

Corporate Social Responsibility – an entrepreneurial way to happiness?

Is it enough if corporations merely focus on the neoliberal guiding principle of profit maximization—while relying entirely on the healing power of the *invisible hand* which will *per se* increase societal prosperity?

Or do businesses over and above need to contribute to solving social, ecological and societal problems to improve subjective well-being of citizens ?

Three major trends:

(1) The onslaught of ongoing globalization processes plus the economic excesses of a financial and economic system escalating out of control provoking a critical attitude towards the economic players involved.

(2) The ecological challenges around climate change and scarcity of resources.

(3) Social trends such as perceived distributional injustice in society, explosive demographic trends or decreasing social services of the individual nation states in view of empty state coffers.

The European Commission sees Corporate Social Responsibility (CSR) as a contribution to the realisation of the strategic objective set in Lissabon in 2000:

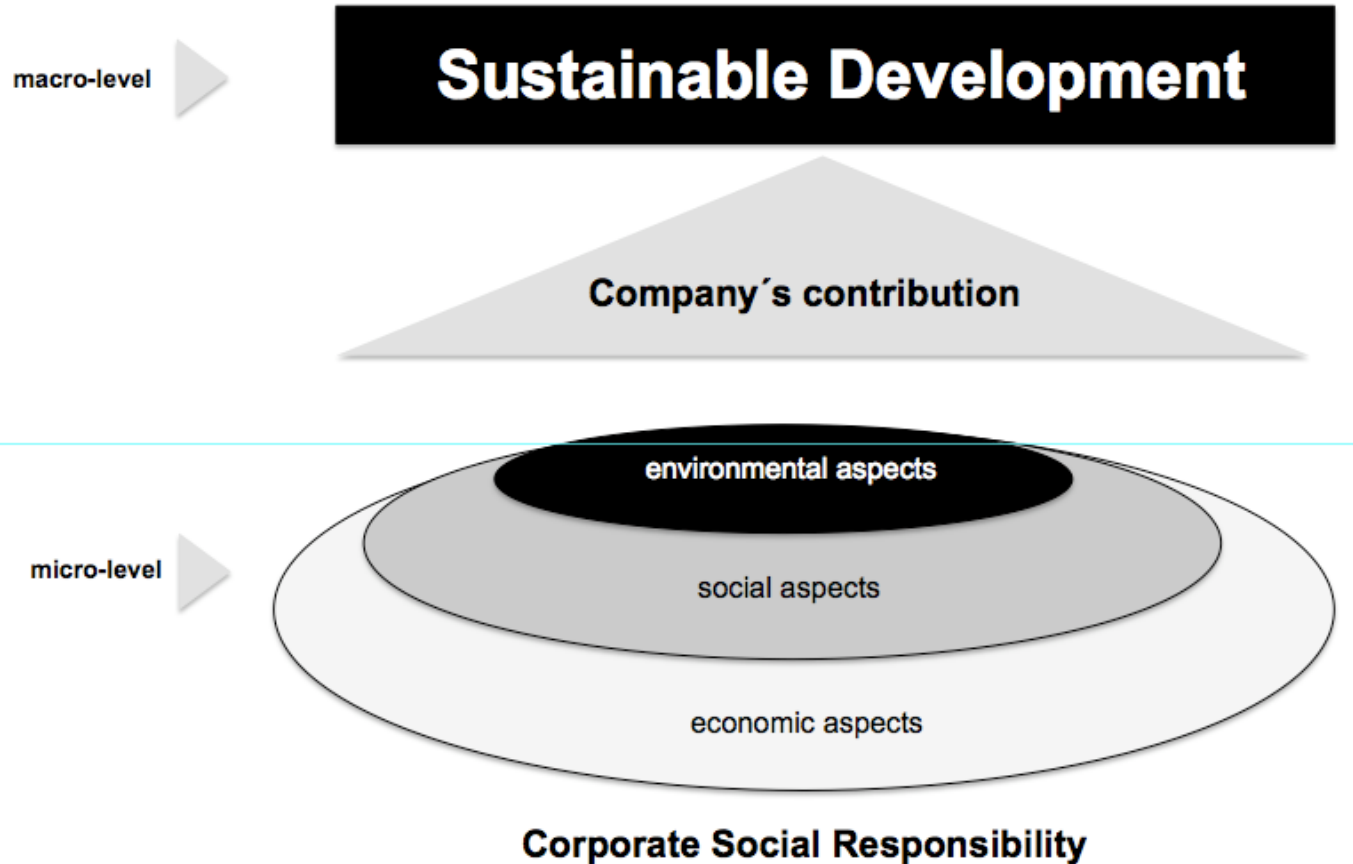
“The realisation of the objective to become the most competitive and dynamic, knowledge based economic area in the world, that is able to provide continual economic growth, increased and improved employment possibilities and greater social unity will ultimately depend on the success of the companies and in particular the small and medium-sized ones.”

Europäische Kommission (2001): Europäische Rahmenbedingungen für die soziale Verantwortung der Unternehmen, Brüssel. S.5

The term “sustainable development” became known on the publication of the so called Brundtland Report of the UN (United Nations). In it, sustainable development is defined as a development that

„satisfies the needs of today without risking that the needs of future generations cannot be satisfied”.

