The strategic value of corporate social responsibility: A relationship management framework for public relations practice

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Abstract

This article places corporate social responsibility in the context of the resource-based view of the firm, then uses relationship management to explain the growing involvement of businesses in corporate social responsibility activities. It argues that the value of the public relations function to an enterprise is in its capacity to aid relationship management, but at a level linked to corporate strategy rather than the communication-output perspective common to much public relations practice. In so arguing, the article theorises corporate social responsibility as facilitating relationship management, and thus building support networks for the organisation, instead of as a set of activities that build organisational legitimacy through the management of perceptions. Such a perspective adds to the growing focus in the public relations literature on relationship management as a central rationale.

This concept is then applied to a multinational firm in the construction industry. The case study identifies a series of specific public relations practices within corporate social responsibility (CSR) programmes that are used to manage relationships.

Introduction

Grunig (2006) argues that the greatest challenge facing public relations practitioners and academics is to embed strategic public relations as an accepted management function. However, to date, much of the public relations literature has been focussed on what public relations practitioners do, as opposed to the business drivers for public relations practice (Gower, 2006). Theoretical developments in relationship management have focused heavily upon addressing the rationale for public relations practice and its central contribution to the organisation (Ledingham & Bruning, 1998).

This article seeks to address these concerns by considering the role of CSR practices in relationship management, as well as the strategic value of CSR to the organisation. It seeks to better understand the role of communication in social impact by particularly viewing this concern through the focal area of public relations practice and literature.

Using this approach, the article develops an explanation for why companies engage in CSR that accounts for the strategic value of the practices to the company. In addition, it investigates the role of relationship management (RM) theory, and how it is used to identify specific corporation-stakeholder and intra-personal relationships that can help an organisation reach its strategic objectives. As the article is based on a single case study, it does not evaluate the ethical implications of the framework identified, since further extrapolation through additional case studies would be required before embarking upon an ethical critique. Rather, it investigates the current practices in CSR, strategic value, and relationship management through an in-depth case study of a multinational firm, with a focus on the non-profit foundation explicitly

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established to facilitate the organisation's principal CSR activities.

This article proceeds as follows: first, literature on CSR, the resource-based view of the firm, and relationship management is investigated to provide a framework for the study; next, the case study method is described and data from the case is presented; finally, the findings and implications for the firm are discussed.

Corporate social responsibility

Corporate social and environmental performance have recently been placed under scrutiny by firm stakeholders; thus, CSR has become a widely-applied concept and is an increasingly central concern in business decision-making (Cochran, 2007; Gyomlay & Moser, 2005). CSR can be defined as "situations where the firm goes beyond compliance and engages in actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams, Siegel & Wright, 2006, p. 1). The academic construct of CSR was first developed in the 1950s, but came to prominence in the 1970s and 1980s in conjunction with increased public scrutiny and focus upon the image of the corporation (Clark, 2000; Golob & Bartlett, 2007; World Business Council for Sustainable Development [WBCSD], 2004). Increased scrutiny has also resulted in rapid growth of the number of instruments used to manage, measure, communicate, and reward corporate social responsibility (European Commission, 2004).

The scope of activities included in CSR programmes is wide and subject to debate; however, most definitions include three key pillars of economic growth, ecological balance, and social progress (WBCSD, 2007). Elements within the framework of CSR include the adaptation of products and manufacturing processes to address social values (such as eliminating excess packaging), valuing human resources (such as personal development training and Occupational Health & Safety programmes), improving environmental performance through recycling and pollution abatement (such as emission reductions), and supporting community organisations (such as by sponsoring a local sporting club) (WBCSD, 2004).

The role and validity of CSR has been the subject of ongoing discourse and development. While most theories focus upon economics, politics, social integration, or ethics (Garriga & Melé, 2004), the perspectives within these areas vary widely (Carroll, 1979; 1999). These perspectives include:

- solely focusing on profit-making, because "few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of social responsibility other than to make as much money for their stockholders as possible" (Friedman, 1962, p. 133);
- going beyond profit making by examining the impact of business activities upon the social system (Davis, 1973);
- going beyond economic and legal requirements, resulting in an early conceptualisation of business ethics and corporate citizenship (McGuire, 1963);
- voluntary activities, where the marginal return on business expenditure on CSR is less than the returns available from alternative expenditure (Manne & Wallich, 1972);
- economic, legal, and voluntary activities (Steiner, 1971);
- concern for the broader social system (Eells & Walton, 1974); and
- giving way to social responsiveness, the adaptation of corporate behaviour to social needs, and corporate behaviour in congruence with prevailing social norms, values, and expectations of performance (Ackerman & Bauer, 1976; Sethi, 1975).

