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The Need for Policy Coherence
and New Partnerships



CSR, Corporate Welfare and Changes in Capitalism

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Abstract

In the past years, globalisation and neoliberalism fundamentally reconfigured relations between the economy, society and the state. The Anglo-American model of capitalism seems to have become the dominant economic concept in Europe and the rest of the world. Increasing shareholder value seems to be the most important goal for more and more companies. However, since the mid-1960s a discussion about the broader role of companies in society has evolved and can be summarised in two ways: the emergence of managerial capitalism has altered relations between control and ownership in companies and, hence, leaves room for new options in business behaviour. It has also picked up former ideas about the responsibilities of businesses towards other stakeholders and provides a more comprehensive basis for this kind of new behaviour. The new role of companies in society has firstly been theoretically discussed under the heading of Corporate Social Responsibility and has increasingly become part of practical business strategies. Almost all big and more and more medium size corporations now have special divisions solely for the purpose of formulating and endorsing corporate responsibility programs. Therefore, the nature of Anglo-Saxon capitalism is changing on a theoretical and an institutional level.

Simultaneously, the nature and roles of states have changed as well, and especially in the sphere of welfare. Some European states are either unable or unwilling to provide the sufficient level of benefits and therefore are trying to cut down their social expenditure. In some respect, this means increased demands for complementary and alternative options to traditional governmental provisions. One possibility is employee welfare. Companies are a crucial component of society and influence many aspects. They can determine a nation's as well as person's wealth. Employee welfare, it will be argued, subsumes and defines such activities in relation to Corporate Social Responsibility that enhance and secure the wellbeing of employees. Wellbeing will be understood in very broad terms, including psychological, socio-psychological, and physiological issues of an employee's life. This broad definition,

firstly, is possible as employee welfare situates itself at the intersection of economy, state and society. Secondly, employee welfare concentrates on a smaller number of welfare recipients than states do and, hence, can provide different and more individualised benefits.

In my paper, I will briefly outline the theoretical conception of employee welfare. The main part will be a presentation of empirical results from research in different companies in the United Kingdom and Germany and secondary analyses of various surveys on work and related job satisfaction such as WERS 2004 or Eurobarometer 44.2 “Working Conditions in the EU.” Aspects of employee welfare and measures to enhance the wellbeing of employees will become clear through using these data. It will evolve the simplicity and feasibility of employee welfare programs, as non-monetary and voluntary implementations such as honesty or flexible job design are the greatest contributing factors to wellbeing. On the basis of those analyses, one new development in the Anglo-Saxon model of capitalism becomes visible and may help to identify institutional changes in Europe.

Introduction

In this presentation, employee welfare will be approached through Corporate Social Responsibility and managerial capitalism. Since the environmental conditions for economic actions have changed companies have increasingly paid higher attention to other stakeholders than the shareholders. It is supposed that the goals are a better risk management and trustworthiness. In regard to employee welfare, social responsibility could mean to repersonalise or decommodify employees. On the other hand, it will firstly be argued that there was a transition from the traditional economics to advanced capitalist markets, which changed the structure of companies; it also resulted in a particular kind of capitalism. Although capital and responsible behaviour is less based on the individual person and more

on many parties, the new emerging separation between ownership and control still allows responsibility and non-profit oriented actions. The management board has the power to socially responsible decisions; making such decisions might lower transactions costs which entail labour as a factor of production too.

Corporate Social Responsibility

The phrase corporate social responsibility seems to be some kind of umbrella term for all activities of a firm that go beyond the company's economic core. It 'is conceptualized as the degree of "fit" between a society's expectations of the business community and the ethics of business.'(Zenisek 1979: 362) Jones et.al. use a negative definition of social responsibility by defining the term against shareholder value. Social responsibility is 'the notion that firms should respond voluntarily to the needs of a constituency much broader than the shareholders alone.'(Jones and Goldberg 1982: 603) Later, Mallin simply defines CSR as 'Voluntary actions that a company may take in relation to the management of social, environmental and ethical issues.'(Mallin 2007: xiii) Although the concept of CSR is somewhat still contested (Carroll in Epstein and Hanson 2006b: 3-30, further e.g. May et al. 2007), in an earlier article, Carroll constructed a four dimensional approach to CSR and suggested that the meaning of social responsibility could be put into broad categories of a society's expectations - economic, legal, ethical, and discretionary expectations (1979: 500). One effect of social responsibility on a company's internal structure is the build up of institutions and mechanisms, which monitor those expectations (Cohen and Sproull 1996, Strand 1983, further Allmendiger and Hinz 2002), and to behave like a "good citizen" as Heald termed it (1961: 131).

