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Emerald Article: Institutionalizing idealism: the adoption of CSR practices

Adrian Haberberg, Jonathan Gander, Alison Rieple, Clive Helm, Juan-Ignacio Martin-Castilla

Institutionalizing idealism: the adoption of CSR practices

Adrian Haberberg
University of East London Business School, London, UK
Jonathan Gander
Faculty of Business and Law, Kingston University, London, UK
Alison Rieple and Clive Helm
Westminster Business School, University of Westminster, London, UK, and
Juan-Ignacio Martin-Castilla
Universidad autonom de Madrid, Ciudad Universitaria de Cantoblanco, Madrid, Spain

Abstract

Purpose – The purpose of this paper is to identify and discuss the idiosyncratic features of the adoption and institutionalization of corporate social responsibility (CSR) practices.

Design/methodology/approach – This is a conceptual paper in which current theory on the institutionalization of practices within organizational fields is extended. This is achieved through considering how well established models of the institutionalization process accommodate the idiosyncrasies of CSR practices.

Findings – Established models of the institutionalization process do not properly account for the patterns of CSR adoption that are identified. This is because CSR has some features that differentiates it from other organizational initiatives, including idealism, delayed discovery of instrumental benefits, public attention, and the tension between public and private logics.

Research limitations/implications – This is a conceptual paper which now needs to be explored empirically, either at the level of the CSR practice or at the organizational field. It is believed that a detailed examination is warranted of the effects of the truncated adoption process (a coercive bandwagon) on organizations' adoption of CSR practices. Neither has it been considered whether all categories of CSR practices are subject to the same dynamics or development path.

Practical implications – It is argued that prizes and regulations that are introduced before the organizational case has been worked through properly can have a negative effect on the adoption of beneficial practices throughout the wider field. Similarly, accusations of greenwashing of firms who implement CSR prematurely, and the negative publicity that results, can result in the valuable ideals of CSR being operationalised in a sub-optimal form.

Originality/value – The paper offers a new conceptualisation of the path of the institutionalization of CSR practices.

Keywords Organizations, Corporate social responsibility, Organizational behaviour, Management culture

Paper type Conceptual paper

1. Introduction

What is actually different about corporate social responsibility (CSR) practices? CSR has generated an extensive discussion across business-based journals, mainstream journalism, and corporate literature. This literature (see Lee, 2008 for a comprehensive historical review) includes investigations and discussions of the nature of CSR,

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normative arguments for and against it as part of good management praxis, and economic tests of the link between CSR and corporate financial performance (Margolis and Walsh, 2003; Orlitzky *et al.*, 2003). More recently, as socially responsible corporate behaviour has entered the mainstream of management thinking (*The Economist*, 2008; Lee, 2008; Lindgreen *et al.*, 2009b), scholars have turned their attention to the question of what induces managers to pursue it: the cognitive processes at work during the adoption decision (Basu and Palazzo, 2008) and the institutional environment that frames it (Campbell, 2006, 2007; Winn and Angell, 2000).

In this paper, we further examine the specific differences between CSR and other practices, and how they condition those managers' cognitive processes and that institutional environment. Specifically, we investigate the importance of certain characteristics that we infer to be common to all practices labeled as CSR, namely idealism, moral stance, and a concern for the wellbeing of stakeholders melded to wider concerns for human rights and sustainability (Garriga and Melé, 2004). To answer our own introductory question: this is what is different about CSR practices, and the consequences are surprisingly far-reaching.

We argue that as a result of this underlying difference, the adoption decisions and the subsequent institutionalization of CSR practices follow a pattern that differs from the "normal" one. With most managerial practices, an increasing recognition within a field of the instrumental benefits is followed by a move towards isomorphic conformity, where social rather than economic benefits are sought. CSR initiatives typically arise out of socially embedded concerns, and only later enter an instrumentally motivated stage of development. The pattern of institutional development is subject to flux and debate exacerbated by CSR's high visibility to media and civil society (Bansal, 2005; Maignan and Ralston, 2002), and by the lack of clear instrumental benefits for the firm. Institutionalization may be fast tracked by coercive processes exerted by stakeholders from outside any single organizational field, and yet be retarded or undermined by ideological conflicts.