The dominant perspective from which studies of CSR practice have proceeded involves addressing challenges to legitimacy by responding to stakeholder concerns (Deegan, Rankin & Tobin, 2002; Golob & Bartlett, 2007). While this article does not examine the asymmetric power distribution that some recent research argues is embedded and perpetuated by the firm (Mackey, 2006), it acknowledges that further examination of the positioning of stakeholders would also contribute to professional practice. One other approach that has received little attention within the CSR literature is the resource-based view (RBV) of the firm. This perspective is adopted here because it provides an explanation for why firms undertake CSR projects: the capacity of the project to deliver a sustainable competitive advantage.

The RBV perspective, developed by Wernerfelt (1984) and extended by Barney (1991), views the corporation as a bundle of heterogeneous resources and capabilities that cannot readily be transferred between firms—and thus this imperfect mobility of resources is a comparative advantage of the firm. Resources include brands, positive reputation, distribution channels, technical knowledge, skilled employees, trade contacts, goodwill with customers, equipment, efficiency, and capital. A resource is considered to be any element of strength associated with a specific company (Wernerfelt, 1984).

The RBV approach assumes that firms do not have an equal endowment of strategic resources and that resources are not perfectly mobile between firms. Three categories of resource are identified: physical capital resources such as physical technology, plant and equipment, geographic location, access to raw materials, etc.; human capital resources including the training, experience, judgment, intelligence, relationships, and insight of individual managers and workers; and organisational capital resources such as reporting structures, formal and informal planning, controlling and coordinating systems, and informal relations within a firm and between a firm and those in its environment (Williamson, 1975; Becker, 1964; Tomer, 1987).

A firm is in possession of a competitive advantage when it has the capacity to implement a value-creation strategy that cannot be implemented by any current or potential competitor. A sustainable competitive advantage exists where a firm's competitors are unable to deploy equivalent resources and duplicate their benefits to the company (Barney, 1991). As a result of this degree of variation between firms, a company gains a competitive advantage when its resources and capabilities are valuable, rare, inimitable, and non-substitutable (Barney, 1991).

The attributes of a firm are valuable resources when they enable the firm to develop and implement strategies that improve efficiency and effectiveness, exploit opportunities or neutralise threats (Barney, 1991). A resource does not have to be unique and may be in the possession of a small number of firms within the industry, but its value may be imperfectly imitable due to unique historical conditions or social complexity.

A firm may acquire valuable resources through history that cannot be replicated by other firms, such as positioning the firm in a valuable geographic location, being in a position to exploit a significant scientific breakthrough, or the development over time of a unique organisational culture (Barney, 1991).

Socially-complex resources are created from the coordinated action of a large number of people, such as a dynamic corporate culture or a highly-regarded corporate reputation (Dierickx & Cool, 1989). These types of socially-based resources could be categorised in a similar way to the relationships an organisation might hold with its stakeholders.

Both historically-unique and socially-complex resources are particularly valuable because they have a high degree of sustainability of a firm's competitive advantage due to their low level of substitutability (Barney, 1991). The competitive advantage is held by the firm while it is difficult for competitors to duplicate the successful approach (Lippman & Rumelt, 1982, p. 436). Substitutability refers to strategically equivalent resources available that would enable competitors to implement an equivalent strategy through different resources.

The RBV approach combines evaluation of factors within the organisation with evaluation of the business environment in which the enterprise operates. Firms gain a competitive advantage when they implement strategies that exploit their resource strengths, respond to environmental opportunities, and neutralise weaknesses (Barney, 1991). As such, RBV provides a framework from which a firm's sources of competitive advantage can be identified and managed as a strategic resource.