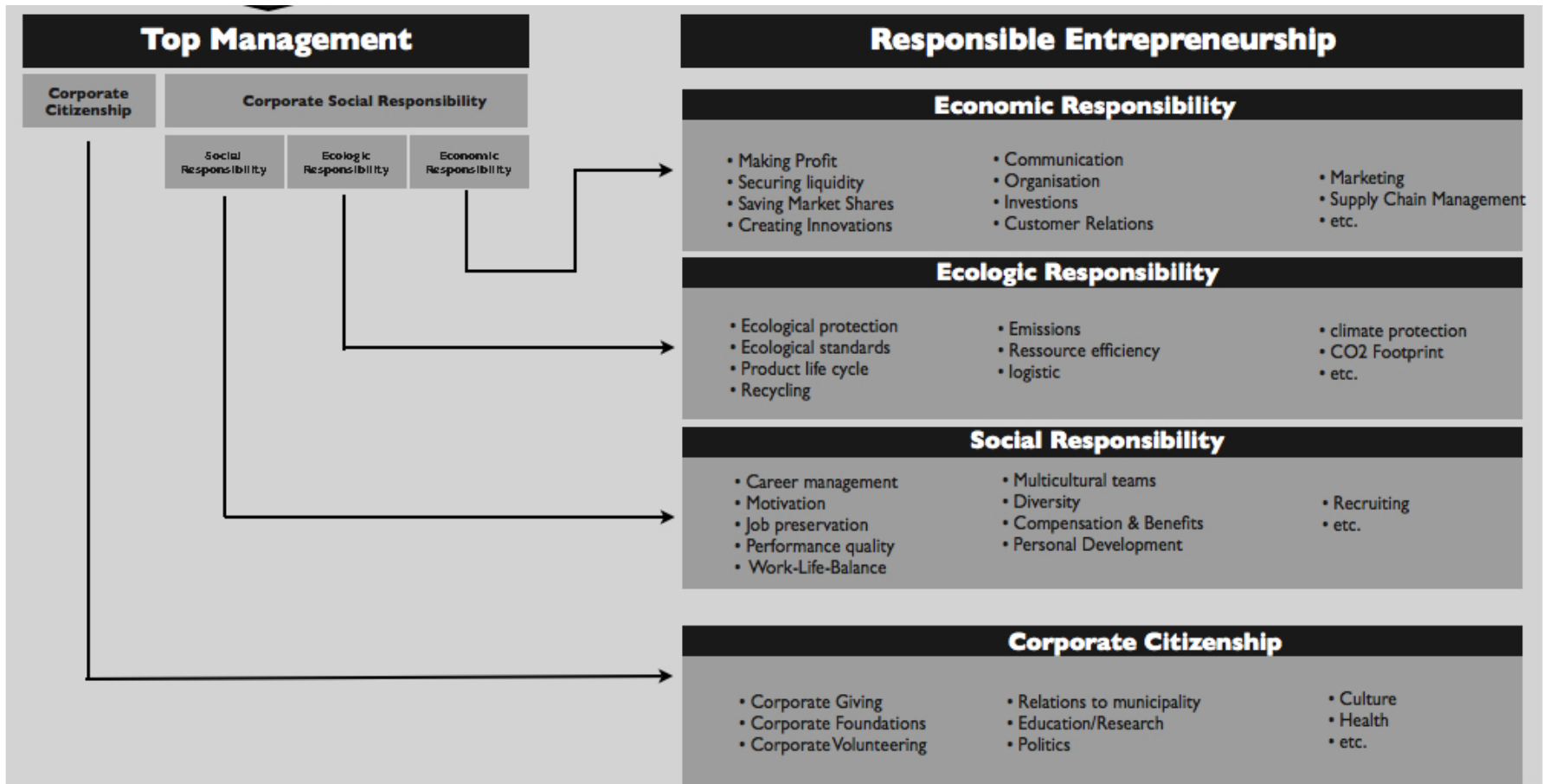
Hauff, V. (1987): Unsere gemeinsame Zukunft. Der Brundtland-Bericht der Weltkommission für Umwelt und Entwicklung, Eggenkamp: Greven. S.46.



In contrast to CSR, the idea of sustainable development is an abstract basic idea that does not contain any concrete operating instructions. CSR can be understood as a company's contribution to sustainable development.

CSR is understood as the formation of responsible leadership behavior, which in addition to its central responsibility for making profit also pays attention to ecologically and socially responsible actions across all levels of value creation chain and makes a contribution in the spirit of solidarity to solving societal problems.

What is CSR and why do we talk about it?