Embeddedness

Corporate social responsibility acknowledges a company's embeddedness in communities wherein a corporation possesses resources, i.e. of a financial character, to implement and change actual policies (cf. Streeck and Thelen 2005). Embeddedness stresses 'the role of concrete personal relations and structures (or "networks") of such relations in generating trust and discouraging malfeasance.' (Granovetter 1985: 490) Granovetter, amongst others, has argued that social networks are an integral part of human life as they provide persons with support or valuable information, e.g. about jobs (Granovetter 1973, 1974). Institutional agents in these networks, such as companies, can exchange information between themselves as well as between them and the non-business community. Furthermore, companies should be regarded as interwoven with their surrounding local communities through the social relations of the company's members to non-members. To sum up, embeddedness, as used here, defines the social connections between different agents for various purposes. The social connections happen in two ways: first, companies are connected amongst themselves and they exchange information about various issues like market developments, legal bills, or production processes. Second, companies are connected to the surrounding community, either through their members or their institutional engagement like sponsoring.

The concept of socially responsible behaviour is hardly uncontested, often Milton Friedman's argument is brought forward; the only responsibility of companies is to increase profits ([first 1962] 2002, 1970). Friedman, like Hayek, strongly rejected the idea of state intervention and claimed a free market. States provide the legal framework as well as take care of public goods such as health care. From this point of view, it is no wonder that Friedman sees the only social responsibility for companies in the increase of profits. However, companies have to comply to the 'rules of the game.' These rules comprise the compliance to the 'ethical custom' of a society (Friedman 1970). In doing so, Friedman opens up the possibility for CSR. So, for e.g.

as the ethical custom of society seems to have changed towards an expectation of sustainability, be it organic food or recycling, companies should embody such an expectations of sustainability. Corporate Social Responsibility could be considered as a program to transfer the changing societal expectations into the operation and strategy of business.

Financial Performance and CSR

It can be asked how this rather “soft” behaviour expresses itself in “hard” economic numbers and effects on profit making. Margolis and Walsh give an overview on empirical research which examined such relationships (2001, further e.g. Abbott and Monsen 1979, Alexander and Buchholz 1978, Fogler and Nutt 1975). They conclude that a little more than 50 percent of that research identifies a positive relationship. The problem for an ultimate assessment lies in the implementation of corporate social responsibility itself. It might be supposed that CSR is more long-term oriented. If it is implemented into the business strategy in this way it might have a positive effect on financial performance. In other words, if CSR is not just a trend to follow but rather an ideology of pursued sustainability in all parts of the business then it might be positive in its impact. A study by McKinsey&Company supports this argument; its main thesis is that there a positive correlation between senior female managers and financial performance (Desvaux et al. 2007, Mailand 2007, Schiessl 2008). However, the more interesting argument is between the lines. The higher share of females in senior management positions usually goes along with an organisational structure different than in male dominated companies. The differences are a greater availability of flexible working patterns such as job-sharing or home offices, and less conservative management styles. Hence, the relationship is a positive where these various factors come together.

The ways towards a CSR program are manifold but corporate social responsibility could be considered as a measure of (proactive) risk management and an issue of trustworthiness. The debate on CSR outlines increased pressure on policy, political and media level as the main causes (Bonnafeux-Boucher and Pesqueux 2005, Epstein and Hanson 2006a, 2006b, Hopkins 2007, Hoskins 2005, Kotler and Lee 2005, May et al. 2007, Steiner et al. 2000). To put it differently, companies are always acting under a sword of Damocles – often in the form of states' market intervention and interest groups' pressure (Haufler 2001: 1).

Given this background, CSR programs aim to increase trustworthiness and risk management, e.g. in the form of greater self-regulation. While these two aspects very much point to the external connections of CSR, its implementations should also pay attention to employees qua definition (Hoskins 2005, Kotler and Lee 2005). Although little can be found on the relationship between CSR and employees in some textbooks, many companies include a separate report on employee policies in their CSR publications (cf. e.g. Barclays 2004, BMW 2005a, 2005b, Tesco 2007). Employee welfare might be one possible way to discuss the relationship between CSR and employees. Anyhow, two issues of this relationship are of concern: firstly, the appropriate, responsible treatment of employees might take them away from being just another factor of production, and thus, a commodity (Giddens 1971, Polanyi [first 1944] 2001). It might be argued that we should transfer the proclaimed task of traditional welfare states of decommodification to corporations and model CSR programs in such a way that company employees are recognised as a factor with unique characteristics. To put it differently, CSR programs which focus on employee welfare could be a way to re-personalise labour and to deal with the instance of employees being responsible for the economic and social production (Esping-Andersen 1990, Kaufmann 2003, Maslow 1943, Merton 1972, Tuzzolino and Armandi 1981, Warr and Wall 1975, Weber et al. 1968). Secondly, responsible behaviour of companies plays an increasing role for financial investors and consciously discriminating stakeholders, like employees, choose their to-be-employer

under such aspects (cf. e.g. Henriques and Richardson 2004, FTSE, SAM). Furthermore, as the different stakeholders of a company do not exist completely separated from each other, there might be a flow of positive effects from one group to another (cf. e.g. Keim 1978, Mandell 2002).

