The Social Construction of Corporate Citizenship

Mark Glazebrook
BP Australia

This paper delves underneath the extensive debate about the ideal set of corporate citizen characteristics, to focus instead on uncovering what, if anything unique, lies underneath the idea of corporate citizenship when viewed from a multitude of contexts that makes it not only theoretically distinctive but also significant to advancing more sustainable business practices. While corporate citizenship has grown in its volume and overall size as a discipline in recent years, this focus has been quick to jump at progressing the ‘products’ or the ‘what’ of corporate citizenship, often at the cost of understanding the ‘process’ or the ‘how’ required to realign organisational culture and social norms in support of such ideals.

By attending to and amplifying the key role played by social exchange in the construction of corporate citizenship as articulated through public discourse, broader intellectual underpinnings and key findings from field research, this paper questions the over-objectifying of corporate citizenship as an outcome concerned largely with measurement. Instead it positions field practitioner and scholar alike in front of a reflexive ‘mirror’, calling into question individual biases, assumptions and preferences that tend to relegate corporate citizenship as purely a management issue, missing entirely the culturally significant social interactions and exchanges between individuals inside and outside of corporations that combine to breathe life into what is becoming a powerful social movement in shaping the direction of business operations. The findings of this research place particular importance on the ‘citizen-like’ exchanges and ‘cultural bridges’ that act as the ‘engine room’ enabling a company, as shown in the case of BP Australia, not just to simply ‘do more sustainable things’, but to fundamentally shift the organisational norms to where acts of citizenship become part of how employees begin to view their day-to-day work, rather than something that is only done by head office.

Mark Glazebrook undertook his PhD through Deakin University’s Corporate Citizenship Research Unit, where he used an action research approach into operationalising corporate citizenship, and now acts as an adviser to BP Australia. He is founding editor of the Corporate Citizen magazine, and co-author of Partnerships with Business (2002), a guidebook for the community sector to build successful partnerships with business. His research interests focus on the cultural change involved with corporate citizenship, social innovation and commercial value of sustainability.

* This paper is based on my PhD into corporate citizenship entitled ‘Exchange as a Determinant of Corporate Citizenship’ and draws on experimental field research that specifically focuses on BP Australia rather than being reflective of BP as a whole.
This paper reports on my recent PhD research where I take an unorthodox approach to investigating corporate citizenship from the perspective of an action researcher. Consistent with Bourdieu’s vigorous critique of the so-called impartiality of social research methods, in this study I peel back the veneer of intellectual objectivity, focusing instead on legitimising the ‘subjective’ role that I and co-researchers play as we jointly contribute to how an organisation seeks to understand and enhance its corporate citizenship.

By assuming what may be viewed as an ‘atypical’ research role within the research community, I took the study of corporate citizenship into entirely new research territory and authenticity, where I was invited to share and participate in the experiences of being a ‘typical’ practitioner, alongside employees and managers.

In doing so, I sought to understand first-hand how practitioners in this situation attempt to make sense of and construct what they understand corporate citizenship to represent based on multiple influences originating from outside their organisation, inside their organisation, and inside themselves in the shape of individual values, reactions and preferences.

Unlike the overwhelming amount of comparative analysis presented within the corporate citizenship literature, theory I develop from this extensive six-year study provides an explanation of the process by which corporate citizenship evolves within an organisational culture in real time, the broader contributions this can make to social and environmental sustainability, and the steps and actions that can be taken to help facilitate and enhance its evolution.

The basic premise of this paper is that corporate citizenship is fundamentally socially created rather than a set of new ideas which simply need to be embedded into corporate documentation or employee practice. As a socially created field, then, corporate citizenship can be and is being created in all sorts of manifestations, from the most traditional forms of philanthropy through to entirely new ways of doing business. While other scholars—for example, McIntosh et al. (1998), Zadek (2001), Birch (2001) and Waddock (2002)—have also described this broad spectrum of activity, few have concerned themselves with the developmental challenges faced by organisations in, first, developing the necessary insight to identify where it thinks it is located within this continuum and, second, how an organisation which is essentially a social grouping, made up of people with very different perspectives, successfully navigates this terrain culturally, beyond the rhetoric of corporate citizenship.