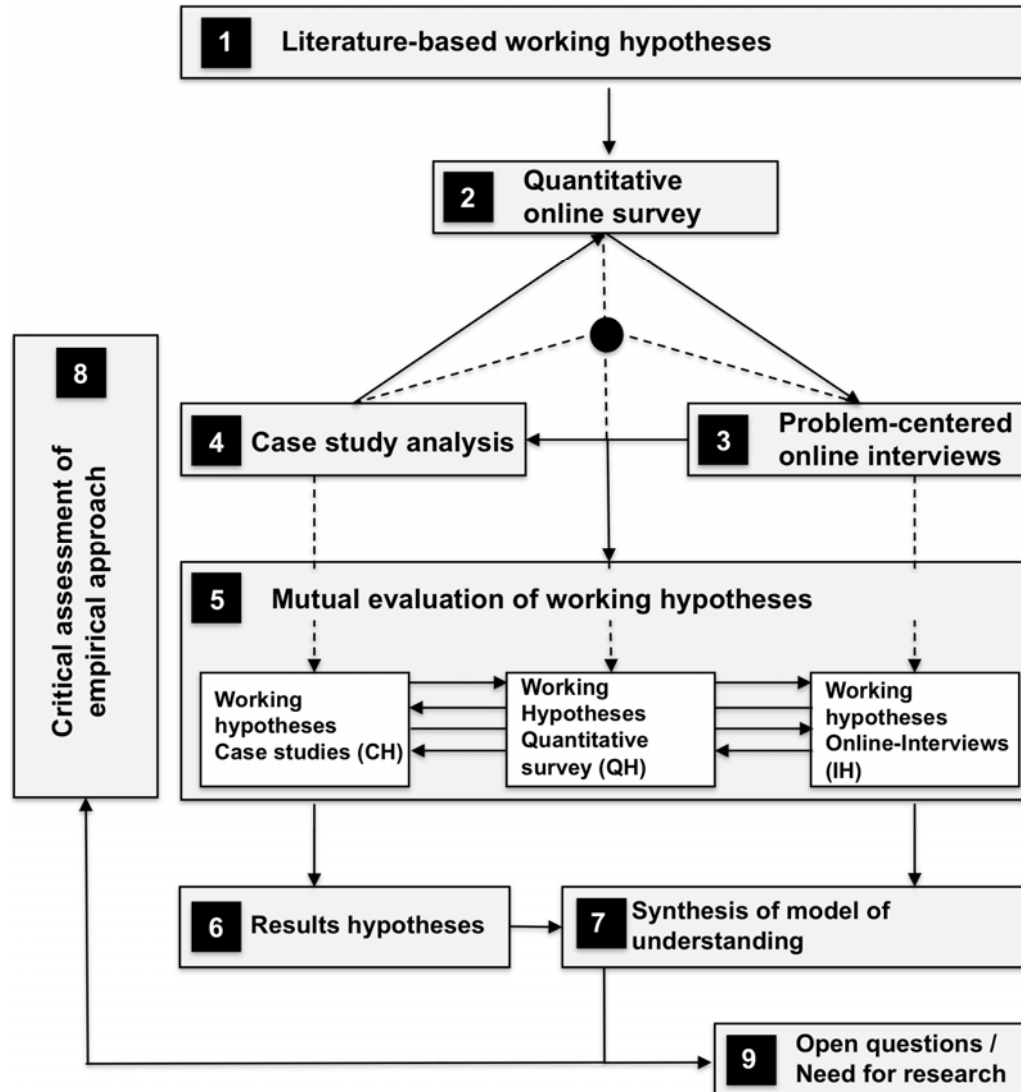
Source: Based on ERNST & YOUNG (2008), p. 9.

Research project: Corporate Social Responsibility in Family Businesses – An Empirical Study of Corporate Ethical Behavior in Austrian Family Enterprises

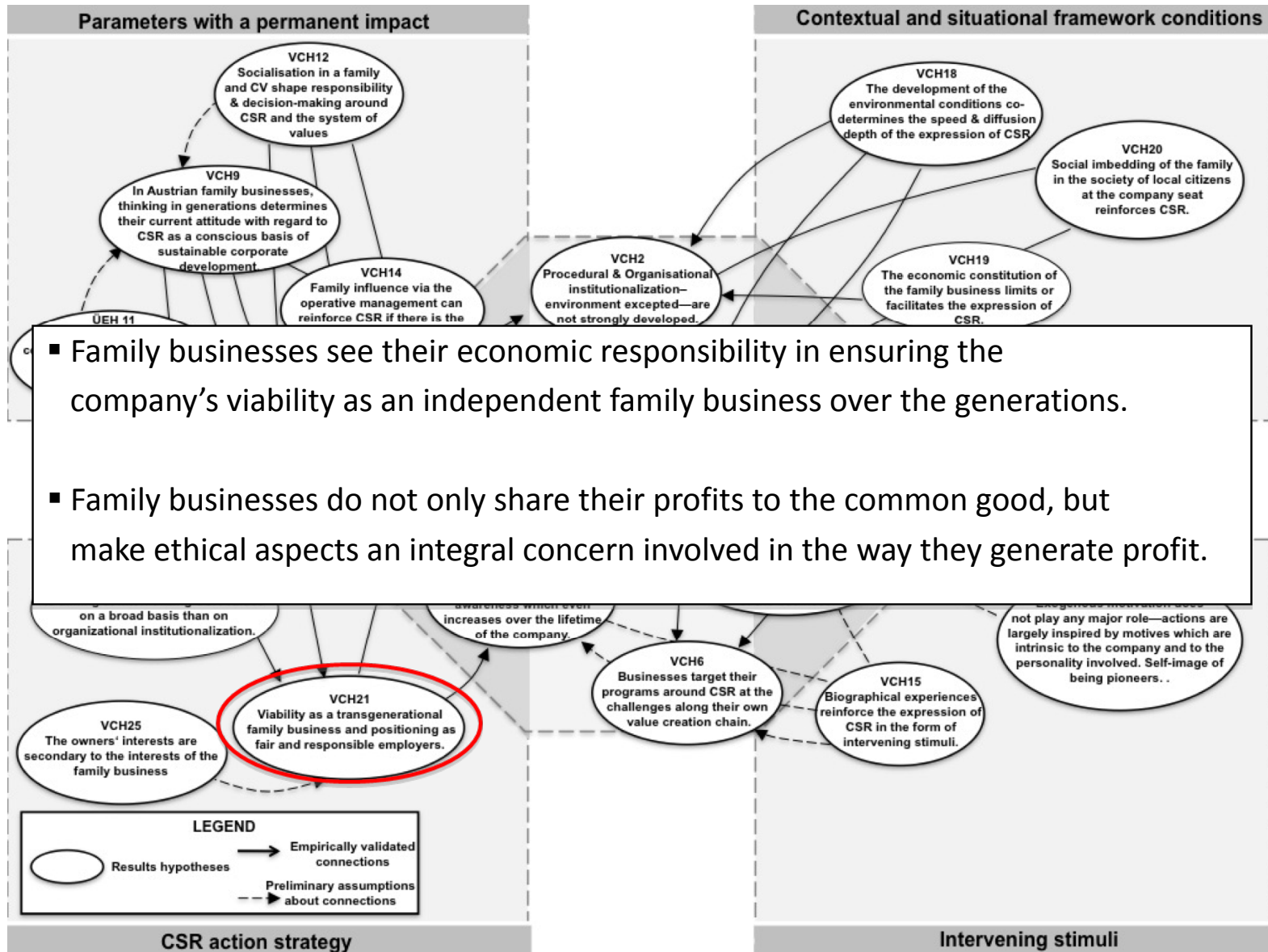
- Providing a comprehensive overview over the current situation regarding CSR in Austrian family businesses and to carve out its major characteristics.