Managerial Capitalism

Corporate social responsibility already connotes a more enlightened version of capitalism where shareholder interests still matter but other interest groups' concerns are taken into account as well. It might be suggested that the concept of managerial capitalism shows ways to combine the two. Various authors have outlined a separation between ownership and control for the Anglo-Saxon capitalist enterprise (Berle Jr. and Means [first 1932] 1962, Chandler 1962, 1977, Marris [first 1964] 1967, Scott 1979, Williamson 1975, 1981); for the continental European form of capitalism it might be suggested that this process had only partially taken place under a different political and legal framework. Berle and Means who analysed the effect on power relations and property rights by a changed ownership structure had developed the first conceptualisation of managerial capitalism. Their main argument proclaims the separation between ownership and control whereby a new institutional body, the management board, took over the functions of leadership from the original owners. A financial stake in a company has only been leading in fewer and fewer situations to actual control rights (Berle Jr. and Means [first 1932] 1962: 2).

Chandler picks up Berle and Means' argument and sketches the history of managerial capitalism from the time of the US-American industrialisation (1977). He outlines several important developments: First, the sheer size of such companies was unmanageable by one single person and, second, the needed capital could only be acquired by the pooling of capital sources. Following Smith's idea of the division of labour, professionals were employed to manage particular activities within the company and the capital came together by giving out

shares. At this point, it seems appropriate to return back to Berle and Means and argue that an institution had to be established to share the different information from the various departments and owners. Marris noted ‘we define “the management” as the particular in-group, consisting of directors and others, which effectively carries out the functions legally vested in the board.’([first 1964] 1967: 15) Chandler takes the argument a step further, and develops a much broader perspective on managerial capitalism, by claiming that the ‘modern business enterprise [represented by professional managers; F.B.] took over the functions of coordinating flows of goods’ in the market (Chandler 1977: 1).

Ever since Smith, markets have been regarded as self-regulating where demand and supply will left undisturbed. However, if one considers that “invisible” complete market clearing is only possible in markets where the amounts of supply and demand are known it might be suggested there is an agent influencing the flows of products to approximate a partial clearing at least. Managers are those who provide and direct production as well as the flow of products. There are two common theoretical implications resulting from both Berle and Means as well as Chandler. These are power and structural changes.

The board and its member gain an advantage through the position of being between shareholders and the actual company. Amongst others, social network theory has shown that those positions through which the most information has to pass are the most powerful. The agents in such positions can decide which information can travel between two otherwise unconnected agents (cf. i.e. Jansen 2003, Scott 2000, Weyer 2000). It might be argued that the management board is the “new powerful” because of its capacity and ability to access certain resources easier than others, or even withhold resources from them (Popitz 1986, Scott 2001, further e.g. Mandell 2002, Olson 1965). Managers know what a firm needs for future prosperity and act accordingly. Nevertheless, through the existence of a hierarchical structure of some kind, managers not only have the power on the basis of their position but

also the authority to direct operations. Their ability to channel information is bidirectional; they can ideally limit the information coming from the outside to the inside and vice versa.

Although the management board is likely to have more power in comparison to the company's stakeholders, it can exercise this power only within the given limits; if they do the opposite, the company might fail on the market. However, this could be the entry point for the importance of employee welfare; as it might be another measure to operate within those market limits without stretching them too much. The emergence of managerial capitalism could serve as a precondition to non-profit oriented behaviour. Although the management board will try to satisfy shareholders first, because they are the ones who provide the needed capital - it does have a certain power to pursue its own interests. Satisfying other stakeholders might either be an altruistic motive in itself or part of a wider strategy, like CSR, to increase productivity, and hence, financial return and shareholder satisfaction. Scott examines the relations in corporations in industrial society, and identifies six main issues for a theory of industrial society; amongst those are the differentiations of ownership and control and the possibility for managers acting socially responsible; 'since they are no longer constrained by the demands of the shareholders. ... Management sees itself as exercising a trust or fiduciary role on behalf of the community as a whole'.(Scott 1979: 21) The new relations emerging with managerial capitalism open up spaces for not-primarily profit oriented behaviour.

In contrast, the second implication following from the emergence of managerial capitalism is a wider change of the organisational structure and the motive for economic actions. One practical reason for the creation of an economic entity is delivered by the concept of transaction costs (Coase 1937, Crawford and Gram 1978, Williamson 1975, 1981). These are centred around contract finding situations and the potential advantages involved in them. It will be advantageous to have more influence on the prices of certain commodities than the market would usually allow. This might be achieved through long term or repeated contracts

on the one side and vertical integration on the other side. Since it has been argued that the management board might be a visible hand on the markets, the internal structure of a company might increase the advantage of integrating certain transactions into the corporation. After discussing transaction costs in their original conceptualisation it will become visible that they could be transferred onto work contract policies.

