if you go to many other countries,  
621 then of course, there's much more... there's greater need in local engagement, so I think  
622 from... community engagement from companies. But so our company would tend to do it on  
623 the local level. Because we are not so big. We are big company from Swedish stock market  
624 point of view, but when you come and look at our companies around the world, we have our  
625 companies in about sixty countries. And they tend to be quite small. Normally you know  
626 actually twenty people and [unclear] between twenty and hundred people. And then in some  
627 countries we are quite a lot like in China and India, Russia, United States. But there, when  
628 you look at our companies, they are divided into factories and different companies quite well  
629 spread out, so quite often they are quite small, so we can't do... have grant schemes for  
630 community engagement in the countries because we are very small compare to the countries,  
631 so they tend to work with very local initiatives.

632 **I.:** That makes a lot of sense. To me at least.

633 **D.:** I think there's a need... like Atlas Copco, they work on a group level, they support...  
634 their Water for Life or...

635 **I.:** Water for All.

636 **D.:** Water for All, yeah. I think this is a great initiative. And Alfa Laval so far doesn't have  
637 something equivalent to that.

638 **I.:** Well, it's a good initiative for Sweden, because people want to help other people and they  
639 don't have anyone to help in Sweden. But on the other hand, if you go to Russia, for example,  
640 it doesn't work there, people don't want to pay money to some African children because they  
641 have a lot of homeless children around them in their country, so it depends.

642 **D.:** Yeah, yeah. But I think it's still quite a good initiative, and Alfa Laval looks at similar  
643 initiatives with perhaps with UNICEF Save the Children, where we can maybe focus on some  
644 specific projects which employees in different countries will find quite motivating. To feel  
645 that their employer's engaged with some international aid projects somewhere. So I think  
646 what Atlas Copco is doing is quite interesting because I know in... if we did similar in Alfa  
647 Laval, I think quite a number of employees in different countries would feel that it's a good  
648 thing to do. So... We don't have anything like that on corporate level in community  
649 engagement yet.

650 **I.:** And what about some projects for employees? Maybe some gym cards somewhere? Or  
651 something like this.

652 **D.:** For employees... Again, it's done locally. I didn't quite understand you in your example,  
653 but I mean in each company, we don't say from the center you must do certain things for  
654 employees. Like protecting health and safety, that's corporate focus... And... then with  
655 employees... we talk with the employee representatives... and we probably doing this at the  
656 moment saying what's the most important for employees. And I think increasingly our one of  
657 the issues that companies Alfa Laval are looking at is work related stress for white collar  
658 workers. Let's say the health of people working in modern world, it's difficult to escape from  
659 work, because if you have smartphone, because of your computer, because of wi-fi...  
660 Etcetera. It's creating quite a bit of stress for people. New stresses, where people can be  
661 stressed at home, they can't get the break, they don't feel as if they had a break the same way  
662 as in the old days, when you come to work and you did your office work. And then you went  
663 home and you escaped work. Nowadays with the smartphones and so on it is putting more...  
664 many people have difficulty in escaping mentally from work. And that's maybe not so  
665 healthy. So that's one concern that we... I know the employees are raising with the  
666 management in Alfa Laval. So whether we need some initiatives on corporate level or... I  
667 don't know. But at local level the employees, they do all sorts of things together. Sports clubs  
668 and charity initiatives and... all sorts of things. But we don't tell them to do it, it's up to the  
669 local feeling within a team and if they feel good at work, they will tend to come together as  
670 friends and in that local community and do things.

671 **I.:** Yeah... Understandable.

672 **D.:** What we do too is that we measure the satisfaction of each working team in the group in  
673 the world. Where the satisfaction index and questionnaire can be the small team of people, it  
674 can be five people or three or ten. And they look at their score in terms of their working in a  
675 team and if there's a poor morale in a team, then that team can't get access to train people, to

676 help them look at the issues and work through issues. And that's being done for three years  
677 now, it's been quite successful.

678 **I.:** Who is the best team in the world?

679 **D.:** No, we don't score it like that, you know not a competition. But it's more... the  
680 individuals in the team... it's another way for them to talk with the managers and talk with  
681 themselves about how they are working, their work satisfaction. So it's not to say you are the  
682 best team or you are the winner in a sort of [unclear]. That would be the way you might want  
683 to do it in the USA, but in Sweden it's more collectivist culture, so... It doesn't work.

684 **I.:** True. I don't have any more questions. Thank you very much for talking to me.

685 **D.:** I saw it on your list of questions: how we maintain projects. And that's from the center.  
686 That's from corporate with lots of measurements. You can see it on our web-site. And it's  
687 just a massive statistics.

688 **I.:** So they basically implement it locally and decide on the projects locally, but they report to  
689 the group center.

690 **D.:** I mean, some of the corporate things like environmental impact, govern issues, how to  
691 save the waste water, these CSR measurements are standardized across the world, so you  
692 have to report, but there are local initiatives which we don't ask to report on because it's just  
693 too... it would be too much to read actually. We are not gonna manage it from the center  
694 either, so we leave it local. Keep it completely local. Okay, I hope it'll be helpful to you!

695 **I.:** Thank you so much!