Research Goal:

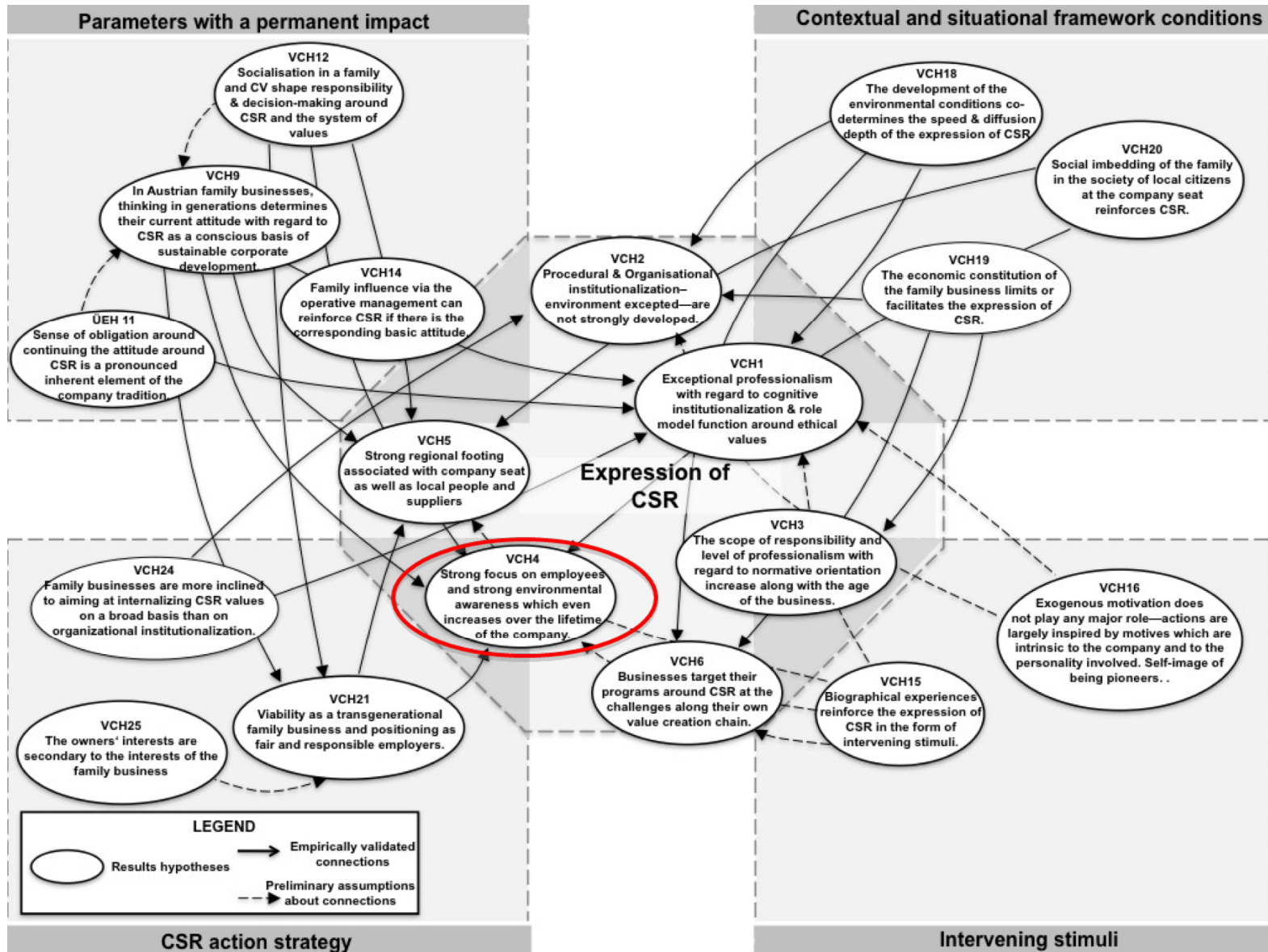
- Identifying potential parameters, framework conditions and relationships which help to understand the phenomenon of Corporate Social Responsibility of family businesses.