Transaction costs are based on two important preconditions: Firstly, there are at least two agents who stand in continuous exchange on a market. Second, the agents cooperate on a contractual basis. This 'transaction may thus be said to occur when a good or service is transferred across a technologically separable interface.'(Williamson 1981: 1544) The contracting parties can be any agent that offers or buys commodities. Hence, the approach of transaction costs is not limited to companies. It can also apply to individual persons or public authorities. In the exchange, the,

'allocation of factors of production between different uses is determined by the price mechanism. The price of factor A becomes higher in X than in Y. As a result, A moves from Y to X until the difference between the prices ... disappears.' (Coase 1937: 387)

The problem is to know what a factor's price is; Price evaluation can be cost and time intensive. It would be advantageous for the buyer to establish a stable relationship with a certain supplier, where the price finding is limited to a minimum, because the costs of transaction arise from the aspects incorporated in allocating the price. This mainly includes aspects of uncertainty about the quality, the amount, and future developments of the commodity. It also includes the time for the query and negotiation process as well as the costs for setting up the actual contract.

A company is founded to overcome this deficiency as well as to leverage the price mechanism in regard of transaction costs to some extent. Vertical integration, long-term commitments to employees, and suppliers are some possibilities for avoiding transactions costs. Firstly,

external long-term relations are advantageous as the costs for setting up the initial contract is lowered or spread over consecutive situations. Once a contract is set up the following continuous relationship lowers the subjective risk of disappointment. The agents know what they can expect from the respective other. In turn, where the relationship is not continuous, hardly any obvious advantages can be gained from commitment or internalising. The agents must have some expectations that they will meet again and cheating will be negative (Axelrod 1984, Granovetter 1985, Williamson 1975).

The foregoing discussion sheds light on external relations but the approach of transaction costs further assumes that certain operations will be internalised, especially if they are reoccurring. Firms can control prices and flows of production factors to such an extent that transaction costs become less important because they are known then and can be included in accounting calculations (Coase 1937: 393, Williamson 1975: 9). This might have the same advantages like commitment has for external relations. The precondition for the full display of the transaction costs' advantage through internalisation, which Williamson argues, is a situation where it would be possible to control opportunistic agents by embedding them into a network of tighter monitoring (1975).

To sum up, the approach of transaction costs could follow the development towards managerial capitalism as both tend to control the flows of production in markets. A structural change occurs with the increase of a company's size and contractual relationships. While a management board is established to ensure operational and strategic ability, transaction costs take the argument further by assuming an advantage in hierarchical and group control. The costs arising with the exchange of commodities in a market, such as legal fees, uncertainty and risk, can be lowered through integration or long-term commitment. The management board has the discretionary power to make such decisions, particularly on the basis of the argued uncoupling between personal and company wealth. In connection to the rather general

approach through transaction costs and its initial blindness towards specific issues it might be suggested to add labour to the concept of transaction costs.

Labour is a factor of production and a commodity although one with specific characteristics which cannot be found within other commodities. Like other factors of production, the use of labour should be maximised – getting the best out of it within the natural limit. It has already been stated that one aim in CSR is to increase reputation. Mandell puts it in terms of an advertisement of the company, ‘Welfare work lived on, not as a system to promote corporate partnership, but as a collection of benefits designed to “sell” the corporation to potentially discriminating employees.’ (Mandell 2002: 10) Although Mandell describes the professional turn of welfare work from women to men, it can be interfered that corporations became aware of “thinking” and rational acting current and could-be-employees respectively. Each query for an employee bears cost for the company. Are the needed persons available on the labour market? Which qualifications do they possess? Are competitors courting the supposed-to-be-employee (e.g. Burt 1995)? Furthermore, how will the new employee behave in the company? After finding an appropriate candidate, a contract has to be negotiated; determining but not too restrictive. Both partners need some space for manoeuvre in case of future problematic situations. It is advisable that a company should stay with an employee for a certain time. In economic terms, as long as costs for a replacement of the old employee are lower than the costs for finding and integrating the new employee. Replacement costs are rising with the duration of employment, as firm-specific knowledge – better habitus - is transferred, which is not readily available on the market. To sum it up, employee welfare benefits might be one measure to sweeten an employee’s stay with the company. Maybe he or she would get a higher salary in another firm but not the same benefits, which then could be the deciding factor (i.e. Volkswagen 2003).