We begin by briefly reviewing the literature on CSR and on how organizational practices are adopted and institutionalized. We then use Tolbert and Zucker's (1996) model of institutionalization to analyze the ways in which CSR practices differ from the norm.

2. Corporate social responsibility

CSR encompasses "the economic, legal, ethical, and philanthropic expectations placed on organization by society at a given point of time" (Carroll and Buchholtz, 2000, p. 35) and a corporation's concern for society or for the impact its actions make on society (Boatright, 2007; de George, 2006). It is a broad concept whose boundaries are conceived differently by different theorists and adopters (Carroll, 1979; Hill *et al.*, 2003; Snider *et al.*, 2003; Wilson, 2000). However, there are a number of defining characteristics that can be ascribed to CSR practices.

The first is an idealistic moral dimension: the decision to adopt necessarily requires value judgments as to whether it is right or wrong, alongside judgments of its economic worth or cost. This is reflected in the normative, philosophical debate (Argandoña, 1998; Cassel, 2001; Garriga and Melé, 2004; Jones, 1995; Stoney and Winstanley, 2001) as to whether ethical considerations or the political position of business in society confer any responsibility on managers to take account of the interests of stakeholders other than shareholders and hence to focus deliberately on issues beyond and even in place of profit maximization.

The second characteristic is that economic benefits are tangential to the proclaimed purpose of the practice, which is instead powered by values that reside in civil society. Situated in a discourse of public good, interest in the practice is likely to be high and there is the potential for it to achieve notoriety, driven perhaps by attention from a knowledgeable, opinionated media (Bansal, 2005).

Linked to these characteristics is the third idiosyncrasy of CSR practices; their durability in the face of conflicting or unclear evidence for their instrumental benefits. CSR proponents are able to draw sustenance from outside the organizational field allowing them to counter demands from within the field for the economic benefits to be evidenced. Sceptics can be catechized as greedy, rapacious, conformist, or lacking in vision.

3. Practice adoption and institutionalization

Institutionalization is the process whereby a practice becomes adopted by the majority of organizations in a field, eventually becoming reified as a social fact which guides behaviour. Practice adoption and institutionalization are thus closely related phenomena: within individual organizations, individual managers decide, consciously or tacitly, whether to adopt or sustain a practice; at the level of the population, or field, of organizations, such decisions form a pattern which may eventually amount to institutionalization. The extent to which a practice is institutionalized is observable, at the level of the organizational field, through the proportion of organizations that have adopted it. At the level of the organization, it is observable through the extent to which the adopt/sustain decision is automatic, and determined by taken-for-granted recipes or paradigms common to all organizations in the field; in some cases, these paradigms may derive from societal norms.

This process of institutionalization has been examined by a range of theorists (Dacin *et al.*, 2002; Powell and DiMaggio, 1991; Scott, 1987; Tolbert and Zucker, 1996; Zucker, 1987), who have elaborated upon the mix of instrumental/economic and social factors that influence whether practices become embedded within organizations and shared between them. Tolbert and Zucker (1996) identified three stages of institutionalization: habitualization, objectification, and sedimentation.

Habitualization involves the generation of practices, at the level of the individual organization, to deal with a given problem or opportunity. The semi-institutional stage of objectification is where a practice acquires sufficient perceived value, whether symbolic or economic, for it to spread between organizations through a process of conscious imitation. At the final stage, sedimentation, practices have spread almost universally "within the group of actors theorized as potential adopters" (Tolbert and Zucker, 1996, p. 184). These practices have been sustained for a substantial period and can thus be regarded as fully institutionalized.

A number of theorists have considered the institutionalization of CSR practices (Ackerman, 1973; Bansal, 2005; Bansal and Roth, 2000; Christmann, 2004; Clemens and Douglas, 2005; Gendron *et al.*, 2009; Jennings and Zandbergen, 1995; Lindgreen *et al.*, 2009a; Moir, 2001; Sharma and Henriques, 2005; Winn and Angell, 2000). We suggest, however, that none of these writers has identified the implications of the particular attributes of CSR practices discussed above.