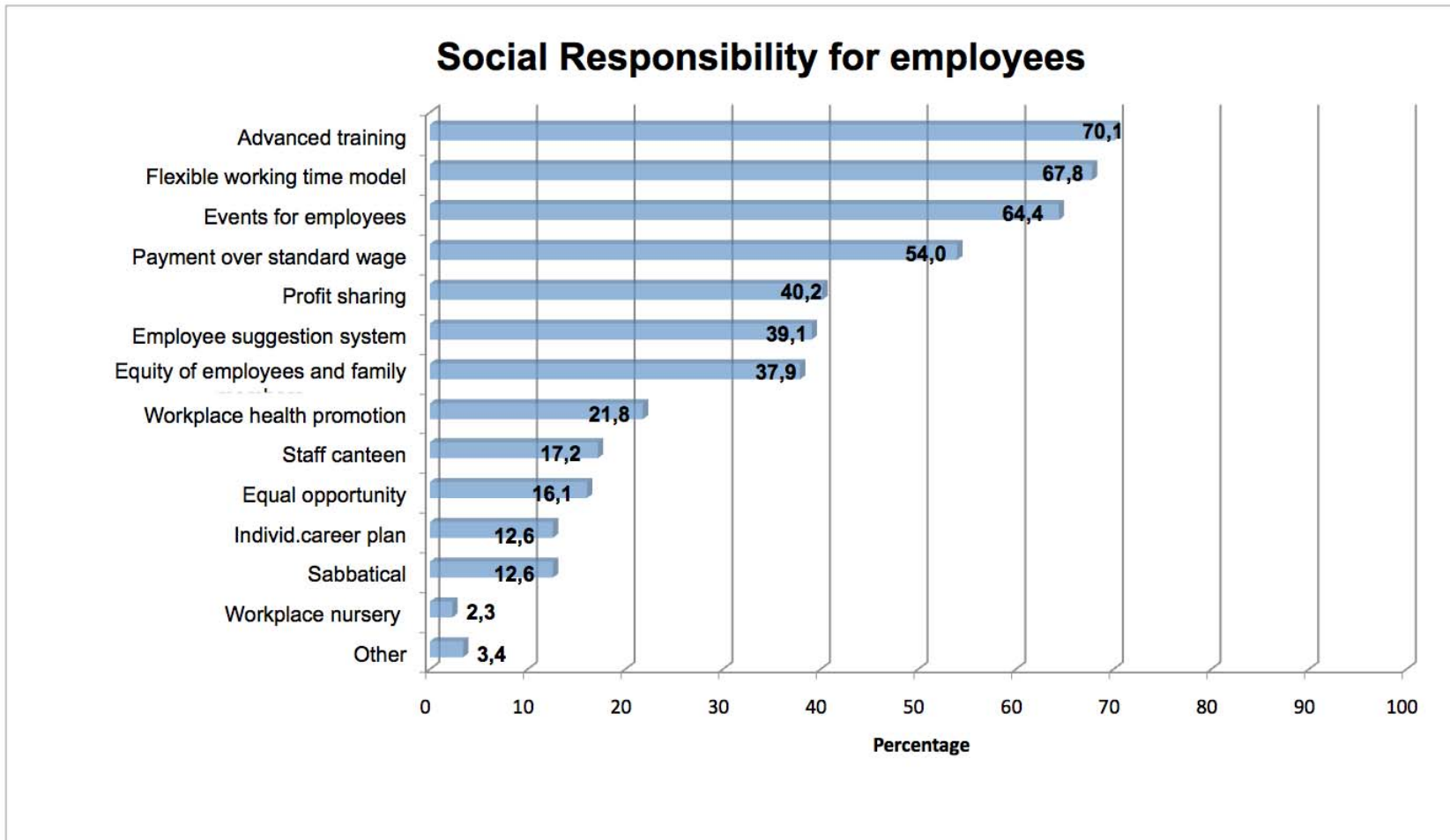


- The starting point was a quantitative general study in Austrian family businesses (n=98)
- To achieve a profound understanding of CSR in family businesses, the study design involved eleven problem-centered online interviews and four case studies.



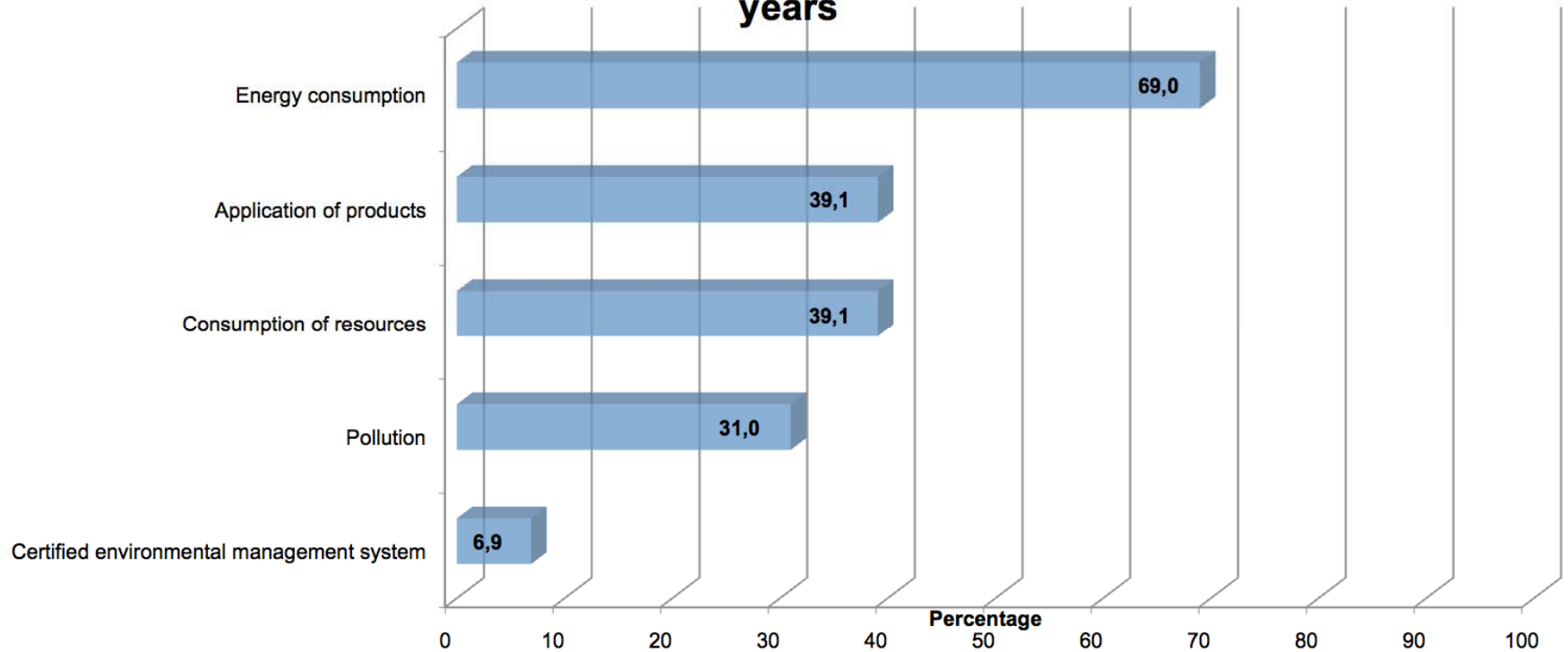
What can we learn from family businesses in terms of CSR and happiness?