Empirical Evidences

So far, I have outlined approaches to employee welfare and tried to position it as an option to traditional welfare states. Firstly, although CSR is widely debated and no uncontested definition exists, it can be concluded that CSR deals with a company's behaviour in regard of various and diverse stakeholders. Responsibility programs result from a higher need for trustworthiness and risk management. One positive outcome of CSR programs is the higher reputation a company may gain from the repersonalisation of employees. Secondly, the separation of ownership and control was seen as necessary for allowing companies to pursue a responsible strategy in regard of their employees. Greater discretionary power in daily and mid-term business enables professional managers to act not only in pure shareholder interests but also for all stakeholders.

However, there remains the question of what measures actually produce effects that might match theoretical assumptions. In the last section, I will therefore present results from secondary analyses of the Eurobarometer 44.2 (hereafter EB 44.2) 1996 "Working Conditions in the EU", the Eurobarometer 56.1 (hereafter EB 56.1) 2001 "Social Exclusion and Future of Pension Systems", and the International Social Survey Program (hereafter ISSP) 2005 "Working Conditions 3rd Wave" (ISSP 2005, Mohedano-Brethes 2001 [EB 56.1], Reif and Marlier 2001 [EB 44.2]). The analyses will focus on possible effects of CSR on wellbeing and will provide a comparison first of females and males and second of Germany and Great Britain.

The three datasets consists of between c5.000 (Eurobarometer 56.1) and 10.000 (Eurobarometers 44.2, ISSP) people in employment from some of the current EU member states. The files were prepared for the analysis by creating indicator variables, e.g. for work-life balance, attitudes towards management, or job security. There is one dependent variable "wellbeing" in each estimation. In general, it contains various variables on job satisfaction and the psychological perception of the job. Unfortunately, only the Eurobarometer 44.2

contained variables measuring health related aspects. These were days of absence because of ill-health and number of diseases resulting from the job; both have been included into wellbeing.. The two other datasets did not contain any such variable. All dependent variables in the three files are measured on a three categorical ordinal scale from lowest to highest.

However, it has to be noted that corporate social responsibility is hard to measure as it is more like a policy. From the datasets, it is impossible to come to conclusions about the company and its policies regarding CSR. Therefore, I decided to take the following variables as a measurement for CSR: quality of relations between management and employees; elements of decommodification such as flexible work patterns and an undisturbed work-life balance; involvement and participation; equality; and absence of discrimination or stress. Each dataset contains around 5 further variables for which there are no equivalents in the respective others. It should be noted that this operationalisation is incomplete and would need further variables for a complete picture.

EB 44.2, CSR Model Estimation (coefficients)

	General	Male	Female	DE	GB
Sector private	0,071	0,165*	-0,006	0,105	-0,351*
Supervision 1-5	-0,022	-0,083	0,067	-0,081	0,481*
Supervision 6-9	-0,036	-0,207	0,328	0,060	-0,141
Supervision 10+	-0,381***	-0,451***	-0,244	-0,505*	-0,208
Work pace dep on few others	0,362**	0,499**	0,200	0,667	0,453
Mainly/only others	1,117***	1,157***	1,136***	2,207***	1,852**
Adjust. Work conditions (no-high)	-0,335***	-0,270**	-0,406***	-0,278	-0,529
Pace few others*Adjust	0,113	0,087	0,137	-0,041	0,380
Pace only others*Adjust	0,079	0,090	0,030	-0,433	-0,218
Able modify workplace (no/yes)	-0,476***	-0,495***	-0,457***	-0,452***	-0,554***
Training (in days) less than 5	-0,016	-0,113	0,055	-0,076	-0,310
Training 5-9	-0,093	-0,108	-0,093	0,280	-0,091
Training 10-19	-0,193*	-0,245*	-0,109	-0,230	-0,363
Training 20-29	-0,095	-0,172	-0,018	0,923*	-0,356
Training 30-39	-0,142	-0,202	-0,054	-0,171	-0,015
Training 40-49	0,530	0,444	0,743	3,090**	0,629
Training 50-74	0,232	-0,008	0,443	0,418	-0,834
Training 75-99	0,547	0,889*	-0,389	0,913	2,437
Training 100+	0,445*	0,235	0,667*	0,580	-0,452
Equality more for men	0,508***	0,510***	0,530***	0,551***	0,611**