Corporate citizenship as reflexive research practice

From the outset, it is crucial to stress that the research approach used in this study did not follow traditional structured research design formats separating chapters into literature review, methodology, data collection, analysis and conclusions, as contained in many dissertations and as often described in social research texts as shown in Figure 1(a) (Sarantakos 1998; Babbie 1998; Blaikie 2000: 21-34). Rather, it was shaped and reshaped by the process itself with each of these dimensions simultaneously underpinning each cyclical step of the overall research experience as it unfolded as detailed in Figure 1(b).

Due to the interactive reflexive role that I have played in this process, and the need to acknowledge the relationship between myself and the social activity being observed, where appropriate, this paper is written in the first person drawing on my own reflections and awareness of the process as an integral aspect of the research experience (Gouldner 1970; Bourdieu 1977; Schon 1983). According to Berger, ‘reflexivity requires an “I” and no apologies are needed’ (1981: 220).
Researching corporate citizenship therefore developed as a reflection of situated practice experiences, rather than an attempt to understand practice as an ‘outsider’. In approaching research in this way, I was able to place importance on and assign new value to traditionally overlooked shapers for any researcher, which in my case were amplified and drawn out as a legitimate part of the study of corporate citizenship. Figure 2 presents a model for conceptualising the process of the ‘reflective researcher’, which in my case consisted of acknowledging past influences as a public administrator, social worker and more recently as a researcher.

Importantly, by attending to the seldom acknowledged influence that the role taken by myself and other participants played in shaping the practice of corporate citizenship in this way, I was able to uncover new learning about the central role occupied by the organisational practitioner in constructing new knowledge about corporate citizenship, from the CEO (chief executive officer) through to the employee working on the shop floor. This knowledge forms the basis for the development of a practice framework that aims to demystify and open up corporate citizenship as crucially relevant to all practitioners by identifying how opportunities within their own sphere of influence can effect change, either in everyday responsibilities or as part of elevating the agenda at an organisational level.

**Contextualism as reflexive change**

The alignment of reflexive practice with the research process acknowledges that, as a researcher, I bring my own interests to bear on the research act and that, by approaching research as a joint activity, contributors can help to determine the form and direction in which research is to be undertaken including whether they wish to opt out altogether (Bourdieu and Wacquant 1992: 212).

Fundamental to this perspective is an ongoing interactional exchange between the inner and outer world of the individual, or ‘what is real “outside” corresponds to what is real “inside” ’ (Berger and Luckmann 1966: 152). When applied to the corporate sector
and the notion of corporate citizenship, employees who are aware that their company is viewed negatively in the outside world for its reckless conduct may in turn develop negative associations about their work and themselves. The reverse may also apply, where employees of a highly respected company internalise positive associations about themselves and their work. By exploring how this phenomenon contributes to the social construction of corporate citizenship, this paper examines how subjective and objective realities are linked through a process of social exchange, shaping equally yet dynamically the organisational experience of its employees and stakeholders, as well as how this applies to the role of researcher in situ.

Designed as a theory-in-use, contextualist research supported my decision as a researcher to ‘move into’ an organisation, as part of doing ‘longitudinal research, using multiple methods and acting as a consultant by giving feedback to managers’ (Pettigrew 1985: 227).

Contextualism also attempts to generate theoretically sound and practically useful research into organisational change by attuning the researcher to concentrate on three keys dimensions, the context of change, the process of change and the content of change, coupled with the skill to synthesise and organise any variability between the three.

Contextualism further acts as the epistemological underpinning in researching how interactional exchanges occurring within an organisation contribute and evolve into socially constructed meanings about the nature of corporate citizenship. Described by Pettigrew as more of a ‘muddling through, incrementalism, and political process than
a rational, foresightful, goal directed activity", this premise helped inform the heuristic approach taken in the research process (Pettigrew 1985: 222).

The contextualist analysis developed in this study is created by understanding change through its horizontal and vertical parameters as conceptualised in Figure 3. The horizontal analysis is time-sensitive to organisational change according to its past, present and future contexts. The vertical level acknowledges and seeks to encapsulate the multi-layered nature of organisational phenomena, from the micro level, where individuals generate their own meanings and cognitions about corporate citizenship, through to the meso level, where organisations mediate between individual action and social structure as determined through organisational policy and, finally, to the macro level, where the changing external sociopolitical landscape provides an interconnectedness and cultural mirror with which to ground the ‘inner’ organisation within its larger ‘outer’ context (Pettigrew 1985: 238).

