

Exploring the Role of Leadership in Corporate Social Responsibility: A Review

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Leadership as demonstrated by today's corporate leaders has been called into question. In the aftermath of corporate scandals and global financial crisis, many people today desire leadership that promotes the ideals of corporate social responsibility (CSR). At the present time there exists strikingly little research that explicitly explores the intersection between leadership and CSR. Therefore the primary goal of this article is to collect the existing research relating leadership with CSR in an effort to better understand the intersection of these fields, and to explore promising future areas research at this intersection. Having surveyed the literature, beginning with studies that explicitly explored "leadership and CSR" and broadening to include related relevant studies, I have discovered a number of interesting studies that can serve as a foundation for those who are interested in more deeply exploring the intersection of leadership and CSR.

INTRODUCTION

Level-headed people may be forgiven for having critical questions about the leadership demonstrated by today's corporate leaders and the commitment of these leaders to the ideals represented by corporate social responsibility (CSR). Corporate scandals involving senior leadership such as those at Enron and WorldCom followed by a global financial crisis where government bailouts went to firms whose senior leadership continued to reward itself with excessive bonuses serve as a few examples why leadership as it relates to CSR has been called into question. But the questions related to leadership and CSR are not solely focused on cases of demonstrable illegality or gross negligence.

Many people today are in search of corporate leaders who demonstrate leadership that goes beyond preventing their respective corporations from front page scandals. Interest has progressed into more subtle areas of CSR where there is a desire for corporate leaders and corporations to demonstrate a commitment to CSR through "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams & Siegel, 2001). This raises important questions for researchers to explore, such as what is the impact of leadership on the CSR engagement and performance of the corporation? And what kinds of leadership support CSR engagement and performance at the corporation?

Despite this increased interest in the relationship between leadership and CSR, there is strikingly little research readily available that explores this intersection. Important related contributions have been made to explore such related topics as ethical and responsible leadership (Brown & Trevino 2006; Doh & Stumpf, 2005; Maak & Pless, 2006) and importance of ethical behavior to an organization (Trevino, Weaver, & Reynolds, 2006); however there is room for more thorough explorations into the role of leadership in CSR. As expressed by Van Velsor (2009, p. 3) in a special issue of Corporate Governance

focused on leadership and CSR, “there is obviously already a wealth of literature on leadership, and there is a good deal of literature, both conceptual and research-based, on corporate social responsibility. But we know relatively less about the intersection of the two...”

A lack of readily available research on the intersection of leadership and CSR may be, in part, a result of the following two challenges. First, there is an inherent challenge in performing research at the intersection of a field as broad and complex as leadership and as nebulous as CSR. Identifying what research to perform and how to carry it out presents difficulties. Second, a conceptual challenge may come into play related to how the concepts of leadership and CSR are each broadly defined. As Bass (1990, p. 11) expressed, “there are about as many different definitions of leadership as there are persons who have attempted to define the concept” and, similarly, as Matten & Moon (2008, p. 405) simply put it “defining CSR is not easy”. It follows that CSR has a wide suite of associated definitions (Dahlsrud, 2006) and moreover, the term CSR itself has been used interchangeably with other terms including business ethics, stakeholder management, sustainability, and corporate citizenship (Schwartz & Carroll, 2008). Thus research conducted using terminology other than “leadership” and “CSR” can cause challenges in relating the relevancy of the research and, moreover, some pertinent research may not be readily identified. These challenges are not, however, unique to leadership and CSR as the bringing together of any two major fields can be expected to present related challenges.

Therefore the primary goal of this article is to collect the existing research relating leadership with CSR in an effort to better understand the intersection of these fields. Having surveyed the literature, beginning with studies that explicitly explored “leadership and CSR” and broadening to include related relevant studies, I have discovered a number of interesting studies that will be of value to those interested in exploring the intersection of leadership and CSR. However, due in part to challenges previously raised in addition to my own shortcomings, I make no claim that the literature review conducted within this contribution is all-encompassing. Rather, this review represents a humble first attempt to collect the research that explores the relationship between leadership and CSR, and subsequently to identify potentially promising future research streams.