Equality more for women	0,353***	0,806***	0,241**	-0,293	0,399
Equality other	0,618***	0,740***	0,395	-0,444	0,881
Discrimination (no/yes)	0,820***	0,786***	0,839***	0,501*	1,198***
Work risk well informed	0,269***	0,304***	0,252**	0,225	-0,247
badly informed	0,844***	0,792***	0,875***	0,764	0,362
very badly informed	0,930***	0,977***	0,871***	0,645	1,252*
Extra salary (no/yes)	0,351***	0,440***	0,239*	0,009	0,056
Risk well inf.*Extra salary	0,130	0,076	0,168	0,497	0,874*
Risk badly inf.*Extra salary	-0,018	-0,041	0,068	0,311	1,021
Risk v. badly inf.*Extra salary	-0,172	-0,366	0,087	0,629	-0,087
Exchange with others (no/yes)	0,227***	0,200***	0,251***	0,160	0,249
Options for leave (no/yes)	-0,117**	-0,109	-0,122	-0,304*	-0,369
Threshold High/Average	-1,307***	-1,120***	-1,510***	-1,479***	-2,046**
Threshold Average/Low	1,671***	1,934***	1,397***	1,527***	1,639*
p	0,000	0,000	0,000	0,000	0,000
N	9.075	5.147	3.928	1.165	699
R2	0,145	0,152	0,146	0,152	0,221
	*** p<0.001	** p<0.01	* p<0.05		

EB 56.1, CSR Model Estimation (coefficients)

	General	Male	Female	DE	GB
Years employed (1-35+)	-0,051	-0,008	-0,098*	-0,087	-0,098
Part time (Yes/No)	0,051	-0,430	0,201	-0,461	-0,118
Private/Public	-0,088	-0,147	-0,009	-0,493*	0,418
Lay off and pressure (Not, 1/2, 2/2)	0,026	-0,007	0,090	0,012	0,372
Chance for involvement quite true	0,421	0,678*	0,048	1,333	-2,707*
Chance for involvement little true	1,047***	1,255***	0,735	1,660	0,643
Chance for involvement not true	0,987**	1,288**	0,527	-0,072	-0,878
Job is secure (V. true-Not really)	0,473***	0,510***	0,376*	0,714*	-0,165
Chance for involvement quite true * Job is secure	-0,048	-0,152	0,115	-0,383	1,427*
Chance for involvement little true * Job is secure	-0,224	-0,322	-0,063	-0,424	-0,076
Chance for involvement not true * Job is secure	-0,080	-0,167	0,080	0,301	0,952
Interesting job (V. True-Not at all)	0,604***	0,632***	0,572***	0,532**	0,831***
Management Support (V. True-Not true)	0,155***	0,158**	0,153*	0,176	0,238
Average pressure at work	0,263	0,216	0,310	-0,473	-0,027
High pressure at work	0,429	0,517	0,441	0,706	0,996
Life satisfaction overall (V. Satisfied-V. Dissatisfied)	0,671***	0,674**	0,690***	0,458	0,764
Average pressure at work * Life satisfaction overall	-0,153	-0,147	-0,151	0,238	0,171
High pressure at work by Life satisfaction overall	-0,116	-0,138	-0,129	-0,119	-0,232
Flexibility at job (Low-High)	-0,154**	-0,098	-0,214*	-0,002	-0,453

Average Commitment	-0,286	-0,527	0,055	-1,975	-0,851
High Commitment	-0,807*	-0,868	-0,610	-2,555	-0,691
Promotion in own company (Str. Agree-Str. Disagree)	0,102	0,166	0,061	-0,360	0,070
Average Commitment * Promotion in own company	-0,049	-0,002	-0,117	0,363	0,104
High Commitment * Promotion in own company	-0,107	-0,169	-0,084	0,211	-0,138
Job situation now and last 5 years (Increase-Same)	0,131*	0,124	0,160	0,203	0,362
Management-Employee Relations (Low-High)	-0,508***	-0,534***	-0,499***	-0,864***	-0,885**
Verbal abuse (Always-NA)	-0,021	-0,047	0,020	-0,228	0,149
Work-life sometimes disturbed	0,102	-0,058	0,394	-1,627	3,612*
Work-life hardly ever disturbed	-0,275	-0,223	-0,276	-1,542	3,026
Work-life never disturbed	-0,390	-0,397	-0,204	-2,155	3,226
Generally bad wellbeing (No-More than usual)	0,571**	0,571*	0,609*	0,387	2,343**
Work-life sometimes disturbed * general bad wellbeing	-0,290	-0,191	-0,473	-0,125	-1,796*
Work-life hardly ever disturbed * general bad wellbeing	-0,210	-0,274	-0,176	-0,094	-1,438
Work-life never disturbed * general bad wellbeing	-0,230	-0,333	-0,237	0,332	-1,711
Pref. Pension Scheme (State-Private)	-0,128*	-0,040	-0,229**	0,084	-0,148
Threshold High/Average	-7,049***	-7,081***	-6,856***	-2,719***	-12,302***
Threshold Average/Low	-1,095***	-0,902***	-1,077***	4,075***	-4,752***
p	0,000	0,000	0,000	0,000	0,000
N	4.610	2.601	2.009	586	384
r2	0,268	0,284	0,255	0,353	0,405
	*** p<0.001	** p<0.01	* p<0.05		