Social responsibility and sustainable competitive advantage

Corporations face an increasingly competitive and globalised environment where business activities and perceptions are placed under escalating scrutiny. Hillman and Keim (2001) identify CSR activities as a form of corporate differentiation that generates a competitive advantage, for example in securing investment capital. Barney (1991) indicates that positive corporate reputation is likely to be a source of sustained competitive advantage, since the relationships between a corporation and its stakeholders are socially complex and therefore imperfectly imitable.

Hart (1995) was the first to apply the RBV framework to explain why firms engage in environmental responsibility. Some firms are able to establish a sustainable competitive advantage through the resources or capabilities created from environmental responsibility programmes (Hart, 1995). Three areas of strategic capability were identified: pollution prevention, product stewardship, and sustainable development. Sustainable development in this framework refers to mitigating the negative link between economic development in developed countries and resultant environmental degradation in the developing world (Hart, 1995). This provides a focus that is aligned with concepts in CSR literature. However, the scope of CSR has extended from focusing mainly on environmental issues to integrating economic growth with both environmental protection and social equity (Branco & Rodrigues, 2006; European Commission, 2002). From an RBV perspective, all CSR activities should generate a resource for the firm that is a source of competitive advantage.

A more structured model of the profit-maximising firm was created by McWilliams and Siegel (2001), who provided a framework for establishing the level of investment that any specific firm should make in CSR programmes, based on cost-benefit analysis. The framework argues that the firm will invest in CSR to the extent to which consumers or other stakeholders value the 'social' attribute of the firm or product. McWilliams and Siegel (2001) considered CSR to be a mechanism of product differentiation. Demand for CSR attributes is generated by consumers and other stakeholders such as investors, employees, and community groups. Consumers seek CSR attributes because they wish to support firms that devote resources to CSR, or value the intangible attributes such as a reputation for quality and reliability that may be associated with firms engaged in CSR.

Studies of the financial performance of firms with CSR programmes have highlighted a particularly useful distinction between the effectiveness of CSR activities that are altruistic (such as social issue participation) and strategic (such as stakeholder management) (Hillman & Keim, 2001). Strategic CSR has a positive correlation with financial performance and a negative correlation with altruistic CSR (Hillman & Keim, 2001). Stakeholder management investments provide a basis for competitive advantage by creating resources and capabilities for the firm that are difficult for competing firms to emulate or substitute. By developing longer-term interactions with stakeholders that are relational rather than transactional, the firm develops a capacity to expand its set of value-creating exchanges with customers, suppliers, employees, and communities that cannot be readily copied (Hillman & Keim, 2001). Social issue participation does not generate a competitive advantage because it is largely a transactional investment which can easily be duplicated by competing firms (Hillman & Keim, 2001).

The findings of these studies suggest that many altruistic types of CSR practices, such as triple bottom line reporting or local social issues participation, are relatively easily duplicated by numerous organisations. On the other hand, longer-term relationships are not easily copied. This suggests that CSR practices that are related to symbolic management of stakeholder expectations may not be as valuable to the firm as relationships that constitute actual networks of support for the organisation. However, there has been little explication in the literature of how organisational practices related to relationship management might provide such a competitive advantage. The following section, therefore, examines the public relations literature related to relationship management to provide further insights into the strategic role that public relations may play in contributing to the strategic advantage of the firm.

Public relations and relationship management

In recognising the centrality of relationships, Cutlip, Center and Broom (2006) define public relations as "the management function that establishes and maintains mutually beneficial relationships between an organisation and the publics on whom its success or failure depends" (p. 7). However, public relations is more often described in terms of its outputs and activities (publicity, press agentry, advertising, events management, media relations, etc.) and a subsequent focus upon measuring effectiveness based on outputs rather than relational or behavioural outcomes (Ledingham & Bruning, 2000b).

The centrality of relationship management to public relations practice has been advanced in public relations theory (Ledingham & Bruning, 2000b; Broom, Casey & Ritchey, 2000; Grunig & Huang, 2000). Relationship management changes the focus of public relations from an output-based activity (e.g., media releases, reports, etc.) to a management function that uses communication strategically to meet the organisation's objectives (Ledingham & Bruning, 1998) and "emphasizes building, nurturing and maintaining organisational-public relationships" (Clark, 2000, p. 368).