This article is organized as follows. I first present major contemporary leadership theories that have been explored in relationship to CSR including transformational leadership, transactional leadership, visionary leadership, and participative leadership. Next, I present research conducted on the notion of reflexivity in leadership as it pertains to CSR and research at the intersection of leadership, culture and CSR. The identified research in these sections is largely descriptive in nature, with some normative, and to a lesser extent instrumental. These sections are followed by a discussion to compare and contrast the research and to identify central findings that can serve to indicate potentially fruitful avenues for further research. Promising future research opportunities related to the intersection of leadership and CSR identified within this article include: further explorations into the role of the transformational leadership component “intellectual stimulation” in CSR; the role integrity and authentic leadership in CSR; the interaction between transformational and transactional leadership in CSR; an exploration into the simple questions related to whether “good CSR leadership” is simply “good leadership”; and potential interrelation between intellectual stimulation and reflexivity pertaining to CSR. Additionally, future research may be well-advised to parse CSR into subcomponents, for example “strategic CSR” and “social CSR” to aid in a more precise research.

LITERATURE SURVEY

Transformational Leadership & CSR

Transformational leadership “involves an exceptional form of influence that moves followers to accomplish more than what is usually expected of them. It is a process that often incorporates charismatic and visionary leadership” (Northouse, 2010, p. 171). Burns (1978) put forward the notion of transformational leadership in opposition to transactional leadership, stating that the former is “more complex” and “more potent” where the “transforming leader recognizes and exploits an existing need or demand of a potential follower...[and] looks for potential motives in followers, seeks to satisfy higher needs, and

engages the full person of the follower. The result of transforming leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents” (1978, p. 4). As Bass (1990, p. 53) described, “the transformational leader asks followers to transcend their own self-interests for the good of the group, organization, or society; to consider their longer-term needs to develop themselves, rather than their needs of the moment; and to become more aware of what is really important. Hence, followers are converted into leaders.” Bass (1985) put forth that transformational leadership motivates followers to go “beyond expectations” to collectively achieve superior results. Four leadership factors are associated with transformational leadership: Idealized influence (a.k.a. charisma), inspirational motivation, intellectual stimulation, and individualized consideration (Northouse, 2010, p. 176-181) where the first two factors are considered emotional and second two intellectual (Bass 1985 as referenced by Waldman et al., 2006b, p. 1706).

Waldman et al. (2006b) explored the transformational leadership factors of CEO’s in 112 large US and Canadian companies and the relationship of these factors to the CSR actions of their firms. Within this study, Waldman et al. grouped both emotional factors under the single heading “charismatic leadership” (citing a lack of independence between the two (2006b, p. 1706)) and only studied the intellectual factor “intellectual stimulation” (choosing not to include the individualized consideration factor citing conceptual difficulties in linking individual-level focus with the higher-level organizational phenomenon of CSR (2006b, p. 1706-7)). These leadership factors were assessed using the Multifactor Leadership Questionnaire (MLQ) where one or two senior managers within each company were solicited regarding their impressions of the company’s CEO. Waldman et al. parsed CSR activities into two distinct categories strategic CSR and social CSR, where strategic CSR was identified as activities “that relate more clearly to the firm’s competitive strategy (e.g. differentiation/reputation building)” and social CSR was labeled as activities “based more on concern for social issues” (2006b, p. 1714). The CSR activities of each firm were assessed based on data provided by KLD.

This study found that intellectual stimulation was found to be a predictor of the firm’s propensity to engage in strategically oriented CSR, but not socially oriented CSR. Interestingly, charismatic leadership was not found to be a predictor of either strategically or socially oriented CSR. Waldman et al. (2006b, p. 1709) proposed that the “heroic aspects of charismatic leadership emphasized in the literature may simply not be theoretically appropriate for an outcome such as CSR.”

Egri & Herman (2000) performed interviews and conducted questionnaires from leaders of 38 for-profit “green” business organizations and 33 nonprofit environmental organizations from the US and Canada regarding their leadership approaches and personal values. Their findings suggest that the nonprofit organizations were “highly receptive contexts” for transformational leadership approaches, whereas for-profit organizations were “moderately receptive” (2000, p. 571). With the for-profit organizations, Egri & Herman cited that both transformational leadership and transactional leadership approaches were employed. Along these lines, they stated “this study provides evidence that transformational and transactional leadership are not strictly dichotomous constructs, especially in smaller organizations” (2000, p. 600). That being said, Egri & Herman seem to stress the importance of transformational leadership above transactional leadership as it relates to environmental responsibility, stating in conclusion that “transformational leaders are needed to effect transformations in the way humankind relates to the natural environment. The importance of human agency in this endeavor cannot be overstated.”