In the following sections, we examine each of Tolbert and Zucker's three stages as they relate to CSR practices. We show how, in the course of this process, the *locus* of primary motivation for the adoption of the practice by the firm moves from outside the organizational field to inside and back out again, and the relative importance of idealism, economic rationality, and social legitimation varies. We also point out other important ways in which adoption and institutionalization differ between CSR and other practices.

Habitualization

In most treatments of institutionalization, early adopters of new practices are driven by an instrumental desire to improve performance, a rational maximization approach (Tolbert and Zucker, 1983). This motivation, which is endogenous to the adopting organization, contrasts with that of early CSR adopters.

The early adopters of CSR practices typically draw their inspiration and motivation from outside the firm. These practices can emerge from a wide array of sources within civil society: philosophical writings, social movements such as environmentalism, religious conviction, or a personal sense of moral purpose or outrage. Their adoption during the habitualization phase is, at best, sketchily related to any instrumental benefits that might accrue and is primarily directed towards realizing public, rather than private, benefits (Austin *et al.*, 2006; Emerson, 2003, 2006).

CSR practices are not the only ones from which public benefits accrue, and innovators in many fields outside the realm of CSR have been found to be motivated by the desire to benefit humankind, as well as the promise of future private wealth (von Hippel and von Krogh, 2003). However, whether the motivations reside in the creation of public or private benefits, a typical product or process innovation is designed to realize instrumental benefits. Though it may, at the outset, be difficult in the beginning to determine whether they outweigh the cost of implementation. The adopters of a new quality process, for example, take a leap of faith. However, that leap of faith relates to when, or whether, private benefits ensue. CSR practices, on the other hand, are adopted despite, or even because of, the absence of any promise of such benefits; issues of individual conscience may be of greater importance.

Consider, for example, the case (Kinkead, 1999) of Ray Anderson, CEO of Interface, a leading manufacturer of carpet tiles, whose production involved heavy consumption of hydrocarbons and the production of hazardous waste. In 1994, he experienced a "revelation about what industry was doing to our planet" (Kinkead, 1999, p. 190) and resolved that Interface would re-conceive its mode of operations so as to become environmentally sustainable. This led, in the first instance, to a sharp downturn in sales as Anderson became increasingly involved in environmental crusading. The costs, meanwhile, remained uncertain.

Lantos (2001) referred to this type of adoption as altruistic CSR; we prefer the term "idealistic CSR", since the motivation in question may come as much from the adopter's desire to do what is "right" as from any inclination to benefit identifiable others. Thus, some early adopters of company pension schemes in the UK were motivated by the wish to avoid the repugnant task of choosing which supplicant retirees were deserving of a company's limited largesse (Hannah, 1985). The early adopters of organic farming were driven by a desire to avoid harming the land, based in part on scientific observations, but also on a set of distinct values drawn from notions of stewardship

(Egri, 1997). While there may be some prompting from concerned outside stakeholders, it is possible that the initial idealists may implement the practice in the teeth of indifference or opposition from the stakeholders it is intended to benefit. The earliest UK company pension providers did not have the broad support of workers, who had established their own schemes for providing for their old age, or trade unions (Hannah, 1985).

The development of a CSR practice is quite likely to be piecemeal, and undertaken without support or resources from the organizational field. For example, techniques for organic farming in the southern Mediterranean countries of Europe were developed by the farmers themselves, with scientists and researchers becoming involved only in the 1980s. While the company mentioned above, Interface, had to work out for itself how to make its operations more friendly to the environment, this individualistic approach is a matter of necessity rather than choice: the moral stance of the founders will stimulate an evangelical attitude and an openness to share ideas with potential emulators or converts.

The discovery of instrumental benefits

On the cusp between habitualization and objectification, there typically occurs a phenomenon that is peculiar to CSR practices, whereby they are discovered to offer economic or other instrumental benefits not envisaged by their early proponents. These benefits may take such forms as increased attractiveness to certain customer segments, the ability to charge premium prices for their differentiated offerings (Gendron *et al.*, 2009), cost savings (Porter and van de Linde, 1995) and increased ability to attract, motivate, and retain talented employees (Donaldson and Preston, 1995; Jones, 1995). Thus, Interface found its sales force energized by their firm's new stance (Kinkead, 1999) and more recently UK supermarkets have discovered both cost savings and sales improvements from investments in "green" initiatives (Davey, 2009).