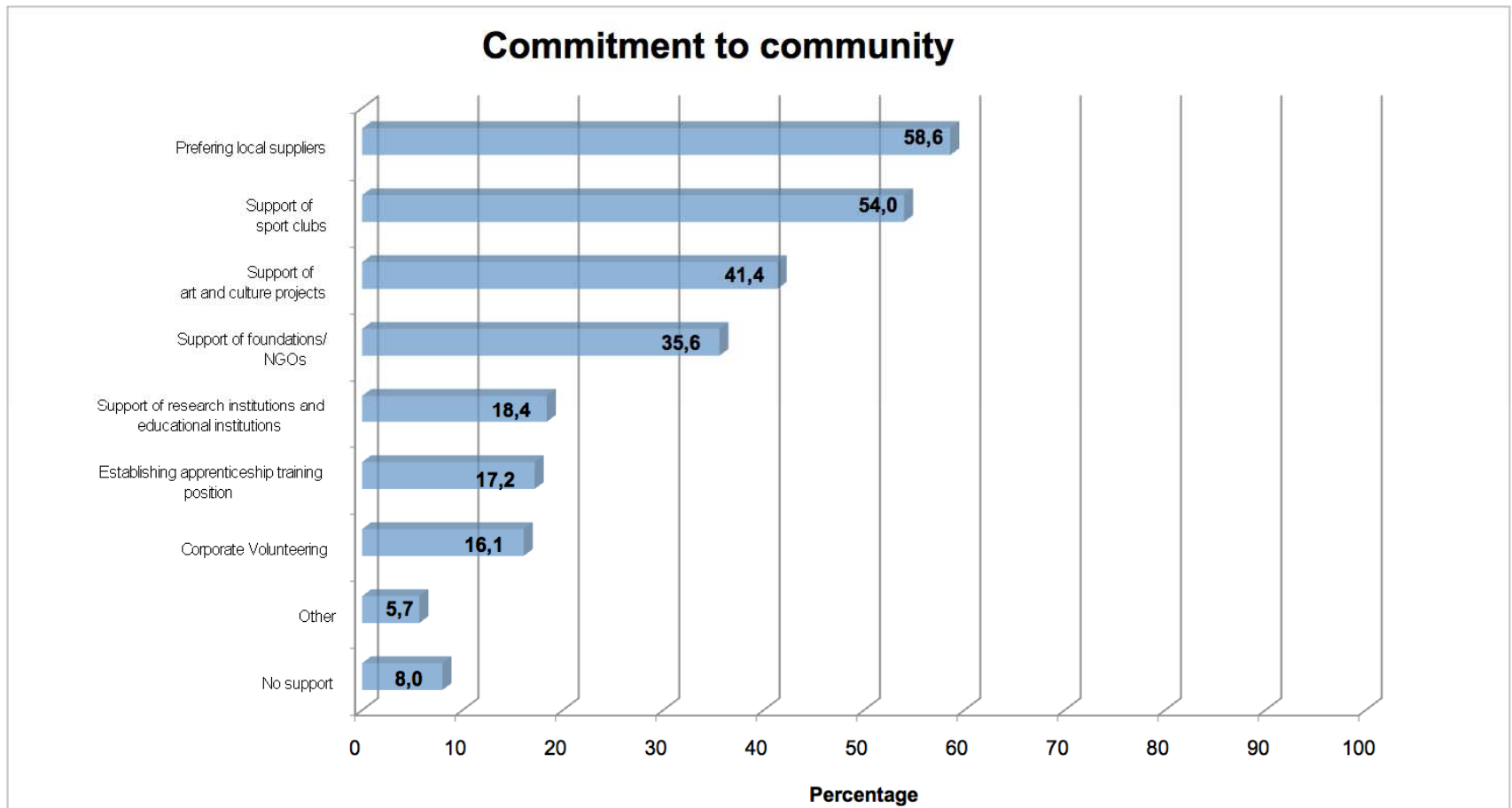


Generation-oriented family businesses do have a strong focus on their employees and a pronounced environmental awareness.