Shahin & Zairi (2007) explored small to medium sized companies in Iran, surveying managers from 58 companies through questionnaires about leadership approaches and CSR at their companies. Their findings indicated the comparative effectiveness of transformational leadership, stating in their conclusion that “the leadership style is also found to play an important role in socially responsible organizations. In this respect, transformational leader seems to be more effective, comparing with manager and transactional leader” (2007, p. 7).

Transactional Leadership & CSR

Transactional leadership is one in which leaders “approach followers with an eye to exchanging one thing for another” (Burns 1978, p. 4). Burns (1978) distinguished between two types of leadership-transactional and transformational- and stated that “transactional leadership refers to the bulk of leadership models, which focus on the exchanges that occur between leaders and their followers” (as cited by Northouse, 2010, p. 172).

Szekely & Knirsch (2005) (who utilize the terms CSR and sustainability interchangeably) draw on the notion of transactional leadership as it relates to CSR through via their call for a “system of incentives”. Resulting from their study of 20 German companies in which they analyzed company sustainability reports and websites in addition to various surveys and sustainability metrics and awards, they stated “in our research we found that it always takes a leader to transform a company into a sustainable, socially responsible enterprise...the most critical success factor for sustainability is true leadership within the organization. This means securing the commitment of management (starting at the very top) and developing a system of incentives to reward leaders at all levels who develop and push for the adoption of sustainability practices” (2005, p. 629).

Visionary Leadership (and Integrity) & CSR

“Visionary leadership involves a *relationship* between an individual (leader) and one or more followers based on leader behaviors that engender intense, favorable reactions and attributions on the part of followers” (Waldman et al., 2006a; referencing House, 1996; House & Aditya, 1997). Key associated behaviors include providing a sense of mission, articulating an inspirational vision based on a sense of purpose that challenges the status quo, the demonstration of determination when accomplishing goals, and questioning assumptions (Waldman et al., 2006a). Note: While integrity is not unique to visionary leadership (and in fact it is more commonly tightly tied with notions of authentic leadership, which will be addressed within the discussion section) it so happens that the two cited studies below explored integrity in parallel with visionary leadership. Therefore integrity is discussed within this section.

Waldman et al. (2006a) utilized data from the Global Leadership and Organizational Behavior Effectiveness (GLOBE) project (House et al., 2004) to explore how leadership characteristics associated with visionary leadership and integrity may be predictors of *values* toward CSR by top management team members. They also explored how the GLOBE cultural dimensions of institutional collectivism and power distance impact values toward CSR (which will be explored in a later section). In this study, Waldman et al. analyzed 561 firms from 15 countries (Austria, Brazil, China, Germany, Greece, Guatemala, India, Mexico, the Netherlands, Nigeria, Russia, Slovenia, Spain, Taiwan, and Turkey), engaging with at least six respondents from each firm resulting in 4656 individuals surveyed. They parsed CSR values into three dimensions as it pertains to 1) shareholder/owner, 2) stakeholders and 3) community/state welfare, citing a “lack of clarity” in other CSR research that did not address the multidimensionality of CSR, and critically levied that “prior research has treated CSR in a unidimensional manager (e.g., Waddock & Graves, 1997), or has blended stakeholder and community relations/welfare issues into a common factor (e.g., Hillman & Keim, 2001).” Waldman et al. found through “confirmatory factor analyses” these three CSR dimensions are an appropriate construct (2006a, p. 833).