Ledingham and Bruning (1998) suggest that the efficacy of public relations programmes be evaluated using five relationship dimensions: trust, openness, involvement, investment, and commitment. These dimensions were expanded by Bruning and Galloway (2003), who added the comparison of alternatives as a relationship dimension that should be measured to evaluate organisation-public relationship attitudes. The comparison of alternatives refers to a combination of the cognitive evaluation of the corporation and the level of substitutability of the relationship, the costs and inconvenience incurred through changing to another provider of the product or service offered by the organisation, and also an emotional component regarding how stakeholders may feel about changing to another supplier.

Ledingham and Bruning (2000a) argued that public relations (managed communication) programmes can impact upon the behaviour of stakeholders; they therefore ascribed a strategic value to public relations practice. An implication for public relations practice is that public relations programmes must be designed around relationship goals with communication strategies and tactics engaged to reach established relationship targets. The importance of engaging in both symbolic and behavioural elements to effectively manage the organisation-public relationship is emphasised by Ledingham and Bruning (1998), who also indicate that communicating about CSR programmes must be consistent with the organisation-stakeholder relationship.

A recent trend in public relations theory is to adopt the relationship management framework, attributing public relations with the role of relationship management advice, counsel, and implementation management (Phillips, 2006). McWilliams et al. (2006) argue that stakeholders find determining whether a corporation's activities meet their standards for social responsibility particularly difficult. As a result of asymmetric information and perceptions of information bias, validating the extent to which the firm's reporting and publicity accurately reflect CSR activities may cause stakeholder mistrust. Feddersen and Gilligan (2001) argue that external verification of CSR activities is important, to address this concern. McWilliams et al. (2006) assert that firms will be less likely to disclose the business drivers of CSR investment, such as product promotion, labour cost control, and reputation building.

However, company production/operating methods can influence a range of stakeholder (particularly consumer) opinions, such as when knowledge of company operating characteristics is not easily accessed by consumers, when activists play an important information dissemination role, and when stakeholder actions can alter the operating decisions of the firm (Feddersen & Gilligan, 2001). The implications for the current study focus on the capacity of relationship management to generate a more complete framework for public relations practice. Ni (2006) affirms that stakeholder relationships are a unique resource and competitive advantage that enables a wider scope for business strategy implementation.

Wilson (1994) examined the relationship between corporations and community from the perspective of CSR, arguing that public perception of a firm's CSR commitment was central to the formation of stakeholder perceptions. Firms are developing a CSR identity for their organisation to use in marketing strategies, customer retention management, and stakeholder relations (Enquist, Johnson & Skålén, 2006). In a study of the dairy industry in the Netherlands, Mathis (2007) identifies a pro-active approach to CSR implementation as critical to developing an effective relationship with public authorities. Building relationships, therefore, becomes a prerequisite of positive communication between the firm and its stakeholders.

Fragmentation of communication channels and impacts of technology are also noted by Wilson (1994) as driving a move away from "mass" audiences toward mediated communication (p. 137). Wilson (1994) argues that creating an environment in which the organisation can flourish depends upon developing relationships with stakeholders including government, industry, suppliers, employees, special interest groups, and local and national communities. Stakeholder theory provides a framework for explaining how organisational legitimacy is conferred or revoked by the corporation's stakeholders/society (Wood, 1991).

Grunig, Grunig, Sriramesh, Lyra, and Huang (1995) developed an interpersonal influence model of public relations, in which public relations is ascribed the role of establishing personal relationships between key individuals of the corporation and key individuals in media, government, politics, or NGOs. The purpose of establishing the interpersonal influence in some instances is to establish asymmetrical relationships where the benefits from the relationship are captured by the corporation (Toth, 2000), since key contacts became people "from whom favours [could] be sought" (Grunig et al., 1995, p. 180).

Grunig et al. (1995) also refer to a symmetrical interpersonal influence model in which both the corporation and its stakeholders derive benefits from the relationship. Here, trusting relationships with reporters or leaders of NGOs (such as environmental or consumer organisations) are cited as examples of symmetrical interpersonal influence (Toth, 2000, p. 212). Personal influence is also a factor used by public relations practitioners when lobbying government. For example, many public relations practitioners in Washington are former government officials who have established public relations firms or work for major corporations who utilise their knowledge and personal contacts extensively (Grunig et al., 1995).