This discovery is the prelude to objectification, but it also lays the ground for a "struggle for the soul of the practice": conflict between seekers of commercial opportunity and purists who are unwilling to countenance adoption other than on idealistic or public benefit grounds (Gendron *et al.*, 2009). Such conflicts are another singular attribute of CSR practice institutionalization.

Objectification

During the objectification phase, new adopters of a typical organizational practice remain influenced by instrumental considerations. These include whether it is possible to make a prior estimation as to a practice's value and effect; how visible the benefits are post adoption (Rogers, 2003); and the extent to which considerations of social contagion and network externalities render its value dependent upon aggregate demand (Becker, 1991; Kretschmer *et al.*, 1999). These may determine whether managers emulate practices seen in other organizations in the belief that rivals' adoption of a practice is indicative of private information as to its value (Haunschild, 1993; Strang and Macy, 2001). Emulation may arise from the desire to replicate the instrumental benefits of a practice, while uncertainty as to the true extent of such benefits makes non-mimetic adoption less likely (Aragôn-Correa and Sharma, 2003; Greve, 1998).

However, as practices become more widespread, they become detached from performance benefits and the *locus* of the adoption decision becomes increasingly exogenous to the organization. Practices then begin to take on a certain legitimacy and further adoption becomes more structural, unconscious, and based on considerations of social benefits and a concern for the approval of peers and other bodies outside the firm (DiMaggio and Powell, 1983; Meyer and Rowan, 1977; Suchman, 1995). Legitimacy may be defined as: "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995, p. 574). It confers personal and organizational rewards: improved survival prospects for the organization (Baum and Oliver, 1991, 1992; Singh *et al.*, 1986); enhanced status for its members; and enhanced access to resources for both (Meyer and Rowan, 1977).

Although some theorists (notably DiMaggio and Powell, 1983) have suggested that legitimation (exogenous) could be expected eventually to outweigh instrumental considerations (endogenous) as the driving force of adoption, it is unclear to what extent this change of motivation actually occurs (Kraatz and Moore, 2002; Kraatz and Zajac, 1996; King and Lenox, 2000). For example, Rivera and de Leon (2004) suggest that the (instrumental) threat of resource sanctions is a necessary driver of institutionalization, and that considerations of legitimacy alone are insufficient to influence practice adoption.

A mix of instrumental and social considerations obtains also for CSR practices, although in that case they represent a shift from exogenous motivations for adoption towards endogenous, as considerations of profit and competitive advantage play an increasing role. New and an increasing proportion of continuing adopters move towards instrumentally motivated CSR or "enlightened self interest" (Moir, 2001; Wilson, 2004). During this phase, detailed attention is given to the financial pay-offs to CSR implementation (Winn and Angell, 2000) as well as to its public benefits. Bodies such as the UK's Carbon Trust may come into being to promote the business case for a socially responsible activity.

Only if, and when, the economic or instrumental case for a CSR practice becomes clearer, it is likely to be more widely adopted. Adopters may be driven by the promise of cost savings, or the fear of competitors gaining share from ethically motivated consumers. Recognition of such benefits may be triggered by particular events; the uptake of organic farming in Europe was assisted by, for example, the discovery of bovine spongiform encephalopathy in British cattle in 1989 (Lynggaard, 2007). On the other hand, where the economic effects of a practice are clearly adverse, firms may not adopt the practice unless forced to do so through legislative or other means. This was the case with the offering of unleaded gasoline; the legislation to enforce its use in the USA was strongly resisted by the oil industry, which lobbied and litigated aggressively against it, delaying its introduction by two years (Lewis, 1985). A more recent example is the resistance by UK SMEs to the introduction of compulsory maternity and paternity leave.

