

CSR, SUSTAINABILITY, GOVERNANCE, AND ACCOUNTABILITY: THE CURRENT POSITION IN THE BODY OF KNOWLEDGE AND THEIR RESEARCH DIRECTIONS¹

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Introduction

Corporate social responsibility (CSR) term as we have known right now has been introduced firstly in the 1950s with the publication of a book entitled *Social Responsibilities of the Businessman* by Howard R. Bowen (Beal, 2014; KPMG, 2011). Since then so many definitions of the term have been developed by academicians, practitioners, and organizations (like GRI) with their own perspectives. Therefore, it seems that corporate social responsibility is a field of study, rather than a specific term with single meaning. As a field of study it can be closely related to other terms: sustainability, governance, and accountability. Crowther and Aras (2008), for example, provide the principle of CSR as having three elements: sustainability, accountability, and transparency. In addition, Gill (2008) tried to make CSR and governance as the closely related two terms, in that corporate governance is a reflection of corporate social responsibility and CSR is one form of corporate governance. Other terms often considered as synonymous of CSR are corporate sustainable performance, corporate citizen and corporate social performance (Beal 2014; Fauzi, Svensen, and Rahman, 2010). Even the terms such as social and environmental accounting (SEA) and green accounting are closely related to the CSR (Brown and Fraser, 2006); Cho and Patten, 2013).

With this argumentation in mind, that is why I set up a research group named CSR, Sustainability, Governance, and Accountability (CSGA) under Indonesian Center for Social and Environmental Accounting Research and Development (ICSEARD). Given the similarity of the area (CSR) as field of study, the question is what its current position in the body of knowledge

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and the direction of research are. The objective of this paper is to discuss briefly (functioning as an introductory discussion for discussion session) the body of knowledge of the CSR and its related terms and their research direction.

Body of Knowledge

CSR as a field of study can be viewed from many aspects such as strategic management, accounting, communication, and sociology. Thus, it is multi discipline in nature. However, the basic root of CSR comes from management or business (strategic management) in its first emergence in 1950s as indicated in the publication of Social Responsibilities of the Businessman by Howard R. Bowen (Beal, 2014; KPMG. 2011). That is why discussions from the basic to advance of this area can be found in the literatures of business and management such as Journal of Management, Academy of Management Review, Strategic Management, and Organization. The basic root of CSR has been reflected in how the CSR is defined. The following are some important definitions developed business people (Beal, 2014):

“...It refers to the obligations of businessmen [and businesswomen]to pursue those policies, to make those decisions, or to followthose lines of action which are desirable in terms of the objectives and values of our society”.....(version of Howard R. Bowen, 1953)

“...Social responsibility in the final analysis implies a public posture toward society’s economic and humanresources and a willingness to see that those resources are utilized forbroad social ends and not simply for the narrowly circumscribed interestsof private persons and firms...(William C. Frederick, 1960)

...“there is one and only one social responsibility of business—to use itsresources and engage in activities designed to increase its profits solong as it stays within the rules of the game, which is to say, engagesin open and free competition without deception or fraud....-(MiltonFriedman, 1970_

“””Here we define CSR as actions that appear tofurther some social good, beyond the interests of the firm and thatwhich is required by law. This definition underscores that, to us, CSRmeans going beyond obeying the law...(Abigail McWilliams & DonaldSiegel, 2001)

...Corporate social responsibility (CSR) is about how businesses aligntheir values and behaviour with the expectations and needs of stakeholders—not just customers and investors, but also employees, suppliers,communities, regulators, special interest groups and society as a whole..(Tomorrow, 2013)-