The interpersonal influence model provides three tangible benefits in studying public relations within the organisation. First, it provides an additional paradigm to analyse the efficacy of public relations strategies. Second, it provides an explanation for how relationships work outside asymmetrical communication (focused on controlling the environment) and symmetrical communication (focused on mutual understanding). Third, it provides a basis for long-term effective public relations strategies with regard to interpersonal influence (Toth, 2000).

This review of the literature therefore suggests that relationship management may provide a socially-based resource for the firm that is rare and not easily replicated by competitors. As such, these relationships can give the firm a strategic competitive advantage. Five dimensions of relationship management were identified that provide a framework for understanding the dimensions of the relationships that organisations might seek to establish. These relationships can be formed at the level of the organisation and public, and also at the interpersonal level between agents of the firm and with particular stakeholders. The exploratory case study therefore seeks to identify CSR practices that might constitute the strategic relationships between an organisation and its stakeholders.

Method

An exploratory case study approach was used to investigate the use of relationship management in one organisation. One of the benefits of case study research is that it provides in-depth insight into phenomena that have received little investigation to date (Yin, 1989). In addition, a case study provides an opportunity to investigate a rare phenomenon (Yin, 1979). As this study is concerned with rare resources an organisation can accrue, a single case study is an appropriate method to investigate the phenomena.

The study was conducted within a single multinational firm in the building and construction industry, focusing on the corporation's non-profit foundation. The name ImCorp will be used throughout this article as the name for the organisation under study.[1] ImCorp Foundation was selected as the focus of the case study because one of the authors had a high level of access to key individuals associated with the organisation. The in-depth understanding of the organisation and ability to apply the collected data to the research problem is a critical advantage of the approach. However, the limitations of extrapolating the case study to a more general theory of the relationship between CSR and RM are acknowledged and provide opportunities for further studies to understand the phenomena.

The sampling procedure used to select interviewees within the organisation is a combination of stratified purposeful and opportunistic methods (Punch, 2006). The sample set is stratified purposeful, since it includes sub-groups in terms of both organisational hierarchy/function and includes interviews with individuals both internal and external to ImCorp. Stratified samples illustrate sub-groups and facilitate comparisons (Punch, 2006). The sampling procedure is also opportunistic to take advantage of data collection opportunities that occurred at a number of ImCorp Foundation events. The researcher played a central role in the process of the research through their access to and reflections on the activities under investigation within the context of the study.

Data collection in the study utilised public documents (reports, website, speech transcripts, and media clippings), internal documents (communication concepts, ImCorp Foundation strategic plan, presentations to senior management), and personal communication with the interviewees (see **Appendix A**). The

[1] Please note: 'ImCorp' is intended to be a generic fictional pseudonym for the case study organisation. There is no implied connection whatsoever with any company of similar nomenclature in this or any other industry anywhere in the world.

researcher is the instrument of data collection (Denzin & Lincoln, 2005). Most interviews (i.e., personal communication) took place before this research study commenced, but precipitated the research study's focus. Interviews therefore were unstructured and non-standardised, but focused on the way in which ImCorp Foundation set out to achieve its mission/objectives and how this interfaced with ImCorp. Data findings are presented in relation to the five domains of relationship management, as specified by Ledingham and Bruning (1998).

Findings

ImCorp is one of the world's leading building materials suppliers. It operates in almost 100 countries and employs 100,000 people. In 2006, ImCorp delivered an operating profit of AUD 2.8 billion and a net income of AUD 3.5 billion. According to the most recent ImCorp Sustainability Report, the priority areas for ImCorp are occupational health and safety, climate and energy, community involvement, stakeholder relations, and sustainable construction.

ImCorp promotes sustainability in the building and construction industry primarily through the initiatives of ImCorp Foundation. The foundation was created to build sustainable development into all aspects of ImCorp's business and accelerate progress towards sustainable development in downstream product use in the building and construction industry. ImCorp defines sustainable construction as building in a way that is socially, economically, environmentally, functionally, and aesthetically balanced to meet today's needs and to provide and conserve resources for future generations.[2]

ImCorp Foundation promotes progress in sustainable building and construction approaches through several programmes: an international sustainability design competition, an international symposium on sustainable building, and a grant programme providing direct and cooperative funding for PhD research on the sustainability of the built environment and project implementation. The objectives of ImCorp Foundation centre on promoting sustainable construction to a broad audience of stakeholders in the building and construction industry and also developing an association (i.e., brand value, reputation) for ImCorp within the field.