ISSP, CSR Model Estimation (coefficients)

	General	Male	Female	DE	GB
Children (No/Yes)	-0,003	0,149	-0,207	0,843	-0,342
Choice of free time for fam., friends, leisure (More-Same-Less)	-0,350***	-0,428***	-0,267**	-0,118	-0,205
Children * choice free time for fam., friends, leisure	-0,002	0,168	-0,165	-0,754	-0,488
Challenging job (High-Low)	1,039***	1,094***	0,993***	1,246***	0,966***
Job average helpful to others	-0,523*	-0,458	-0,613*	-0,670	-0,866
Job less helpful to others	-0,149	-0,090	-0,217	-0,898	-2,571
Commitment to employer (V. High/V. Low)	0,331***	0,332***	0,331***	0,342	0,430
Job average helpful to others * Commitment	0,211**	0,180	0,248*	0,355	0,179
Job less helpful to others * Commitment	0,271**	0,219	0,327***	0,468	1,214

Commitment					
Flexible job (High-Low)	0,253***	0,390***	0,109	0,345	0,594
Children by flexible job (High-Low)	-0,059	-0,252	0,140	-0,088	0,427
Male/Female	-0,074			0,149	-0,375
Imbalance work family (High-Low)	0,009	0,033	0,063	0,125	0,301
Female * imbalance work family	0,076			-0,107	0,134
Job interferes with family (Always-Never)	-0,602***	-0,627***	-0,576***	-0,513**	-1,165***
Usefulness of past work experience for job (None-Very)	-0,055	-0,094*	-0,021	-0,061	-0,032
Job loosing, worry to some extent	-1,051**	-0,818	-1,283*	-0,704	-4,764
Job loosing, worry a little	-1,212***	-1,301*	-1,181*	-1,315	-5,331
Job loosing, worry not at all	-1,404***	-1,255*	-1,586**	-1,888	-3,435
Relations management (V. Good/V. Bad)	0,384	0,419**	0,348**	0,333	0,307
Job loss, worry to some extent * relations management	-0,025	-0,159	0,088	-0,193	-0,118
Job loss, worry a little * relations management	-0,003	-0,061	0,059	0,057	-0,103
Job loss, worry not at all * relations management	0,043	-0,074	0,148	0,340	-0,250
Relations to workmates (V. Good/V. Bad)	0,228***	0,216***	0,249***	0,427*	0,670*
Securing employment strategies (V. High/V. Low)	-0,187*	-0,224	-0,166	-0,023	-0,413
Job loss, worry to some extent * securing employment	0,236*	0,292	0,200	0,114	0,836
Job loss, worry a little * securing employment	0,151	0,248	0,074	0,014	0,815
Job loss, worry not at all * securing employment	0,049	0,113	0,010	0,007	0,206
Supervisory function (Yes/No)	-0,220***	-0,305***	-0,129	-0,112	-0,284
Union member/non member	-0,013	-0,016	-0,012	0,147	-0,117
Threshold High/Average	-2,901***	-2,960***	-2,820***	-0,816***	-6,748***
Threshold Average/Low	3,027***	3,028***	3,077***	5,872***	0,429***
p	0,000	0,000	0,000	0,000	0,000
N	9.497	4.644	4.853	681	416
r2	0,251	0,249	0,255	0,276	0,364
	*** p<0.001	** p<0.01	* p<0.05		

General Comparison

The level of adjusting work conditions and the ability to modify them have the single highest positive influence on wellbeing in all three datasets. With them goes the absence of worries about the job and pressures at work, i.e. resulting from the pace. Interestingly, a supervisory function of at least ten other employees produces a positive effect in the EB 44.1 which

suggests a certain recognition of the company in employees' ability to work independently in teams. The level of involvement indirectly confirms this positive relationship in the two other datasets. In combination with the perceived job security, however, it is possible to say that it will be beneficial and lower anxieties about a possible job loss. It also partially suggests the concept of small working groups, but this cannot be ascertained with the information available.

The rather negative influence of inequality to the favour of either sex might be outlined and suggests that CSR programs for the promotion of any kind of equality are beneficial; absence of verbal abuse (EB 56.1) is also positive associated with wellbeing. From the remainder of the variables it might be suggested that non-work related feelings play a crucial role in work itself and only the right balance between work and private life will result in higher wellbeing. E.g. if someone feels generally quite bad it will be more positive if there is no disturbance of the work-life balance which would add even more to the already existent anxieties.