![Diagram of the social construction of corporate citizenship](image)

Figure 3 CONTEXTUALIST ANALYSIS APPLIED TO CORPORATE CITIZENSHIP

Researcher observations ultimately turn social life into text to be interpreted. By simultaneously combining observation, action and analysis into the research act, and extending the time engaged with the field over the entire study period to four years, the potential for objectifying what was studied, and the analytic freeze-frame of some anthropological and sociological studies was reduced (Hernndl and Nahrwold 2000: 262). According to Bourdieu, ‘to be content with “recording” means to overlook the
question of the construction or delimiting (décoitage) of reality’ (Bourdieu and Wacquant 1992: 73).

Also, by occupying dual roles as researcher and field participant positioned within the organisational setting of BP, I captured a social reality beyond the ‘ethnographic present’, into areas of social reflexivity and reciprocity with field actors, which reflected a congruent mirroring of method with the practice of interactive exchange identified later as an intrinsic reality within corporate citizenship (Schratz and Walker 1995; Herndl and Nahrwold 2000: 262).

Societal construction of corporate citizenship

Any exploration of the notion of corporate citizenship requires an understanding of how it is contextually shaped as a public discourse, among all of its many public contexts or, as Tichy et al. describe more generally, conveyed ‘in the public eye’ which includes but is not limited to scholarly interpretations (Tichy et al. 1997). In this study, this notion of ‘the public eye’ was found to extend well beyond traditional sources of scholarly publications and forums into a much broader societal universality as evidenced by its increasing and consistent presence in all forms of media, business, legal and government discourses. Importantly, when examined at a metalevel, this apparently divergent body of knowledge appeared to hold a previously unidentified theoretical clue into the distinctiveness of corporate citizenship as a field as defined through the concept of exchange, where flows of social, environmental and financial exchange serve as useful theoretical markers when comparing corporate behaviour.

The practice of corporate citizenship

When acting as an action researcher, this much broader societal construction of corporate citizenship helped to provide an important contextual anchor within which to locate practice findings. To undertake this, representatives of BP Australia and I jointly agreed to position my research at a practitioner level alongside organisational actors, on a part-time basis, with me occupying the role of a team member while also retaining external links and networks as a researcher, during part of the week, initially as editor of The Corporate Citizen magazine within Deakin University’s Corporate Citizenship Research Unit, and then later through my own reflective processes on the weekdays when I was not undertaking research at BP.

Not simply representing a chronological or historical account of what occurred, this critical analysis instead drew from a unique and privileged vantage point and organisational access that is seldom researched; focusing on the tensions, contradictions and learning regarding organisational progression when a company such as BP seriously attempts to understand and evolve itself as a corporate citizen.

Beginning with how BP both globally and in Australia entered the debate around corporate citizenship, this exploratory action research presents the ongoing interplay and exchange between the different contextual influencers shaping interpretations, application and, at times, conceptual confusion regarding corporate citizenship within BP Australia. This process examines its early attempts at establishing new directions, leading to a shift from philanthropic and marketing approaches to entirely new notions and applications of social investment, which then became superseded by new, more operationally embedded modelling of corporate citizenship.
Locating BP within its broader context

To begin an investigation into how a company such as BP is attempting to evolve as a corporate citizen, I chose to begin to interpret it through Pettigrew's contextualist perspective of 'capturing more of the whole, the history, the process, the environment, and the emergent behaviour'. In taking this approach, it is crucially important to understand the way in which Lord Browne, BP's CEO, has interpreted BP's context both externally and internally, as fundamentally to understanding the notion of corporate citizenship when applied to BP (Pettigrew 1985: 227).

To gauge this contextual perspective and the manner in which BP entered the broader debate around corporate citizenship, I selected one of his significant speeches, simply yet appropriately titled, Corporate Citizenship, given as part of a significant conference on corporate social responsibility held at Chatham House in London on 8 November 1999.

In his speech, Lord Browne stressed two key contextual factors influencing how citizenship is being interpreted by BP. Described by him as expectations, the first was depicted as emerging externally from across broader society and the other internally among BP's own workforce. 'The first is what the world expects of companies—and especially of large, international companies.' And 'The second driver is also about expectations. Internal expectations' (Browne 1999: 2).