Specific elements of the strategy are to:

- develop and promote sustainable construction at regional, national, and global levels,
- accelerate progress towards sustainable construction, encouraging sustainable provision of housing and infrastructure in developing and industrialised countries alike,
- increase awareness of the critical role of the built environment in sustainability and develop a network of experts to implement sustainable construction best practice,
- inspire young professionals to adopt new sustainable parameters for all their building projects,
- be perceived as an independent non-profit organisation closely associated with its sponsor, ImCorp,
- be engaged as a leading actor in defining and developing sustainable construction worldwide, and
- be considered a trusted and valuable partner in the field of sustainable construction by the professional community and next generation.

Findings related to relationship management dimensions

The mechanism through which the organisation maintains the strategic resources developed through ImCorp Foundation can be categorised according to the five domains in the framework of relationship management: openness, involvement, investment, commitment, and comparison of alternatives.

[2] ImCorp Foundation (2007). Management presentation (PPT).

Openness

Openness refers to the level of information disclosed between two specific groups: the organisation and its stakeholders, and the organisation's representatives and individual stakeholders. In this case study, the organisation disclosed information to stakeholders through a symposium programme.

Each symposium conducted by ImCorp Foundation appoints an academic committee that collaborates with members of the ImCorp Foundation board to develop the symposium theme, and nominate working group sub-themes and potential experts to run each workshop. The board members lead planning sessions with the academic committee in which interpersonal networks and friendships encourage openness with regard to each person's specific interests and current research to ensure that the symposium's programme provides tangible benefits to each individual involved. By encouraging a deeper level of engagement through openness, stronger relationships are established between ImCorp Foundation and the key individuals leading thought on sustainability in the building and construction industry and beyond.

Involvement

The depth of interaction and reliance between two parties is referred to as involvement. In this case study there were two particular ways the organisation became involved with stakeholders. These were by providing research funding through universities and hosting symposia. Higher levels of involvement led to a broader scope of opportunities to achieve mutually beneficial outcomes, and thus a strategic resource through relationship management.

ImCorp Foundation provides PhD research grants in the area of sustainability. In many cases, the research undertaken requires in-depth knowledge of the building and construction industry and also access to potential fieldwork (e.g., case studies) through which hypotheses can be tested. "By adopting a higher level of involvement in PhD research projects than simply the provision of funding, ImCorp Foundation develops greater opportunities to identify strategic resources that are the result of the synergy between the research project and in-house R&D" (Interviewee I).

In many instances, the architects and engineers responsible for projects winning ImCorp Foundation sustainable construction awards have attended symposia hosted by ImCorp or ImCorp Foundation. The reiteration of stakeholder involvement provides opportunities for knowledge-sharing within the ImCorp Foundation community of experts, and also for ImCorp business planners to investigate the commercial viability of widespread adoption of techniques and designs used by award winners (Interviewee H).

From an interpersonal perspective, involvement was examined in terms of the depth of interaction and reliance between individuals and ImCorp Foundation. When ImCorp was established, Board Member 1 and Board Member 2 were allocated the task of approaching a number of internationally renowned architects, politicians, administrators, and engineers with invitations to become members of a high-level steering committee for ImCorp Foundation. Those approached included three winners of the Pritzker Prize for Architecture (architecture's equivalent to the Nobel Prize), two Nobel Prize laureates and several more Nobel Prize nominees, three government ministers for environment, and two heads of major intergovernmental bodies. Where a candidate was approached by an individual with whom a pre-existing relationship was in place at the interpersonal level, the success rate was 100 percent. The success rate where a pre-existing interpersonal connection was not present was less than 25 percent (Interviewees E and H). This example demonstrates that excluding the interpersonal level of connections from the application of relationship management will result in suboptimal outcomes.

Investment

In terms of relationship management, investment refers to the depth of resource commitment to the interaction and inter-reliance between two parties. In this case study there were two particular ways the organisation interacted with stakeholders. These were: establishing partnerships with leading technical universities by providing research funding through universities, and; providing reputation benefits to ImCorp subsidiaries.