Because of the competing logics of the organizational and civil society fields, relationships between the initial adopter constituency and their newer emulators may become increasingly emotional as the lack of idealistic motivation in the mass of adopters becomes plain. Accusations of insincerity, bandwagon-jumping, or "greenwashing" may emerge as idealists seek to maintain some degree of control and differentiation (Brown, 1994; Lubbers, 2002; Watts, 2006). An example of such accusations is the criticism that has been leveled at the "industrialization" of organic food production (Clark, 2007; Shea, 2007). Similarly, Virgin Atlantic's 2008 test flight using bio-fuels in a Boeing 747 was dismissed in some quarters as a "stunt" or "high-level greenwash" (Barkham, 2008; Marotte, 2008; Williams, 2008).

At this stage, also, coercive factors may come into play, as key stakeholders in civil society begin to lobby for adoption. These stakeholders include government agencies, customers, trades unions, as well as lobbyists. Codes of practice and certification schemes may appear, not all having been worked through or promoted by the organization field, and compliance with these may increasingly become a condition for doing business, an example being membership of the Dow Jones Sustainability or FTSE 4 Good indices, even if their value is questioned (Chatterji and Levine, 2006). As such considerations take hold, the transition from objectification to sedimentation gathers pace.

Short-circuits to institutionalization: informational and coercive cascades

This transition may be expedited at any point by two phenomena, the informational cascade, which may occur with any practice, and the coercive cascade, which is peculiar to the CSR realm. Either of these may result in the objectification stage of the practice being truncated or even bypassed entirely.

The informational cascade (Bikhchandani *et al.*, 1992; Davis and Greve, 1997) is common to any innovation whose economic value is ambiguous. There is widespread "bandwagon" adoption of a practice based either on the belief that it will bring benefits, or fear that other adopters may be reaping advantages that are not yet apparent. These adoption decisions may be followed by equally widespread abandonment of the practice, should those benefits turn out to be ephemeral or illusory (Bikhchandani *et al.*, 1992; Rao *et al.*, 2001; Strang and Macy, 2001).

The common form of informational cascade occurs within a limited organizational field. It is a distinctive attribute of CSR practices that they have the potential to quickly gain prominence as an area of broad public interest, driven perhaps by media attention, pronouncements by legislators, and other political figures, or by a scandal (Bansal, 2005). Bansal found, when examining the adoption of sustainable development practices by large, well-established, publicly quoted corporations in three capital-intensive Canadian sectors, that media pressure was a coercive factor at an early stage of the institutionalization path. The upshot of a sudden surge of attention of this kind may be a particular form of information cascade that results in widespread adoption of the practice, perhaps in a bowdlerized form, across a very extensive population of organizations.

In certain extreme cases, the extent of media involvement and public concern may be such as to generate what we term a "coercive cascade", whereby the risks and penalties pertaining to non-adoption of the practice become so great that some form of adoption, however formalistic, becomes almost universal. Non-adopters might risk, not just loss of business, but hostile questioning by shareholders and media, and demonstrations, picketing or perhaps even violence from members of the public. Firms that succumb to this pressure, however, risk potentially malign consequences that we discuss below.

Sedimentation

At this point, the path of CSR institutionalization converges with that of normal practices. When institutionalized, a practice becomes part of the recipe or rules of the game of the industry (Spender, 1989) or strategic group (Porac *et al.*, 1989). With a CSR practice, institutionalization may be simultaneous across industries at national, regional, or even global level. Perceptions as to its desirability are shared by buyers, suppliers, and other external constituencies alike (Tushman and Romanelli, 1985). Significant numbers of customers and influential stakeholders begin to question the integrity or intelligence of non-adopters; the moral content of CSR practices may be expected to lend extra sharpness to such questions.

There will be clear and unavoidable economic penalties for non-adoption in terms of ineligibility for grants and tenders, and perhaps restricted access to loans. Adopters at this point may well lack any semblance of idealistic enthusiasm for the practice (King and Lenox, 2000; Rivera and de Leon, 2004), and implement it either defensively or reactively (Carroll, 1979), with compliance being a matter of upgrading formal systems to the point where managers can "tick the boxes" when compliance is audited as has occurred with the current European Commission's move to legislate food labeling (Watson, 2008).