Waldman et al. found that CEO leadership in the form of visionary leadership and integrity were “uniquely predictive” of CSR values (2006a, p. 823) associated with shareholder/owner and stakeholders, and to a lesser extent CSR values pertaining to community/state welfare. Moreover, they found that “CEO leadership in the form of vision and integrity may be a driver in how subordinate managers view the importance of CSR in their decision-making” (2006a, p. 834). Waldman et al. also found that the GLOBE cultural dimensions of institutional collectivism and power distance strongly impacted values toward CSR, but that “leadership in the form of vision and integrity may help drive CSR values beyond economic and cultural factors. Such leadership could emanate from the home country, the subsidiary country, or both. Perhaps leadership phenomena could help align CSR values in decision-making processes, as well as subsequent actions based on those values, despite cultural differences. In sum, we

conjecture that an understanding of leadership and managerial CSR values across societal contexts represents an area worth of additional research” (2006a, p. 835).

Ketola (2006) also examined visionary leadership and integrity through the role of trust between superior and subordinate and the impact on CSR of the company. Through a psychological Jungian analysis of leadership reliability in CSR, Ketola’s findings analysis stressed the importance of coherency and consistency in leadership as being even more important to CSR than visionary leadership. Ketola (2006, p. 13) concluded “companies and their leaders are often encouraged to be visionary in their corporate social responsibility issues, but just like strategy experts Lisak and Roos (2001) say: it is more important to be coherent than visionary. It is useless for leaders to dream about the future, if no-one trusts them. Hence the advice for leaders is: be consistent first, then visionary.” Ketola pointed out that consistency is a component of integrity, suggesting that a leader’s integrity is an important component in his or her successful promotion of CSR activities at the firm.

Participative Leadership & CSR

“Participative leadership consists of inviting subordinates to share in the decision making. A participative leader consults with subordinates, obtains their ideas and opinions, and integrates their suggestions into the decisions about how the group or organization will proceed” (Northouse, 2010, p. 128). Maclagan (1999) made the normative argument that CSR must be understood as a process which must be participative involving employees across the company and other stakeholders. They concluded “taxonomies of CSR issues, and of the associated social or environmental impact of corporate activity, must of necessity be fairly general. It is of more practical value to focus on social processes, including the methods by which issues are identified and ethical dilemmas resolved in concrete situations. In any case, to talk of corporate responsibility without due attention to processes which involve actual people whose beliefs and values are expressed in corporate action, both entails a logical category mistake and fails to do justice to the moral and work-related potential of employees. In keeping with an ethos of ethical responsibility, this process of CSR should involve employees and others. Such participation should be non-manipulative and should encourage open communication between those involved” (1999, p. 48).

Reflexivity & CSR

Roglio & Light (2009) described reflexivity as “the ability to make sense of uncertain, unique, or conflicted situations of professional practice” which is composed of three distinctive, but closely interrelated, ways of thinking: 1) connective thinking, 2) critical thinking, and 3) personal thinking. 1) The idea of connective thinking is based in systems thinking as a way of “understanding the connections among the different elements that compose a specific situation or problem, the interrelationships among these elements and their influences on the social context” and “identifying links between ideas and facts for generating creative solutions” (2009, p. 158). A “systemic perspective of the world,” Roglio & Light suggest, “requires the capacity to identify the sets of interrelationships and process of change, with a focus on and a concern for sustainable development” (2009, p. 158). 2) Critical thinking involves the ability to become aware of and question the tacit mental models that guide the decision making process for oneself and others, and to critique the dominant mental models in groups, organizations, and society. 3) Personal thinking focuses on self-awareness (2009, p. 159). Reflexivity, and in particular the reflective element of connective thinking as noted above, has been cited as an important ability for business leaders’ to promote sustainable development. Giacalone & Thompson (2006) made the normative argument that future business leaders must develop more holistic approach to thinking about the role of business in society, where “business’ *raison d’être* is conceptualized more holistically as a means of serving humanity rather than being served by it” (2006, p. 271). Similarly, Atwater et al. (2008) called for a greater cultivation of systemic and holistic thinking in the next generation of business leaders where business students “develop a richer understanding of the complexity they will face on a daily basis” (2008, p. 10).