ImCorp Foundation has established partnerships with the architecture or engineering departments of some of the world's leading technical universities on all continents. The universities provide ImCorp Foundation with technical competence in the field of sustainable construction, lead the independent juries that evaluate entries in the ImCorp Foundation awards, establish themes for and host the ImCorp Foundation symposia, and obtain funding grants for PhD research projects from the ImCorp Foundation (which also include additional funding and in-kind support of the research project from local ImCorp subsidiaries).

The depth of (often repeated) interactions between ImCorp Foundation and the universities delivers several benefits to the university, including the significant source of funding for PhD projects, the reputation and networking benefits of hosting ImCorp Foundation symposia and leading juries comprised of world-renowned international figures in sustainable construction, access to leading public-private partnerships, and professional development for academics involved with ImCorp Foundation.

ImCorp Foundation programmes provide local ImCorp companies with an opportunity to demonstrate ImCorp's commitment to sustainable development to their own stakeholders. By providing a non-marketing-driven example of ImCorp's involvement with sustainability, and international examples with a high level of "aspirational value" (e.g., an Eastern European architect was able to participate in a joint project with leading architects from the UK, France, and Switzerland), local group companies become heavily invested in ensuring the ongoing success of ImCorp Foundation in terms of local business goals (Interviewee J).

An example of relationship investment in terms of interpersonal commitment and inter-reliance can be illustrated through reference to the first PhD research grant recipient from ImCorp Foundation. The PhD researcher has developed a new theory of sustainable urban design. Extending his research to prove the validity of his hypothesis will ensure not only lucrative commercial application of his intellectual property, but also facilitate the development of his academic career.

Without the PhD research funding from ImCorp Foundation, and the network of experts to which the PhD candidate has access via ImCorp Foundation, it is highly likely that development of the theory to commercial application would be much slower (Interviewee E). Since the concept has a commercial application that would have significant marketing potential for ImCorp, there is a level of inter-reliance that clearly shows motivating factors for both parties to continue with the collaborative relationship.

Commitment

Where stakeholders possess a higher propensity to continue in the relationship, this greater level of commitment is a source of competitive advantage for the organisation. The organisation showed its commitment to stakeholders through providing a development grant of more than USD 200,000 to a national Sustainable Development Advocacy Organisation (SDAO) in Asia. In addition to the funding, ImCorp Foundation provided the SDAO with building materials for new headquarters and two branch offices. The SDAO also has access to the technical competence of ImCorp Foundation's partner universities, and has been utilised as a consultant for community engagement in several projects of the local ImCorp subsidiary. Since ImCorp Foundation provides a number of unique channels to the SDAO to meet its objectives, the SDAO is to a high degree committed to maintaining an ongoing collaborative relationship with ImCorp Foundation (Interviewee B).

Where individuals possess a high propensity to continue in the relationship, there is an interpersonal degree of commitment that may be an important element of the relationship. One interviewee explained why she was so enthusiastic about ImCorp Foundation, and what encouraged her to be so involved in the symposia and supporting ImCorp Foundation events in North America and Europe. She explained that she was undertaking PhD research on sustainability and that her association with ImCorp Foundation enabled her to expand her network in terms of her research project, and also that the honorarium and travel expenses paid by ImCorp Foundation enabled her to study full-time without working part-time. The mutual benefits of her association with ImCorp Foundation indicate a high propensity to remain involved with ImCorp Foundation.

Comparison of alternatives

The comparison of alternatives dimension of relationship management refers to a number of cognitive and emotive elements involved in comparing the alternative providers of the corporation's product, service, or relationship. The ImCorp Foundation awards are one of the leading international sustainable construction competitions in terms of the prize money offered and competition's developing international reputation. Alternative competitions such as the Aga Khan awards (open to the Islamic community only) or the Green Building Awards (North American-based) are not international to the same degree, or do not carry the same level of prize money (International Sustainable Design competition – USD 25,000 in total) compared with the ImCorp Foundation awards (USD 2.5 million). Therefore, for an architect or engineer considering entering a sustainability competition, ImCorp Foundation awards are a particularly attractive option in comparison with alternatives.