The idealistic foundations of CSR practices also have implications for the degree to which a CSR practice may become institutionalized, due to the constant interplay between idealistic and instrumental considerations. Because no set of ideals is universal, even within a homogeneous society, there are likely to be localized pockets of resistance to the adoption of any given practice, legitimized by alternative ideologies. In particular, the idealization of free market behaviour (Friedman, 1962; Rand, 1964) can legitimize reluctant, tardy, or cursory adoption of any practice mandated by the state. A current UK case relates to food manufacturers' and retailers' reaction to pressures from government and health professionals to label products with their salt, sugar, and calorie content in an attempt to improve consumers' health. Some have resisted, implemented their own alternative systems or presented the information in a way which some have considered to be misleading (Charter and Elliott, 2006). The resulting piecemeal and ultimately unsatisfactory outcome of these measures is a danger of the coercive cascade that forms part of the CSR practice's journey toward institutionalization.

This leads to a contrast to the state of play with "normal practices", where a given field of organizations can be classified into adopters and non-adopters, with firms moving from one class to the other with a little overt fuss. With CSR practices, a broad population of organizations can be classified into enthusiastic, unthinking, and reluctant adopters, with the latter "dogged rejectors" fired by a degree of idealistic fervor similar to that we have noted for the former. A move from one camp to another may become the trigger for internal organizational strife and external comment and concern. This does not mean that no CSR practice can become fully institutionalized: HR practices such as pension provision and equal opportunities hiring have arguably become so across most developed economies, as have recent developments governing the recycling of manufactured products.

Economic and instrumental factors are likely to play the same crucial role in the de-institutionalization of the CSR practice (Scott, 2008) as they did in its original objectification. The ideological debate may simmer for years before the discovery of unanticipated consequences, and re-evaluation of evidence over the economic case (Utting, 2000; Pedersen, 2007) results in the widespread abandonment of the practice. Thus, in the UK, the political consensus that underpinned the institutionalization of final salary occupational pension schemes disappeared with the advent of the Thatcher government in 1979, the year that marked the peak in terms of the proportion of employees enrolled in such schemes (Wheeler, 2006). However, it was not until the economic consequences of falling investment returns and increased employee longevity became clear that the UK firms began en masse to brave trade union antagonism and withdraw from such commitments, even to existing employees (*The Economist*, 2003, 2009).

4. Discussion

We return now to the question with which we opened this paper: what is actually different about CSR practices? In our view, the clearest and most profound difference lies in the intent of the practitioner – but as we have shown above, that idealistic intent, the pursuit of public benefits, is observable, in pure form, only in the earliest adopters. The pre-entrepreneurial period that characterizes the inception of a CSR practice, during which idealism reigns and instrumental considerations of profit are largely absent, can be brought to an end in two ways, which are themselves distinctive to the CSR realm. The first is by the coercive bandwagon that can be engendered because of the high levels of public attention that the idealistic aspects of a CSR practice can attract. The second is through the emergence of instrumental benefits, leading to tension between public and private logics as the practice becomes objectified. These phenomena act in opposite directions, the first leading to earlier and more widespread institutionalization, the second inhibiting adoption by some otherwise willing parties. Both, we now argue, increase the risk that the CSR practice may become institutionalized in a sub-optimal form.

A practice's characterization as part of the social good, as well as the role of the media in focusing on the issues, may trigger a form of coercion beyond the market forces envisaged by DiMaggio and Powell (1983) when they coined the term "coercive isomorphism", although the emotions attached to CSR do indeed make it a potentially important determinant of buyer power. The coercion here can be more robust and intrusive: trial by media, consumer boycotts, and antagonistic crowds outside head offices and retail outlets, as Royal Dutch Shell experienced during its dispute with Friends of the Earth over the correct way to dispose of defunct drilling platforms (Boulton and Lascelles, 1995; Nacheman, 1995).

The effects of this truncation of normal adoption decision making are not necessarily beneficial. A theoretical ideal may be elevated to the status of best practice or regulatory requirement without it ever having been worked through an organization or wider society. This means that the stage of experimentation, and the causal identification of instrumental benefits that occurs at the early stages of other institutional developments, is skipped with possible negative results. For example, the early consumer and government preference for hybrid-engined cars may have diverted some manufacturers away from efforts to develop alternative technologies with potentially even lower emissions. March (1991) has shown that, within organizations, faster socialization towards a common set of beliefs may degrade the level of eventual learning and the development of necessary specialized competences. We suggest that a similar risk obtains at the aggregated level at which CSR practices are disseminated.