Quinn & Dalton (2009) utilized Van Velsor and McCauley’s “tasks of leadership framework” to examine “how leaders set direction, create alignment, and maintain commitment in organizations implementing principles of responsibility” (2009, p. 26). They conducted interviews with 17 senior

leaders (ranging from CEO to director level) from 12 US companies of varying sizes and industries. They found “at first blush, this study would seem to suggest that the leadership behaviors associated with introducing and sustaining a sustainability initiative in an organization are no different from effective leadership behaviors evidenced in any change effort.” They continued “what we did discover, however, is that leaders engaged in this particular change effort (creating and maintaining an organization whose interface with natural and human resources is sustainable), demonstrate a profound difference in their views of how business should operate. Each of these leaders not only recognizes the interconnections between their business operations, the natural environment, and society; they actively pursue strategies to respect and honor these connections. Their efforts to integrate a societal need into the business are not tacked on to an existing operation. Rather, the very nature of the way business is conducted had been changed, to include broader and more interdependent views of strategy and planning, stakeholder engagement, and employee involvement” (2009, p. 34).

Kakabadse et al. (2009) conducted a study to “isolate the skills a truly effective CSR leader would need” (2009, p. 51). They performed interviews and participant observations from “all levels of staff” (across management levels to the boardroom) in over 65 for profit and nonprofit located in the US, UK, Continental Europe, Africa, and Australia resulting in 300 interviews. Through their interviews and subsequent thematic analysis utilizing coding and a grounded theory approach, patterns of themes across participants’ narratives were identified. Kakabadse et al. found that “regardless of the country or residence or size of the company, research findings revealed three stages of CSR implementation, common to all, where particular and different CSR leadership skills would be needed.” These three identified stages are 1) CSR decision stage, which includes the leadership capabilities of CSR awareness, reflexivity, and CSR goal discerning; 2) CSR adoption, which includes the leadership capabilities of using business case language, persuasion, handle paradoxes and conflicting priorities, consistency of application, CSR measurement, and follow through; and 3) CSR commitment which includes will to act.

Regarding reflexivity, Kakabadse et al. stated “reflexivity allows the leader to constantly reconsider their experience and learn from it. This is the groundwork which will ultimately make the cause believable to followers. From identification of realistic CSR goals, a clarity of motion can be established, providing the platform to articulate a compelling vision, set high expectations and model a consistency of desired behaviours. CSR clarity is both the start of and the result of a reflection and awareness that guides the decision process... CSR awareness together with reflexivity creates knowledge which synthesizes and inter-connects the other aspects, mediating between the higher intellectual faculties of understanding and wisdom, the emotional aspects of leading people, and the practical aspects of business skill. Without CSR awareness and reflexivity, all other aspects become dysfunctional. Only through CSR awareness and reflexivity can CSR goals be clearly defended, articulate and enacted.” (2009, p. 53). Kakabadse et al. stated “CSR leadership can be developed” (2009, p. 55) and they created the “CSR leaders road map” instrument (2009, p. 56) based on their findings and three previously identified stages to aid in effective CSR leadership. In conclusion, they stated “by deepening their CSR awareness and enhancing their abilities to engage in reflexivity, leaders also nurture a level of leadership wisdom that accommodates the handling of paradox” (2009, p. 56).

Hind et al. (2009) performed a study in an effort to determine “whether respondents had a consensus on the nature of leadership qualities that are likely to support corporate social responsibility behavior within organizations” (2009, p. 11). An initial questionnaire sampling 108 managers in Europe from public and private sectors followed by a second stage of research with in-depth interviews with 11 European multinational corporations. During the questionnaire phase, 108 managers of public and private sectors responded, with a majority of the responses coming from male, senior managers in the UK financial sector. This was followed by the second stage “comprised of a series of in-depth interviews” with 24 senior managers in 11 “leading European-based multinational companies.” The managers represented CSR, human resources, operations, among others. Grounded theory approach was then applied “to conceptualize what is going on by using empirical data” (2009, p. 9-10).

In the questionnaire, Hind et al. found that acting with integrity and caring for people were seen as the most important competencies for supporting responsible leadership (from a relatively narrow list possible

attributes (2009, p. 11-12). In the subsequent interviews, they found that the “reflexive abilities” of the leaders were key in leadership competencies demanded to support effective CSR behavior. Based on information derived from the interview data, they identified five reflexive abilities of systemic thinking: embracing diversity and managing risk; balancing global and local perspectives; meaningful dialogue and developing a new language; and emotional awareness. Hind et al. stressed systemic thinking, highlighting the need for leaders to “understand the interdependency of systems across the business and between the business and society” (2009, p. 15). They also pointed that “our study strongly suggests that responsible leadership requires an appreciation of cultural diversity” (2009, p. 18). In summary, Hind et al. suggest “that ‘reflexive abilities’ should be developed as core competencies in management development (2009, p. 7), and call for business schools to help in this task (2009, p. 18).