Interestingly, at a time when BP was changing rapidly through several acquisitions undertaken during the late 1990s with Amoco, Castrol and Arco, Lord Browne provided actual findings from research to illustrate how the strategic direction of the company compared with views held by the external world and BP's internal world, its employees (Browne 1999).

To gather these findings, BP went through a process of testing public opinion in Europe and the US and, in Lord Browne's own words, 'The results are very interesting' (Browne 1999: 5).

As you might expect people don't naturally warm to large companies. They are concerned about arrogance and secrecy, and about the power of companies to control markets and to set prices at the expense of the consumer. . . . But there was another less predictable conclusion from the survey. Despite their doubts and concerns, people support mergers and acquisitions because they believe that large companies are better placed to deliver progress . . . to apply technology to meet specific challenges, and more likely to behave responsibly in using their creative power. They expect them to behave as leading citizens in a complex world (Browne 1999: 5).

Although not articulating the same specific concerns raised by broader external stakeholders, it was significant that BP employees also shared similar concerns over BP's expansion plans. However, their concerns were not 'about the business logic, or the strategy, it was a simple request—please don't give up what we're doing on environment' (Browne 1999).

Lord Browne went on to make a crucial, yet unusual point about the expression of citizenship being applied within the context of business, where he saw employees as central to how BP as a company is shaped. 'The point is that companies have become a form of quasi democracy in which the views of the people within the company have a significant influence on the way we work and on what we do.' Interestingly, he could see the huge contrast this change had had when compared with his own earlier experience as a new recruit: 'That is a radical change from the time I joined the industry . . . A change which shapes our view of citizenship' (Browne 1999: 6).
Researching citizenship at the level of BP Australia

My connection with BP Australia was formed out of a series of iterative experiences that developed over the course of several joint seminars and meetings including the First National Conference on Corporate Citizenship in 1998 which I helped to organise while based at Deakin University. These events led to a series of further meetings, called by BP. These discussions, led by BP Australia’s CEO,1 raised significant questions facing business and how BP in particular would like to review its operations in a focused way, to create a totally new direction where corporate citizenship became integrated as part of its core business. Rather than being particularly task- or results-focused as previous discussions with other companies had been early on in scoping my research direction, discussions with senior management from BP Australia allowed sufficient space to openly debate an entirely new conceptualisation of corporate citizenship in relation to BP particularly from a philosophical and values perspective. I found this emphasis particularly encouraging from a cultural change perspective, in that BP, even at this early stage, appeared prepared to undergo significant change across the organisation rather than simply re jigging its current programmes or the message being conveyed externally. The diagram in Figure 4 was drawn by BP Australia’s CEO to represent the journey he saw BP embarking on in future, first over the next 10 years, growing to a much bigger level at 30 years, moving to a initial destination of a sustainable company that continuously improved into the future.

![Figure 4: The Future Corporate Citizenship Process Outlined by BP Australia’s CEO](image)

Through these discussions, the increasing levels of rapport and trust helped to establish what Kemmis and McTaggart (1990) would describe as BP’s ‘identified problem’ from an action research context, where each subsequent dialogue between representatives from BP, my PhD supervisor2 and myself represented crucial iterative milestones in taking the enquiry process from one focused on simply being about ‘doing’ research, to a more subjective social process where what was to be researched became ‘constructed’ mutually over time through an exchange of ideas and values between professionals concerned with creating new forms of practice that resonated much more strongly among each of the parties (Berger and Luckmann 1966; Kemmis and McTaggart 1990: 8-10; Searle 1995).

The fact that BP initiated this discussion was particularly significant in developing the research methodology as action research in particular as opposed to another form of social research, in that representatives from BP, not my PhD supervisor or myself, identified the area for improvement or change within their organisation based on the shared ‘thematic concern’ of enhancing performance as a corporate citizen (Kemmis and McTaggart 1990: 8-10).

---

2 Professor David Birch.
The research emphasis, especially early on, created the necessary space for active listening and an awareness of each other's point of view as part of a series of non-directed conversations involving just 'being present' more fully. This contrasts with the 'epistemological break', social separation or 'participant objectivation' created through more traditional forms of social research, especially methods such as surveys, questionnaires and interviews that form the interpretative lens with which researchers structure or reposition themselves in the hope of creating an impartial distance, only to be 'condemned to see all practice as a spectacle' (Bourdieu 1977: 1; Schratz and Walker 1995: 74-75).