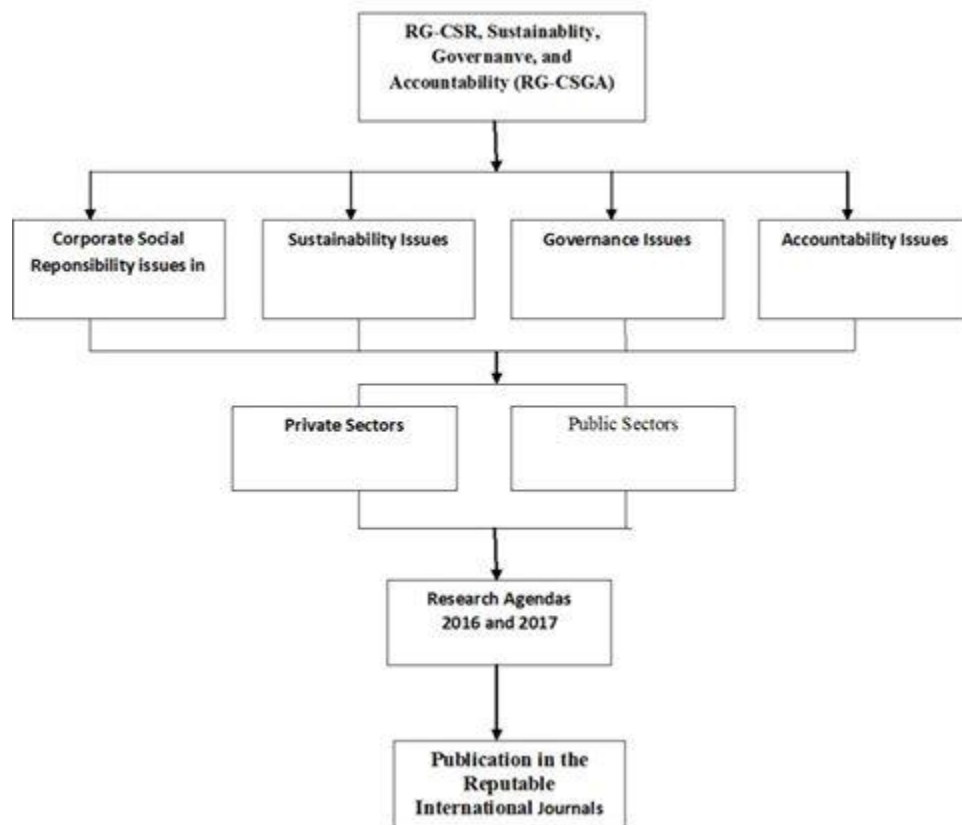
In further development, the CSR issues started to be adopted in accounting using the perspective of financial and management. In the financial perspective CSR discussion focuses on the disclosure of CSR or CSR reporting as indicated in Accounting Review: Report of the committee on human resource accounting (American Accounting Association, 1973; American Accounting Association, 1973). In the management accounting perspective CSR discussion is related to measurement of corporate social performance (Gray, 2002). The current development of CSR issues from financial and management accounting perspective can be found in the accounting literatures such as Accounting Review, Accounting Organization society, Accounting Auditing and Accountability Journal, Critical Perspective Accounting, and Accounting Forum.

The current position of CSR and its related terms become increasingly get developed and can be found in the current literatures under series of CSR, Sustainability, Governance, and Accountability. They include Corporate Social Responsibility and Governance: Theory and Practice (Idowu, Frederiksen, Mermod, and Nielsen, 2015), Corporate Social Responsibility: Challenges, Opportunities and Strategies for 21st Century Leaders (Okpara, and Idowu, 2013), Key Initiatives in Corporate Social Responsibility: Global Dimension of CSR in Corporate Entities (Idowu, 2016), Public Management as Corporate Social Responsibility: The Economic Bottom Line of Government (Bitetto, Chymis, and D'Anselmi, 2015), Social Compliance Accounting: Managing Legitimacy in Global Supply Chains (Islam, 2015), Strategic Communication for Sustainable Organizations: Theory and Practice (Allen, 2016), The Sustainable Provision of Environmental Services: From Regulation to Innovation (Aerni, 2016), Corporate Sustainability: Integrating Performance and Reporting (Brockett and Rezaee, 2012), Cultural Roots of Sustainable Management: Practical Wisdom and Corporate Social Responsibility (Habisch and Schmidpeter, 2016), the Human Factor in Social Capital Management: The Owner-Manager Perspective (Manning and Sun, 2015), Governance by Indicators: Global Power through Classification and Rankings (Davis, Fisher, Kingsbury and , Merry, 2012), and Dynamic Governance: Embedding Culture, Capabilities and Change in Singapore (Siong and Chen, 2007).

Understanding the current position of CSR and its related term is also important for the teaching issue. For the purpose of teaching, depending upon the level of degree of study, the design of curriculum should consider the current position in the body of knowledge.

Direction of Research

The direction of research for CSR and its related terms include the issues of corporate social responsibility, sustainability, governance, and accountability practiced in the private and public sectors. The related studies include: (1). Sustainability Performance (2). Performance in the Public Service Agency (BLU) system 3. Management Control System and CSR 4. Islamic CSR and Governance 5. Accounting for Climate Change, and 6. Corporate Governance (in state-owned companies, SMEs, and Universities). The direction can be indicated in the following figure:



Closing Remark

The field of study for CSR and its related terms has been extended so that each term is evolving as though a stand-alone. The situation should be understood by us as lecturers and researchers in order for us not to lose the red thread (the fundamental idea). It is especially very important in the research activities in order for contribution of every study to the body of knowledge can be clearly shown. And the multiplier effect of this stage can be contributed to the teaching activities and industrial practical (downstream impact of research).

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