Leadership, Culture, & CSR

The intersection of leadership and culture have been the focus of studies for some time, where such cross-cultural studies including Hofstede’s (2001; 1991) works and the subsequent GLOBE studies (House et al., 2004) are among some of the most cited. Waldman et al. (2006a) (previously cited within this article) utilized GLOBE data from 561 firms across 15 countries to explore whether the GLOBE cultural dimensions of institutional collectivism, in-group collectivism, and power distance impacted the CSR values as they pertained to Waldman et al.’s three CSR values dimensions: shareholder/owner, stakeholder, and community/state welfare.

A high level of the GLOBE cultural dimension “institutional collectivism” relates to a culture that holds “the belief that the self should be interdependent with others and should have duties and obligations to the greater collective that outweigh personal contrasts” (2006a, p. 826). This is in contrast to the GLOBE cultural dimension “in-group collectivism”, for which a high level relates to a culture that values “the extent to which individuals should express pride, loyalty, and cohesiveness with their families, or particular groups within a society such as the organization in which they are employed” (2006a, p. 826). Finally, a high level of the GLOBE cultural dimension “power distance” relates to a culture that believes that “power should be unequally distributed within a culture” and where “higher power distance cultures accept that the hierarchy that exists between superiors and subordinates is extensive, customary, and legitimate” (2006a, p. 826).

In this study, Waldman et al. found that “cultural and leadership factors are critical determinants of the CSR values of managers” (2006a, p. 835). In particular, they found that cultures with a high degree of institutional collectivism demonstrated a significant value for all three of the CSR values dimensions—shareholder/owner, stakeholder, and community/state welfare. In contrast, however, they found no significant relationship between in-group collectivism and any of the three CSR values dimensions. Finally, Waldman et al. found that cultures with a high level of power distance devalued all three of the CSR values dimensions and stated that “our findings are especially suggestive that cultures with stronger power distance values may induce managers to show little concern for such identifiable stakeholders as employees, environmentalists, and customers”.

Strand (2010) compared the by country cultural dimensions of Hofstede (2001) to the CSR performance index comprised by Gjølborg (2009) that measured the over/under representation of companies from 20 OECD nations within the CSR indexes of the Dow Jones Sustainability Index, FTSE4GOOD, and Global 100. Strand found that the Hofstede cultural dimension of masculinity was significantly negatively associated with CSR performance by country. In other words, countries that were considered to demonstrate a more “feminine” culture—like the Scandinavian countries of Norway, Sweden, and Denmark—tended to have significantly stronger CSR performances countries that were considered to demonstrate a more “masculine” culture—like Italy and the US. Despite the somewhat misleading nomenclature, “masculinity” and “femininity” describe the degree to which gender roles are defined within a culture where “masculinity stands for a society in which social gender roles are clearly distinct: Men are supposed to be assertive, tough, and focused on material success; women are supposed to be more modest, tender, and concerned with the quality of life”, and “femininity stands for a society in which social gender roles overlap: Both men and women are supposed to be modest, tender, and

concerned with the quality of life” (Hofstede 2001, p. 297). Strand (2010) discussed that a more “feminine” leadership approach that “encouraged collaboration, participation, and where the leaders themselves were more modest and nurturing” were likely more conducive to stronger CSR embracement than a leadership approach akin to the “masculine John Wayne beat ‘em at any cost style”. Strand, however, cautioned against an uncritical embracement of these findings, citing relevant critiques by scholars including Egan & Bendick (2008) and Osland et al. (2000) who caution, among other things, that such macro cultural dimension rollups amount to sophisticated stereotyping. Moreover, the masculine/feminine cultural dimension has itself received particular criticism for encompassing too many topics (Jackson & Parry, 2008, p. 72). Considering these critiques, Strand encouraged that further explorations to more deeply consider the characterizations of masculine versus feminine leadership approaches as they pertain to CSR may prove fruitful when research is conducted at a much more micro level (with individuals at each company, for example) utilizing ethnographic methodologies to gain a deeper and more nuanced understanding.