It is thus possible that the rush to institutionalize during an information or coercive cascade may lead to the second best outcomes in the choice of practice or its implementation. The current moves by corporations to offset their carbon dioxide output (Daley, 2007; Gettler, 2007; Moore, 2008; Watts, 2006) appears to have led to premature judgments involving misinterpretations of scientific and other evidence, resulting in extreme cases in measures that achieve neither public nor private benefit. The hasty adoption of bio-fuels in America and Europe without due regard for the full environmental and social consequences appears to be another case in point (Borger and Vidal, 2008; Chakrabortty, 2008; Clout, 2008; Farrow, 2007; Olive, 2008; Thomson, 2008).

We suggest, moreover, that the formal institutions intended to promote socially responsible practices in firms, such as governmental regulations or awards, which would normally emerge at a much later stage in the institutionalization process, may not achieve their aim. These would include "prizes" such as the Corporate Conscience Award, awarded by the US-based Council on Economic Priorities, or a place on the FTSE 4 Good index. A focus on obtaining them has the potential to lead to unanticipated consequences (Merton, 1936), such as distracting firms from focusing on their own business strategies (Porter and Kramer, 2006), or wasting resources on measures of esteem that are at best inaccurate and at worst misleading. The Corporate Conscience Award and the US Environmental Protection Agency's Climate Protection Award to Enron (Bradley, 2008) serve as a warning that such prizes may lack accuracy as guides for external stakeholders.

What we have characterized earlier as the "struggle for the soul" of the practice, in which idealists criticize, or even demonize, those who seek instrumental rewards from its implementation, may also have perverse consequences. This phenomenon may not be avoidable; it has also been observed in the case of practices outside the normal remit of CSR where idealism is strongly to the fore, such as in the early days of the world wide web and the open source software movement (*The Economist*, 2000; Feller and Fitzgerald, 2002; Stallman, 1999).

However, it too has implications for the degree of learning that can occur in respect of a given practice. Managers who have been exhorted to implement ideologically driven practices that have not been demonstrated to generate economic benefits can find themselves in an uncomfortable position. Their organizations have not yet had the opportunity to try to identify workable applications of CSR ideals or quantify any instrumental benefits. However, attempts to experiment and perform necessary operational refinements risk being labeled as cynical by lobbyists such as http://stopgreenwashing.org. One interpretation of the Virgin bio-fuels trial mentioned earlier is as an experimental effort to identify the instrumental benefits of their usage, something that would actually be necessary for its institutionalization within the organization field. Such hostile reactions as Virgin experienced impede the adoption of a practice.

These reactions are, however, exacerbated by what appears to be a tendency for firms, in this experimental context, to exaggerate their prowess. A natural desire to demonstrate some empathy with public concerns, and perhaps thus derive some early returns, in the form of enhanced reputation, from investments in untried modes of operating, may engender a hostile and emotional reaction from wider society. This may in turn lead to a retrenchment and potential reluctance to implement further CSR initiatives. Firms that are able to recognize that this stage is experimental and hold back their communications' function may encounter less hostile reactions.

We conclude by suggesting two areas for further research. We have identified an intriguing paradox in which well-meaning attempts to accelerate adoption of a practice may lead to its institutionalization in an inferior form. A deeper examination of the motivations and roles of tardy adopters may be helpful in understanding how and whether this may be avoided; most case studies of CSR adoption have focused upon the enthusiasts and early adopters. It would be of particular interest if researchers could identify whether there are firms that hold back from implementing a practice, and keep themselves from the public eye, in order to be able to refine it, and could show the importance of such firms to effective CSR.

Second, research into the effects on managers of criticism of their CSR efforts would be beneficial. Both the coercive cascade and the fight for the soul of a practice can elicit strong rhetoric and actions from proponents. Such rhetoric may stimulate greater efforts to improve implementation, or alternatively may entrench antagonism towards the practice amongst the more cautious or reluctant adopters, leading to an earlier and more rapid de-institutionalization if the economic context changes.

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Corresponding author

Adrian Haberberg can be contacted at: a.haberberg@uel.ac.uk