## Mainstreaming Corporate Responsibility

Edited by N. Craig Smith, INSEAD and Gilbert Lenssen, EABIS



## Contents

V LOD

About the Editors	Xi
Acknowledgements	xiii
Foreword: by J. Frank Brown, INSEAD and Thomas S. Robertson, Wharton School	
PART ONE – INTRODUCTION	1
<ol> <li>Mainstreaming Corporate Responsibility</li> <li>N. Craig Smith, INSEAD, and Gilbert Lenssen, EABIS</li> </ol>	2
2. Business as Usual is Not the Answer to Society's Problems  N. Craig Smith, INSEAD and Halina Ward, IIED	8
PART TWO – STRATEGY	11
3. Corporate Responsibility in Strategy  Andrew M. Pettigrew, Saïd Business School, University of Oxford	12
4. Microsoft: Bringing Technology to the Aging Population  Maurizio Zollo, Bocconi University and Robert J. Crawford, INSEAD	<sup>4</sup> 21
5. IBM in China: Responding to a Government's Social Initiatives  Steven White, CEIBS	43
6. IBERDROLA: A Utility's Approach to Sustainability and Stakeholder Management Tanguy Jacopin, IESE Business School, Serge Poisson-de Haro, HEC Montréal and Fontrodona, IESE Business School	55 Joan
PART THREE – ACCOUNTING	79
7. Corporate Responsibility in Accounting  Dennis Oswald, University of Michigan	80
8. Enel: CSR and Performance Measurement  Anna Pistoni and Lucrezia Songini, Bocconi University	97
9. Novo Nordisk A/S – Integrating Sustainability into Business Practice  Mette Morsing, Copenhagen Business School and Dennis Oswald,  University of Michigan	142

## viii Contents

N. Craig Smith, INSEAD and Michelle Quirk, London Business School	16/
PART FOUR – FINANCE	197
11. Corporate Social Responsibility in Finance  John Becker-Blease, Washington State University	198
12. Maximizing Shareholder Value: An Ethical Responsibility?  Theo Vermaelen, INSEAD	206
13. Veridian: Putting a Value on Values  Rakesh Khurana, Joel Polodny and Jaan Elias, Harvard Business School	219
PART FIVE – ECONOMICS	247
14. Corporate Responsibility in Economics  H. Landis Gabel, INSEAD	248
15. Unilever and Oxfam: Understanding the Impacts of Business on Poverty N. Craig Smith, INSEAD and Robert J. Crawford, London Business School	264
16. Revenue Flow and Human Rights: A Paradox for Shell Nigeria Ulrich Steger and Aileen Ionescu-Somers, IMD	291
PART SIX – ENTREPRENEURSHIP	303
17. Corporate Responsibility in Entrepreneurship  Filipe Santos, INSEAD	304
18. innocent: Values and Value  David Grayson and Robert Brown, Cranfield School of Management	311
19. Waste Concern: Turning a Problem into a Resource  Johanna Mair and Jordan Mitchell, IESE Business School	332
PART SEVEN – MARKETING	353
20. Corporate Responsibility in Marketing  C.B. Bhattacharya, Boston University and Sankar Sen, Baruch College,  City University of New York	354
21. Bounded Goodness: Marketing Implications of Drucker on Corporate Responsibility N. Craig Smith, INSEAD	364
22. Norsk Hydro ASA: Sustainable PVC at Hydro Polymers?  N. Craig Smith, INSEAD and Josephine Brennan, London Business School	382
23. GlaxoSmithKline and Access to Essential Medicines  N. Craig Smith, INSEAD and Anne Duncan, London Business School	417

	Contents is	X
PART EIGHT – ORGANIZATIONAL BEHAVIOUR AND HUMAN RESOURCE MANAGEMENT	433	7
24. Corporate Responsibility in Organizational Behaviour	438	8
Mette Morsing, Copenhagen Business School		
25. betapharm: Be Different or Die	448	8
Andre Habisch and Stephan Kaiser, Ingolstadt School of Management and Nigel Roome, Erasmus		
26. The TPG-WFP Partnership: Looking for a Partner	466	6
Luk N. Van Wassenhove and Rolando M. Tomasini, INSEAD		
PART NINE – OPERATIONS MANAGEMENT	48	5
27. Corporate Responsibility in Operations Management	486	6
Luk N. Van Wassenhove, INSEAD		
28. illycaffè: Value Creation Through Responsible Supplier Relationships Francesco Perrini, Bocconi University and Angeloantonio Russo, Parthenope University	497	7
29. The Co-operative Group: Fairtrade Chocolate	525	5
Adrian Clarke, Josephine Brennan, Stephanie Robertson and Chris Voss, London Business School		
30. The Wal-Mart Supply Chain Controversy	554	4
N. Craig Smith, INSEAD and Robert J. Crawford, London Business School	ş.	
Index /	57:	3