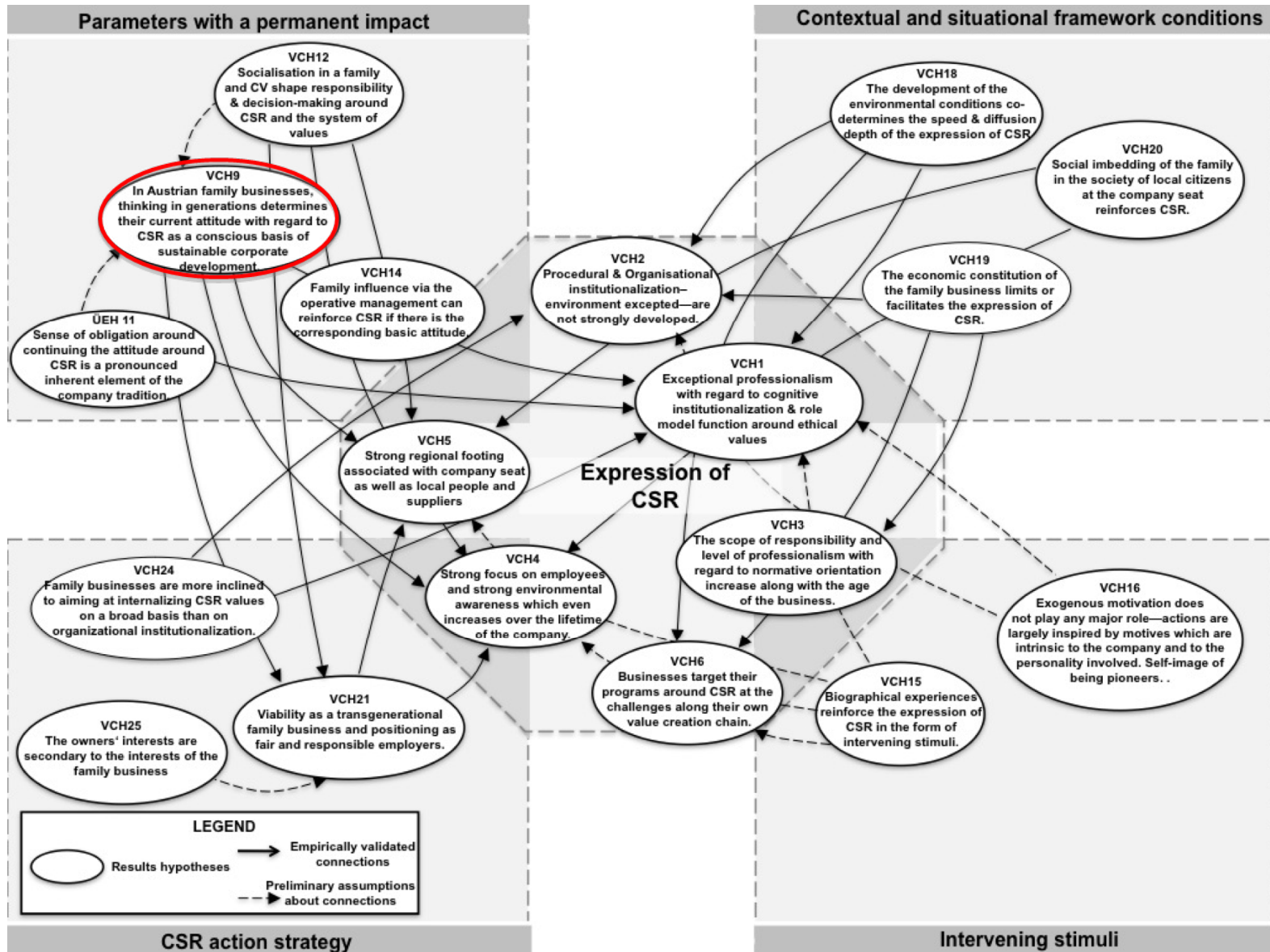
Measures to reduce hazardous environmental impact within the last 3 years