Comparison Females and Males

Females and males similarly experience most variables in the three datasets and occasional dissimilarities are often quite small in respect of the coefficients. The estimates will generally follow the main models in their trends. However, the supervisory function over 6 to 9 other employees stands out first for EB 44.2 because females will have a lower chance of positive wellbeing. This can neither be rejected nor validated by a dichotomous supervision variable in the ISSP. Second, there is a difference in the EB 44.2 between females and males in the effect on wellbeing by the interaction between bad risk information and some form of extra remuneration. If males are very badly informed about possible working risks but receive some kind of extra payment they will have a higher wellbeing than their female co-workers. It might be supposed that females perceive compensation differently and take non-monetary

issues more into account. However, this effect is not explicitly reoccurring in the EB 56.1 or the ISSP. Although men have a higher wellbeing than women in the EB 56.1 if they work fulltime and see the chance for promotion in their current job, in both surveys men will experience a positive effect on wellbeing by soft measures like involvement. This is partially backed up by their higher commitment in comparison to females. Third, females will have a lower wellbeing if their work-life balance is sometimes disturbed. It might be assumed that all continuous disturbance is not beneficial but less stressful because living can be adjusted while a one on-off disturbance is less foreseeable and, thus, more stressful. It should be mentioned that this is a tentative conclusion and would have to be examined more closely. Finally, the most outstanding are probably having children and amount of worry about a job, although in both cases the dissimilarities are rather small. Women will have lower wellbeing if they have children coupled with a less flexible job. It might be argued that this proves the argument of the double burden for women as well as connects to the McKinsey study.

Comparison Germany and Great Britain

Both Germany and Great Britain show marginal differences; but it can generally be noted that British employees seems to be more affected by changes in rather soft measures while the opposite is the case for German employees. This is broadly confirmed by other model estimations. Nonetheless, there are a few major dissimilarities between the two countries in the three datasets and the resulting CSR estimations. Both countries differ from the general estimations in a negative way, in other words all other countries, if the pace of work is mainly or only dependent on other rather than on the individual employee themselves. It suggests a higher emphasis on the individual instead of collective determination than in the rest of the EU. Again, the interaction with the level of adjustments of work conditions balances the negative effect and closes the gap to the rest of the EU. While this effect is produced in the

EB 44.2 the remaining two datasets partially reveal the higher preference for involvement in the case of German employees in comparison to the British. Both are the exact opposite for such variables, measuring involvement or participation. This might be explained by a wider presence of collective representation in Germany; in this regard, the negative effect of union membership on British employees' wellbeing in the ISSP is not surprising. Furthermore, in the ISSP dataset job worries will produce the greatest dissimilarities between the two countries. If British employees have to worry a lot their wellbeing will be decreased by almost 6.0. It might be asked whether that difference is attributable to more favourable labour agreements for German employees who might have to worry less. The last dissimilarity appears in the combination of job related worries and strategies to secure the employment. These two together can increase a British employee's wellbeing by a difference of around 1.0 in comparison to German employees.

The next dissimilarity lies in the preferential treatment of a certain sex. Germans are seemingly more relaxed if women or others are given priority over men. The gap is up to 2.0, with German employees having a higher chance of feeling better than British. If the aspect of discrimination is taken into account, where British would feel worse, it might be suggested that British law is more grounded in employees' consciousness and perception of their workplace, and Germans in turn, are less aware of discriminatory situations which preferential treatment might be a part of. From the model arises the question why British employees see a lower imbalance between work and private life as negative. No rational answer can be given to this, it might only be suggested that the negative impact occurs if the private life takes over work. But this is interfered from the analysis of the ISSP dataset which showed this kind of work-obsession for British employees. The aspect of being a parent will lower German employees' wellbeing. This could point to worse childcare facilities in Germany. However, it also underlines the assumption in regard to British employees that they maintain the same wellbeing if there is a way to adjust their private lives. It might partially be confirmed by the

interaction between having children and flexible working patterns. If British employees have children, but flexible arrangements are unavailable to them, their wellbeing decreases in comparison German employees.

Conclusion

In this paper, it has been argued that there seems to be a shift by companies towards more responsible behaviour. Through higher pressure by states, NGOs, the media and various other agents companies face a higher uncertainty in the outcomes of their actions. To ensure competitiveness in the future companies have to enact specifically targeted programs such as under the umbrella of CSR. This measure deals with the impact on the non-business community and incorporates them into the business strategy. More and more companies set up separate divisions whose primary purpose is to formulate means and goals. It has been argued that we should put more emphasis on employees because that step might help to increase a company's efficiency within the given market limits. Doing so employees will become repersonalised and show a higher commitment. These CSR programs are often cheap and easy to implement as the greatest contributing factors to higher employee wellbeing are soft ones like flexible working patterns or a relaxed working environment. Additionally, these programs will hardly conflict with the increase of shareholder value, which has already been outbalanced as a goal by the appearance of managerial capitalism and a different power structure. Taking these things together, capitalism seems to be changing and developing into a more enlightened version. Employee welfare might form one part of this process.

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