Based on these discussions, my supervisor and I developed a proposal for me to undertake an action research project into corporate citizenship within BP Australia as part of my PhD. Unlike other forms of organisational research undertaken by the University, this research was clearly entered into by both parties with an expectation of not just capturing 'what is' but also helping to create 'what could be' in the field of corporate citizenship.

In undertaking this research, I was asked to join the external affairs team within BP Australia much like any other team member in October 1999, completing this initial field research phase 12 months later in October 2000. During these 12 months I assisted the external affairs team to review its current approach to corporate citizenship and then reconceptualise how this work could change to reflect a more embedded approach to BP's business. Following this initial 12 month period, I was then asked by the CEO to assist, over the next three years until 2003, in the implementation and cultural change of this new corporate citizenship thinking across the organisation.

The deconstruction and reconstruction of corporate citizenship within BP Australia

During the initial phases of my research with BP Australia, corporate citizenship was predominately interpreted through the language of 'community affairs', which occupied a centralised and monetised function within BP undertaken on behalf of the organisation, but not in conjunction with its core operations, culturally constructing what Hofstede describes as a particular form of 'mental software', or 'cultural system' according to Bell, defining the nature of corporate citizenship within BP at that time (Bell 1976: 276; Hofstede 1997: 45). By limiting this function to a discretionary 'spend' allocated outside the operational considerations of BP's business, managers, employees and stakeholders external to the company had been acculturated into viewing BP's corporate citizenship expressed through a discrete, separate pot of money unrelated to core business, but spent because of a prevailing social norm that 'companies must give something back'.

Importantly, this contextual reinforcement, cycling back and forth between BP and its macro context, that to be a good corporate citizen is to give some money back after the company had already made its profit for the year, had helped to elevate and entrench the centrality of money as the primary means for a corporation to extend or exchange acts of citizenship with the world around it. More importantly than offering a single, retrospective insight, this profoundly revealing, theoretical determinant of corporate citizenship provided an important marker in the construction of a new potential exchange continuum as the basis for BP and potentially other businesses to consciously and more rigorously evolve as corporate citizens (Blau 1964; Bell 1976: 276; Hofstede 1997: 4-5).

As a consequence of this conceptual rigidity and financial territorialisation of corporate citizenship, BP was yet to traverse the necessary alternative sociocultural cartography that Deleuze and Guattari suggest as being so crucial 'to express another potential community, to force the means for another consciousness and another sensibility' or
expand what Bourdieu describes as its field of cultural production beyond notions of the financial (Deleuze and Guattari 1986: 17; Bourdieu 1993). Put another way, if the action could not be counted, then it was not likely to be considered of value by BP, and thus the importance of social exchange between the inner and outer contexts of BP, such as through dialogue, interaction, participation, reciprocity and the building of trust, was yet to become relevant in the overall construction of corporate citizenship.

Corporate citizenship redefined through social exchange

Having created the space for change, the next phase involved engaging communities in a process of social exchange by enabling a dialogue to occur about their views and expectations of BP Australia. Importantly a key community for BP also included the community within, namely the employees, who were already spontaneously developing their own approaches to broader actions towards the environment and society, often quietly, in their own work teams, without fanfare or company-wide facilitation. This 'organic' citizenship among like-minded employees has parallels with organic processes occurring in nature generally through its ability to break out in unexpected and often self-perpetuating ways. From my observations, employees seemed to have sensed at some internal level that 'it was now OK to bring your values to your work'. This may have been the culmination of many factors but, according to employees I spoke with at the time, prominent events such as John Browne's commitment to meet the challenges around climate change from 1997 onwards, and the local facilitation by the Australian CEO, whose personable style coupled with his position, 'made it seem OK' to be green and socially aware within the company (BP field notations 1999, 2000).

Rise of operational citizenship

The upsurge of business units finding new citizenship connections to their operations evolved from what I might now in retrospect term as a bridging process, which helped to shift the concept of corporate citizenship or socially construct it across the organisation when interpreted through Berger and Luckmann (1966), from something that so-called 'experts', the CEO, and a handful of other individuals including me within the organisation did for and on behalf of BP Australia, into a concrete reality for each and every manager or employee within the company to create should they wish to do so.