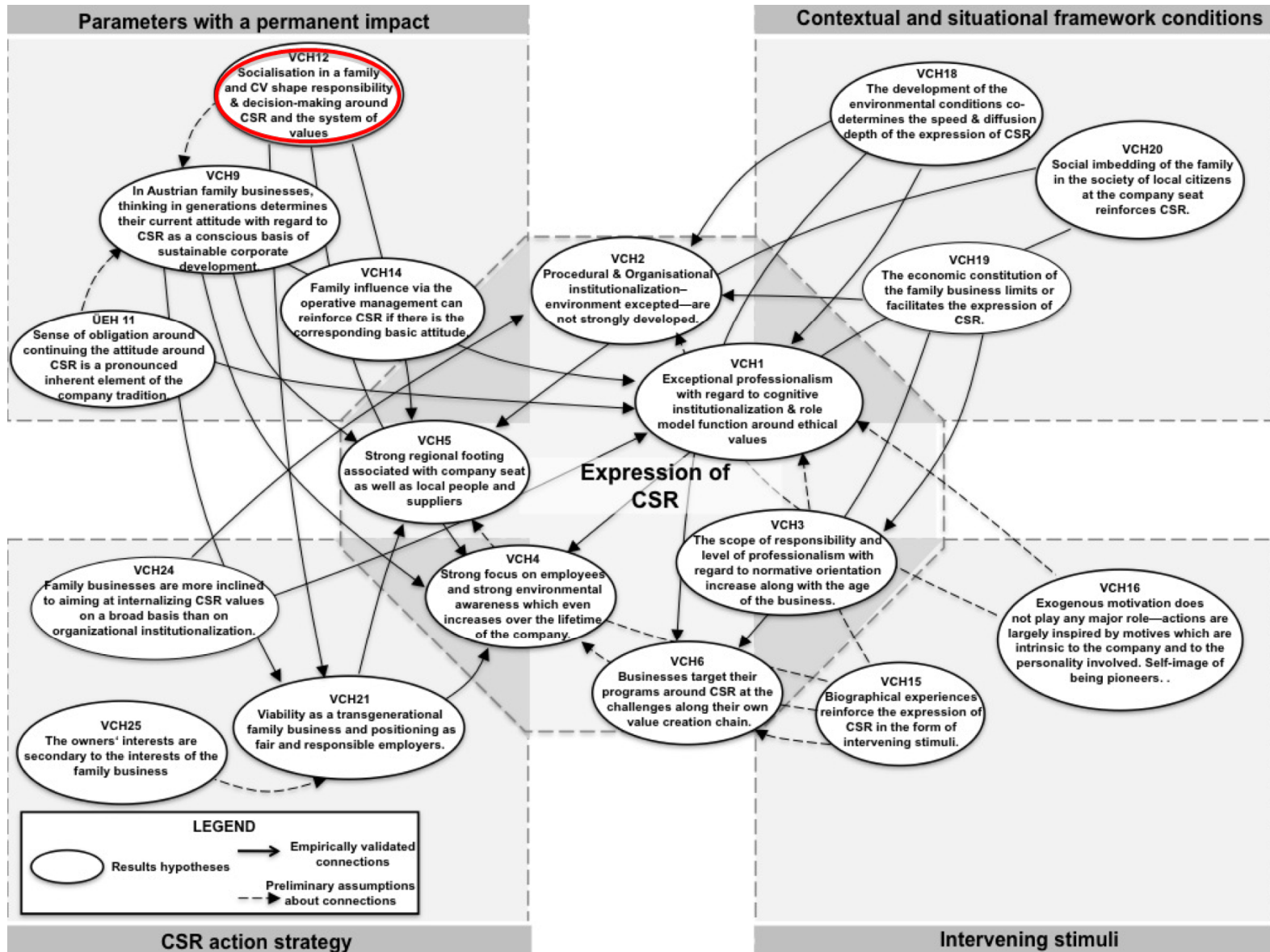


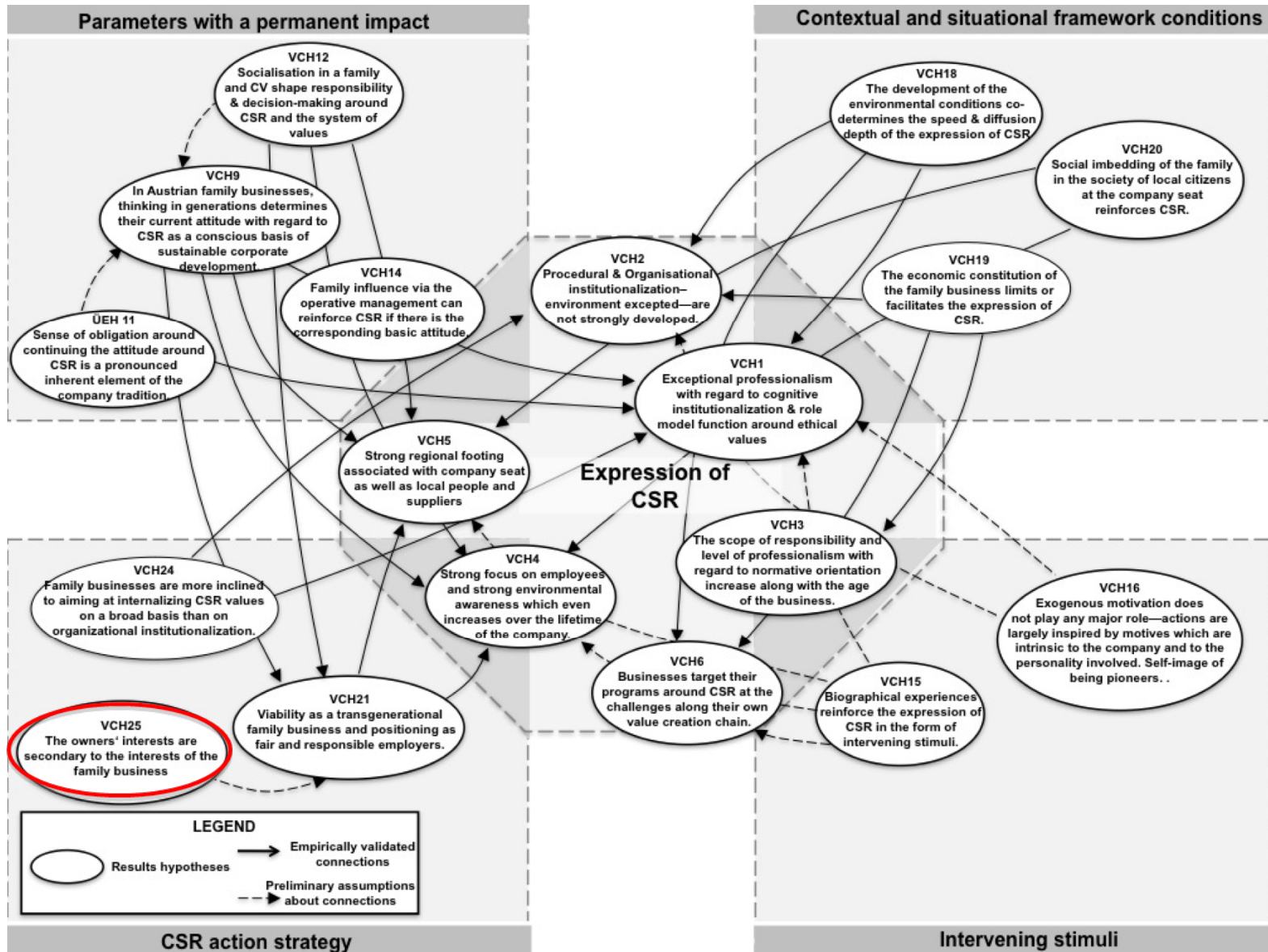
Generation-oriented family businesses do have a strong focus on their employees and a pronounced environmental awareness.



The family entrepreneurs consider themselves part of society and are characterized by a strong regional footing.







The empirical study in the context of Austrian family businesses has shown that:

In order to secure the long-term existence of the family business, entrepreneurs believe subjective well-being of their employees is an important key factor.

Family entrepreneurs wish to strengthen the economic structure of the region in many ways by creating apprenticeship positions and jobs, supporting capacity utilization of regional subcontractors and launching charity activities.

Social imbedding of the entrepreneurial family in the society of local citizens at the company seat, reinforce ethical behavior and motivate to increase subjective well-being of employees and citizens.