From an interpersonal perspective the comparison of alternatives dimension of relationship management refers to a number of cognitive and emotive elements involved in comparing the alternatives with a continued relationship with ImCorp Foundation. In this case study the level of personal job satisfaction was considered as an example. During discussions about career prospects with interviewees K and L, both in public relations roles, at a team meeting, both indicated that they were strongly motivated to continue working with ImCorp Foundation due to the level of job satisfaction derived from the feeling of "doing good" by providing more sustainable solutions within the built environment. Both also enjoyed the opportunities for travel and international teamwork that public relations support roles for ImCorp require. Compared with positions of a similar job size in other companies in their home cities, both were convinced none would offer the same levels of satisfaction and travel.

Discussion and conclusions

This research article has placed corporate social responsibility in the context of the resource-based view of the firm model to identify relationship management practices undertaken in a case study CSR programme. Since a company has a competitive advantage when it is in possession of a value-creation strategy that cannot be implemented by competitors (Barney, 1991), this article has examined the valuable, rare, inimitable, and non-substitutable resources that the organisation in this case study, ImCorp, has developed through its foundation.

The case study of a single multinational firm in the building and construction industry presented evidence of the strategic value of corporate involvement in social responsibility activities. The data showed that these relationships were facilitated at two levels. The first was at the organisational level in terms of the establishment of relationships with stakeholders and their related organisations. These relationships demonstrated particular relationship management dimensions such as openness in disclosure, involvement, and the intent to be involved for the long term. The second level was seen in the types of interpersonal relationships that were specifically facilitated through the CSR programme, such as building specific relationships with prestigious and influential individuals. Through this interpersonal dimension, the organisation multiplied the rarity of these relationships and unlikelihood that they could be duplicated. As such, the strategic CSR practices that were focused on relationships that the organisation put in place specifically through the foundation created a valuable resource for the firm.

These findings extend the discussion of CSR practices as merely responding to stakeholder needs, and instead turn the focus to the strategic value that the management of relationships in a public relations programme can add to the firm. In response to Ledingham and Bruning's (1998) observation that scholars "have the luxury to deliberate the nature of public relations but practitioners deal on a daily basis with the immediate problem of justifying the value of their programs" (p. 61), the linkage of RBV and CSR delivers a method of justifying the public relations function—not at the periphery, but in terms of core strategies for the enterprise. Furthermore, this case study suggests that the RBV/CSR framework can be applied empirically to identify the variables in the organisation-public relationship, an area of research indicated as critical by Clark (2000), to enable public relations to be considered a management function.

The interpersonal relationship level provides a critical extension of the RBV-relationship management framework established throughout the case study. It provides a significantly more detailed explanation of the motivations and perceptions of key individuals from within target stakeholder groups and within the organisation. This approach addresses the concerns of Broom, Casey and Ritchey (1997), who argue that the public relations practitioner must be aware and capable of measuring the relationship dynamics between stakeholders and the organisation.

This detail enables more effective relationship management strategies to be applied at the micro-level, and also an opportunity to extrapolate the findings to relationship management of target stakeholder groups. The empirical research of the case study confirms Toth's (2000, p. 217) assertion that the "end goal of interpersonal communication is to establish and maintain successful relationships. This is not the only communication process to do so, but it should be acknowledged for the role it plays within the more global paradigm of public relations that features organisational structures, environment, role, and dominant coalition." In this case study, the ImCorp Foundation provided a resource for negotiation and collaboration for the organisation.

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Appendix A: Summary of interviewees

Interviewee	Title	Description
A	Senior Manager 1	Management Team member, ImCorp
B	Senior Manager 2	Corporate Communications Manager
C	Senior Manager 3	Corporate Communications Manager
D	Senior Manager 4	Corporate Communications Manager
E	Board Member 1	ImCorp Foundation Board Member Architect / Academic
F	Board Member 2	ImCorp Foundation Board Member Former head, major IGO
G	Board Member 3	ImCorp Foundation Board Member Former head, international business lobby
H	Board Member 4	ImCorp Foundation Board Member Engineer / Academic
I	PR Responsible 4	CSR Consultant (Asia), ImCorp
J	PR Responsible 1	Corporate Communications Consultant (Europe), ImCorp
K	PR Responsible 2	Corporate Communications Consultant, ImCorp Foundation
L	PR Responsible 3	Corporate Communications Consultant (Pacific), ImCorp
M	Architect 1	Architect / Academic
N	Architect 2	Architect / Academic
O	Architect 3	Architect / Academic