A key example of this embedding process emerged through the impact that crime was having on BP's Australian retail service station network. Managers of the retail business were increasing concerned about the levels of rising crime and, in particular, the amount involving young people. I noted that issues of this type were usually viewed as security in nature and thus handled by an area in BP responsible for security matters who often opted for the following measures.

► Additional lighting, particularly outside the shop on the forecourt
► Security wires and bullet-proof enclosures around the sales counter
► Locking the shop entrance after a certain hour and using a night pay window through the wall
► Installing closed-circuit televisions
► Hiring security guards
► Playing classical music to discourage young people from congregating
► Restricted trading hours
Significantly, I noted that crime had often emerged for many of these stores before and, despite the fact that some of the above security options were put in place, these same issues had re-emerged, sometimes in even more extreme forms. As I became familiar with each new case of localised crime impacting on individual BP stores, I started to notice a number of early themes, beginning to emerge as issues common to most stores that were being affected. When examined as a whole, what had seemed like localised issues were also found to be occurring nationally across what had now swelled to 12 individual examples that I was aware of. To me what was happening at all these locations was unique: BP was not just experiencing a security problem, it was experiencing a social problem much bigger than itself as the themes in Figure 5 outline.

![AN ALL-TOO-COMMON STORY?](image)

*Figure 5* NATIONAL TRENDS AFFECTING BP AUSTRALIA’S RETAIL BUSINESS

Importantly, this work could have proceeded only with the local stewardship and interest of BP representatives who saw some value in attempting to find complementary ways to address crime in addition to a security response. I would say that for many, even those who ultimately were prepared to try something different, not knowing what outcomes to expect was at times frustrating.

As this process was exploratory just as my whole thesis was, BP representatives and I arranged initially to meet with some key stakeholders, such as the local council, police, schools and sometimes youth services, to see if they too were in any way aware of the crime issues in the area and, if so, whether there was some way to work collaboratively on possible solutions.

Unlike the financially focused, broad partnership models between large business and large community organisations that are promulgated in the media and government programmes, BP was seeking to locate its operations within its community context in order to form a working relationship with potential local partners that it was meeting for the first time. These early dialogues were quite hard-going as there were few existing social norms to fall back on to help the parties in what was an unusual exchange, so
some initial time needed to be spent building trust and determining what, if any, collaboration might be of value. In most locations, it was decided that an important first step was to speak directly with the young people who congregated at service stations to establish some of the reasons for this behaviour. This was usually done in collaboration between BP staff and local youth service workers. Below is an extract from a report from a youth service that visited a BP service station over two weekend nights to speak directly with young people present in conjunction with BP staff. The findings from this report are illustrative of similar findings from other youth services elsewhere in Victoria and New South Wales who also agreed to work with BP in this way.

OBSERVATIONS AT THE BP SERVICE STATION & NEARBY SHOPPING CENTRE

On both evenings the numbers of young people never exceeded 10 at any point in time and their behaviour was acceptable. None of them lingered for particularly extended periods of time. Young people identified the following problems, mainly in relation to evenings and weekends:

- Nowhere to go
- Nothing to do
- No transport

Although a helpful indication of some of the general issues that young people might be experiencing, this iteration and others like it were crucial first steps in creating another ‘cultural bridge’ between BP and its context, where although engaging directly with young people it seemed wrongheaded to some local BP staff to even talk to the ‘little rats’, having entered into an exchange with them through dialogue that had not ended in injury or fear, had successfully moved the issue from an ‘us’ and ‘them’ perspective, to a position where the basis for some type of relationship had begun to open up.

Importantly, this dialogue was not limited to a group that some found unpalatable, namely young people, but kept expanding in most locations to include more positively received stakeholders mentioned earlier from local councils, police and schools who usually came back to BP with a desire to work together following the initial tentative discussions. As one manager commented to me, ‘I have been trying to get the local police interested in the crime around here and couldn’t get a response and now I have access to the area superintendent’ (BP, personal communication, 9 July 2003). These new social connections also opened up entirely new insights for BP into how the surrounding community viewed it contextually in relation to local crime and the effects this was having on community confidence when considering their purchasing decisions. The following extract from the local council’s annual community safety survey, shared with BP only after it established a relationship with the council, highlights in very compelling terms the direct financial impact that crime was having on how local customers viewed BP in terms of their safety.

