

## **The Role that the Context of Corporate CSR Brands Plays on Framing Resilience: Implications From an Entrepreneurial Perspective**

PD Dr. Christine Vallaster, Applied Sciences University Salzburg (Austria) & Bundeswehr University Munich (Germany)

In this paper, corporate CSR brands are defined as companies that, whilst selling their service or product, improve a social problem or act in a socially and/or ecologically responsible way. Corporate CSR brands are typically characterized by hybrid business models that blend entrepreneurial goals with a successful economic (profit, market share, etc.) and social return (Westley & Antadze, 2010). Corporate CSR brands are developed by CSR entrepreneurs (Vallaster et al., 2012) and design their corporate identity around CSR, because they have been founded with CSR in mind and embrace CSR as part of who they are and what they do. CSR entrepreneurs develop new ideas for themselves and for their environment because they aim to find innovative ideas to find solutions to local problems in a responsible way (Alvord, 2004). However, very often these solutions are retained on a local level and attempts to scale them up to have a greater impact on society very often fail due to a lot of resistance these CSR entrepreneurs face from various angles (Westley & Antadze, 2010). However, there exist these successful Corporate CSR brands, led by entrepreneurs who change dying institutions into dynamic, creative organizations and who transform their environment by creating socially and ecologically innovations (Habisch, 2011). In an attempt to find answers to the question as to why some CSR entrepreneurs manage to develop successful Corporate CSR brands (while others are not), we believe that the concept of “resilience” has some explanatory power.

### Resilience in the entrepreneurial literature

Only recently, entrepreneurial researchers have adapted the concept of “resilience” and started to analyze the role of resilience on both an individual and organizational level to successfully re-position oneself or the organization during or after situations of crisis and difficulties. For instance, Bullough, Renko and Myatt (2014) research the role of resilience on entrepreneurial activities in particularly difficult situations in the war-torn Afghanistan. Their research shows that self-confidence is one key factor in developing resilience. Other researchers like Cannon & Edmondson (2005) or Ayala & Manzano (2014) show that resilient entrepreneurs are characterized by their hardiness, resourcefulness and optimism, which are predicted to be key drivers of business success.

On an organizational level, researchers – mainly drawing on the resource-based perspective on strategy development - have identified elements like strong organizational culture, adaptability, network (e.g. Habisch, 2011) as key drivers for organizational resilience. While considerable knowledge regarding resilience on an “entrepreneurial” / individual and organizational level exist,

only little efforts have been made to adapt the concept to what we define here as the “corporate CSR brand context”.

Our findings, based on qualitative approach (in-depth interviews with 20 owners of Corporate CSR brands, with headquarters in Central Europe, across selected industries like tourism, technology and food) show that an in-depth understanding of the context in which Corporate CSR brands move is crucial for identifying the role that resilience plays for Corporate CSR brands.

#### The way resilience is framed due to the context corporate CSR brands

We have identified the following dimensions along which characterize the role of resilience during the development of corporate CSR brands: Redundancy, System effects, Stability, and Timeframe for decision-making.

**Redundancy** refers to the correlation between corporate brand strategy and resilience in a system. The strategy context tends to be high in resilient and low in vulnerable situations, as there are various factors such as market characteristics, market position, the firm’s financial situation, and other resources and capabilities that are all weakly correlated yet relevant for decision-making and its outcomes (Vuori and Vuori, 2014). Knowing this relationship, the majority of our respondents understand the ‘feedback loops’ in which processes and events happen in the economic and social-ecological systems, which in turn re-percuss back corporate brand strategy and resilience, and so on.

**System effects** relate to the fact that resilience exists at multiple levels or scales: individual, organizations, community, system, society, etc. Corporate brand CSR entrepreneurs widely know what happens when these different system components interact, how this can lead to ‘emergent properties’ that have unintended consequences on the corporate brand strategy or can be unpredictable. Considerations around unintended consequences, uncertainty etc., have consequences for the kinds of ‘managerialist’ notions that still pervade mainstream in the CSR corporate branding development discourse.

**Stability** refers to permanence or persistence in the structure of the environment. Typically, the context in which corporate CSR brands maneuver is less stable and our respondents emphasize the “high unpredictability” of success.

**Timeframe for decision-making** refers to the amount of time a decision-maker(s) has to make their decision. In the corporate brand CSR context, even though the environment can change radically over a few years, our respondents mentioned that they are pressured not to miss a single window of opportunity and therefore are more likely to measure decision-making timescales with a ‘long-term / transformational’ perspective rather than with the stopwatch.

To sum up, corporate CSR brands face different contexts in which they have to maneuver compared to “conventional” corporate brands. This gives specific “texture” to the role that resilience plays in the development of a strong corporate CSR brand.

## **References**

- Alvord, S.H. (2004). Social Entrepreneurship and Societal Transformation: An Exploratory Study. *Journal of Applied Behavioral Science*, 40(3), 260-282.
- Ayala, J.-C. & Manzano, G. (2014). The Resilience of the Entrepreneur. Influence on the Success of the Business. A longitudinal Analysis. *Journal of Economic Psychology*, 42 (2), 126- 135.
- Bullough, A., Renko, M. & Myatt, T. (2014). Danger Zone Entrepreneurs: The Importance of Resilience and Self-Efficacy for Entrepreneurial Intentions. *Entrepreneurship Theory and Practice*, 38 (3), 473 – 499.
- Cannon, M.D. & Edmondson, A.C. (2005). Failing to Learn and Learning to Fail (Intelligently): How Great Organizations Put Failure to Work to Innovate and Improve. *Long Range Planning*, 38(3), 299 – 319.
- Habisch, A. (2011). Gesellschaftliches Unternehmertum – Blinder Fleck wirtschafts- und sozialwissenschaftlicher Gemeinwohltheorien. In: H. Hackenberg & S. Emptner (Eds), *Social Entrepreneurship – Social Business: Für die Gesellschaft unternehmen* (pp. 49 – 66). Wiesbaden: VS Verlag für Sozialwissenschaften.
- Vallaster, C., Lindgreen, A. and F. Maon (2012). Strategically Leveraging Corporate Social Responsibility to the Benefit of Company and Society: A Corporate Branding Perspective, *California Management Review*, 54 (3), 34 – 60.
- Vuori, N. and Vuori, T. (2014). Comment on “Heuristics in the Strategy Context” by Bingham and Eisenhardt (2011), *Strategic Management Journal*, 35, 1689–1697.
- Westley, F., & Antadze, N. (2010). Making a Difference Strategies for Scaling Social Innovation for Greater Impact. *The Innovation Journal: The Public Sector Innovation Journal*, 15(2), 1–20.