DISCUSSION

Within the discussion section, relevant findings from the identified research at the intersection of leadership and CSR will be discussed and compared. Drawing from this, promising fruitful avenues for future research at the intersection of these two fields is explored.

Waldman et al.’s (2006b) exploration into transformational leadership factors and their relationship to CSR actions represents one of the more thorough, descriptive studies identified within this literature review. Their findings suggest that charismatic leadership is not a factor in CSR engagement of firms, however intellectual stimulation is when considered relative to the firm’s engagement in “strategic CSR” (but not “social CSR”). This study points to potentially fruitful future research avenue in a greater focus on the role of intellectual stimulation (creative, innovative, imaginative) in CSR, as well serve to highlight the potential benefit of a further parsing of CSR activities into such subcategories of strategic CSR and social CSR. Waldman et al. (2006a) also parsed CSR in their study in which they dealt with CSR values (rather than CSR activities). In this study, they parsed CSR values into three dimensions as they pertain to the 1) shareholder/owner, 2) stakeholders and 3) community/state welfare. (It stands to reason that perhaps the CSR values toward shareholder/owner and stakeholders is closely related to “strategic CSR” and the CSR value toward community/state welfare may be closely related to “social CSR”). Given that CSR is such a broad topic, future research at the intersection of leadership and CSR may be well-advised to consider a parsing of CSR like this.

Potential interactions between transformational leadership and transactional leadership as they pertain to CSR may also prove an interesting avenue for future explorations. The findings of Egri & Herman (2000) and Shahin & Zairi (2007) indicate the importance of transformational leadership above transactional leadership regarding CSR effectiveness, however Egri & Herman (2000) pointed out they are not strictly dichotomous constructs and Szekely & Knirsch (2005) transactional leadership constructs of proper incentive structures supportive of CSR activities are critical to the success of CSR activities at the organization. Therefore, a deeper exploration into how transformational and transactional leadership approaches may be simultaneously employed to more effectively promote CSR may prove to be a valuable research avenue.

Deeper explorations into the role of integrity also presents a promising area for further exploration, where Waldman et al. (2006a), Ketola (2006), and Hind et al. (2009) all cited that integrity plays a positive role in leadership as it pertains to CSR. A focus on integrity as it pertains to leadership invokes one of the newest areas of leadership in “authentic leadership”, which its focus on what is genuine and real (Northouse, 2010, p. 205-240; George, 2003; Bennis, 2009; Avolio & Gardner, 2005). Authentic leadership has an inherent ethical/moral component (Luthans & Avolio, 2003 as cited by Avolio & Gardner, 2005, p. 324) and as Brown & Trevino (2006) described, is an overlapping construct with ethical leadership. Waldman et al. (2006b, p. 1720) called out that “we strongly encourage research that more directly assesses the moral and ethical qualities of leaders... Indeed, it is possible that integrity or other

moral aspects of charismatic leadership might be more directly related to CSR.” Thus integrity, authentic leadership, and ethical leadership all present a promising area for exploration as they relate to CSR.

We may also consider another stream of potential research that explores the simple question- is good CSR leadership simply good leadership? For example, if we couple Waldman et al.’s (2006a) findings that integrity (a component of character) matters more than charisma for CSR leadership with Sankar’s (2003) general leadership finding that “character not charisma is the critical measure of leadership excellence”- are we identifying hints that good CSR leadership and the notion of good leadership converge? Another example is with Quinn & Daulton (2009) and Kakabadse et al.’s (2009) findings that reflexivity is important in CSR leadership. Reflexivity is widely seen as an important attribute of good leadership, so here again is good CSR leadership simply good leadership? An exploration into this question may be fruitful; however, with this call comes a caution. Margolis & Walsh (2003) argued that the body of scholarship composed over 30 years attempting to “prove” the business case for CSR (i.e. efforts to prove that good CSR is simply good business) may have been better spent elsewhere, and that elsewhere for Margolis & Walsh is on a focus on the tensions managers face when they must make decisions involving tradeoffs between economic, environmental, and societal dimensions. Margolis & Walsh stated that while “a simple compilation of the findings suggests there is a positive association” between companies’ CSR performance and its economic performances (2003, p. 277), this association may be “more illusory than the body of results suggests” (2003, p. 278) and rather than work to dispel these tensions researchers should focus on what managers actually do when they face these tensions. Margolis & Walsh’s call for a refocusing is similar to Joyner & Payne (2002, p. 310) who bluntly stated “for many researchers in the areas of ethics and corporate social responsibility, the issue of finding a financial performance link to ethical behavior is unnecessary and a waste of time.” Thus a call to explore whether good CSR leadership is simply good leadership comes with the caution to avoid a simple desire to harmonize good CSR leadership with good leadership for the sake of expediency. If tensions do exist, these tensions could represent a fruitful area of exploration.