A phone poll of 200 residents on community safety indicating the following key findings:

Where do you feel unsafe?

- I avoid the BP petrol station near the shops because of the teenagers hanging around. It makes you feel uncomfortable
- Service stations at night
- The local petrol station is a hangout for teenagers
- Sometimes at the shopping centre especially at night
- Local shopping centre
Broader implications for theorising about corporate citizenship

How easily I could have overlooked this small community insight into how residents view their experience with BP and the implications this held more broadly for the business sector and to extending knowledge for corporate citizenship across many settings and many sectors, if it had not been for the insights I gained during my earlier reading around economics and the assumptions this field had towards externalities created by the marketplace. While the financial costs of crime outlined are clearly measurable and significant for BP, it was difficult to understand this data in terms of whether it affected the way in which BP functioned or carried out its business exchanges with the community around it or alternatively when the community carried out its exchanges with BP. Crucially, insights such as the comments made by local residents about their safety (a social measure), where they avoid BP because they feel uncomfortable with teenagers hanging around, challenge the traditional analysis of transactional cost economics that externalities are simply by-products of the marketplace, and therefore of no particular concern to business.

To illustrate, even if viewed in terms of the impact these issues are having on transactional costs, that is, the financial cost of processing a transaction or sale, BP and ultimately society are bearing additional costs in the examples presented when completing transactions because BP has to spend more on security, stock losses, high staff turnover and property damage, let alone the lost revenue when trading hours are restricted or when residents are choosing not to venture into BP because they feel unsafe. However, I believed that, at its most basic level, both BP and the community were experiencing much more than the effects of crime, but rather the tangible and measurable effects of a breakdown in trust or social capital. Most significantly, trust in this sense went into new social terrain beyond the importance of broad social connections to society as a whole so comprehensively researched by Putnam (2000), or the impact that a lack of trust which Fukuyama (1995) has demonstrated can have on errant companies who do the wrong thing, but rather into an entirely new contribution to knowledge about how trust as manifested through the prevailing social conditions impacts directly on the overall functioning of the marketplace as an intrinsic, yet largely hidden feature accompanying each and every transaction.

Using the metaphor of the nervous system to illustrate how this extends our understanding of corporate citizenship, if transactions could be conceptualised as working in a similar way to nerve pathways, as shown in Figure 6 where impulses travel back and forth from one pathway to the next, and the next beyond that, across the whole network symbolising the marketplace, then trust as part of this overall exchange pathway represents the myelin sheath or the essential social tissue that surrounds each nerve or transaction enabling it to function optimally when cohesive and healthy, or alternatively slow down, misfire or block transactions along this pathway if damaged, such as in the case of multiple sclerosis, or escalating crime when viewed socially. Additionally, as this is a two-way symbiotic relationship, healthy transactional activity ensures the overall survival of the system (society) and thus the supporting social tissue represented through trust, which in turn, diminishes if financial activity grinds to a halt.

Conclusion

While corporate citizenship has grown in its volume and overall size as a discipline in recent years, the focus has been quick to jump at progressing the 'products' or the 'what' of corporate citizenship, often at the cost of understanding the 'process' or the 'how' required to realign organisational culture and social norms in support of such ideals.
By attending to and amplifying the key role played by social exchange in the construction of corporate citizenship as articulated through public discourse, broader intellectual underpinnings and key findings from field research, this paper questions the over-objectifying of corporate citizenship as an outcome concerned largely with measurement.

As demonstrated through the case study of BP, and my central role as an action researcher, corporate citizenship, despite its articulation through different terminology, is distinctive as a social process where organisational actors make sense and react in response to cultural markers emerging from both inside and outside their organisation.

Additionally, as indicated in the BP case study, the interconnection between the social and financial aspects emerges as a significant development in understanding the application of corporate citizenship to core business operations and the mutual benefit this has begun to show as theorised through the myelin theory of exchange and trust. In essence, where employees drive change that is of direct interest and concern to them, then this is the foundation on which new cultural norms shape social exchange back and forth among themselves, shifting an organisation into a new consciousness consistent with the aims and aspirations of citizenship, which just happens to occur in this case within a corporate context.

References

BP field notations (1999–2003), researcher diary.