The role of participative leadership in CSR also offers promise for further research. Maclagan (1999) made the normative argument for the necessity of participative leadership to promote CSR where there is room for descriptive and instrumental studies. Waldman et al. (2006a) finding of low power distance cultures having higher CSR values may also be of interest, as one might assume that low power distance cultures may be more likely to engage in participative leadership approaches. This may also be fruitful to explore in relationship to Strand’s (2010) findings regarding feminine cultures having higher CSR performances. The feminine dimension, which tends to favor collaboration, may be seen as fertile ground for embracing participative leadership. Moreover, Strand (2010) cited the Scandinavian region in particular as being particularly high in terms of feminine culture with high CSR performances which may make Scandinavia an interesting region to research CSR and leadership approaches in addition to Scandinavia also being characterized as having a very low power distances (House et al., 2004) which may prove as Scandinavia as interesting research grounds in terms per the previous comments regarding low power distance.

Further explorations into the importance of reflexivity in leadership as explored by Quinn & Daulton (2009) and Kakabadse et al. (2009) may also prove beneficial. Considering the reflective practice is encouraging of the leader to embrace their creative and imaginative abilities and to explore interconnectivities between business operations, the natural environment, and society- given the related nature of intellectual stimulation as a potential driver for these explorations, the linking between reflexivity and intellectual stimulation as it pertains to CSR engagement may prove a promising area to consider.

Additional potentially beneficial areas include consideration regarding the level(s) within the organization to research leadership (top management teams, entry level managers, CSR directors, etc.) as well as the methodologies to employ. In their overview to studying leadership, Jackson & Parry (2008, p. 127) cite the pressures on leadership scholars including time and publishing pressures that prevent researchers from performing the necessary deep research to get at the most relevant issues, stating:

“One response [to the pressures] is to focus on leaders at the lower levels within a company where access and cooperation may be more readily secured. This is why there is a relative dearth in senior-level leadership research, when it is sorely needed. Another response to time pressures is to select research methods that are comparatively efficient, reliable and widely accepted. For this reason the survey and the laboratory experiment continue to be the preferred research methods of choice for many leadership researchers rather than ethnographically-rooted participant observations...”

Thus ethnographic studies of top management team (TMT) members, for example, may prove to be a fruitful area for research (where focused TMT explorations may borrow from upper echelons theory as put forward by Hambrick & Mason (1984) and Hambrick (2007)). However, Jackson & Parry (2008, p. 91-92) also explored alternative leadership perspectives emphasizing “the importance of recognizing the need for leadership to be viewed as a widely dispersed activity which is not necessarily lodged in formally designated leaders.” Moreover, if research is being conducted to explore such notions as transformational leadership where “followers are converted into leaders” (Bass, 1990, p. 53) and participative leadership where subordinates are invited “to share in the decision making” (Northouse, 2010, p. 128), a myopic focus on designated leaders at the very top of the organizations may not be advisable.

Finally, explorations into leadership approaches outside of the United States context may prove insightful given the hegemony of leadership studies from the U.S. It can be seen that the findings of the literature survey conducted within this article were comprised largely from U.S. based research. Den Hartog & Dickson (2004; as referenced by Jackson & Parry (2008, p. 69)) discussed that the US and other Anglo-Saxon countries’ deep fascination with heroes and exceptional individuals has fueled the intense interest in the study of leadership within these countries. Thus a concerted look outside of the U.S. may prove beneficial as we work to further our understanding at the intersection of leadership and CSR, where Scandinavia presents a particularly promising region from which to do this for the aforementioned reasons.

ENDNOTES

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