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**SOCIAL THREEFOLDING: A NEW PROPOSAL TO
CONCEPTUALIZING CORPORATE SOCIAL RESPONSIBILITY**

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INTRODUCTION

Firms influence everyday life of each single man, conscientious or not of this power. In fact, firms answer to consumers demand, employ workforce to be operative and productive, take decision that involves their employees, as well as their suppliers, that are other firms, and competitors. This precarious equilibrium is constantly threatened by the booming and enlargement of players, whose human variety exposes the system to danger of failure and possible, and already happened, crisis.

Times are changing fast, the setting of firms is no more relegated by rigid class belongingness, where the owner was worried about his family power within the society, in which the lowest classes, underpaid and kept at margin of society, were exploited and their needs ignored. Nowadays, the community, which is on average richer than before, requires and wants a civil behavior to be followed by firms and their components. Since visibility of industries has grown together with the importance of mass media and the ease of reach information about any aspects of life, firms need to employ a new strategy of management, one that satisfies the requests of people and, at the same time, does not damage profits.

At this point, Corporate Social Responsibility shows up and it can represent a way-out to distrust the circle in which industries fell. At early of nineteenth century, right after the First Industrial Revolution, entrepreneurs started understand their power for social ends that they had. This early draft of CSR acted as philanthropy, employers activated employee welfare in their business and founded villages to employees usage (Boddy,2008). They were pioneers, but with their courage and enlightened self-interest, which means occurring costs at present time that can be canceled out by benefits in long run, showed that social renewal was possible and feasible. Since then, the interest on corporate behavior has been propagated and has contaminated a growing number of industry players.

However, issues about CSR grows at a fast pace, as fast as companies and regulations converge to be focus on environment and human beings. What scholars try to understand is the aim of organizations. Friedman, who is maximum exponent in economic field, stated in 1970 that the only concern, and ultimate goal, of organization is to increase and maximize profits and value to shareholders. This process has been meant and accepted by many employers and managers, but the implementation resulted

as a restriction of natural growth of personal and collective ethics and values, considering them a costly appendix and moreover a waste of investments. Nevertheless, during the 1960s and 1970s, CSR was still considered as tool to make good to community that hosts the firm, and in that period there were born 5 percent clubs, firms that donated a percentage of earnings to philanthropy. In early of 2000, Prof. Yunus, Nobel prize for Peace, ideated a new extension of philanthropy which is Social Business, where, by generating profits, it helps the environment, the poor and more disadvantage people. The supreme, and only, aim of Social Business is to achieve a social improvement, which deals with malnutrition problems and micro-credit.

A general and wide accepted aim of CSR is to minimize the impact of industry over the community and the environment and to seek reciprocal interdependency. It means to firms that they should go beyond the mere prescriptions of duties and build solid and lasting relationships with their internal and external stakeholders. In general terms, stakeholders are anyone that influences or is influenced by the firm, comprehending employees, their families, competitors, shareholders, suppliers, lenders and environment. All these parts should have, alone or compounded, weight during decision making process of firms, that have to recognize each part's interests and try to be loyal to undertaken commitments. The theory describes how naturally organizations are bind to every parts that constitute the backbone of firm. The problem about stakeholder approach is that each interested part has different objectives and different pay offs or claims. The importance of Stakeholders is demonstrated by Nutt (2002) in which he studied 400 strategic decisions and he found out that more than half was not implemented or just failed, and the reason of failure is accredited to lack of communication and involvement of firms with stakeholders.

Less formally, a draft of Freeman theory (1984) came out almost a century earlier, through Steiner's mouth.

“Worker is estranged with feeling from his own work... He is indifferent doing this or that job, he cares only the way in which he is treated in the firm ... meanwhile product quality is an issue completely out of his interests”

(Steiner, 1921b:6-7)

This quote belongs to Rudolf Steiner, who was an Austrian philosopher and founder of anthroposophy. In particular, anthroposophy is the pillar of Steiner's thought,

revolutionary and modern ideas compared to the time in which Steiner lived and formed his thoughts in the first decades of 1900. The philosophy, ideated by the thinker and based on Goethe's works, predicts a spiritual world, an intellectually comprehensible world, reachable through inner development, it is a path of knowledge, able to develop an independent thinking, not bound to sensorial bias.

Three folding is a shining star among the newest proposals, it regulates the relationships between three spheres, economic, political and cultural, correlated but at the same time independent and autonomous. Moreover, it makes big steps to help to understand and solve problems related to humans and any other kinds of relationships between men. In fact, modern industry, due to how has been treated and governed, has come into a self-destructive spiral, led by high cost of HR department, due to high CEO and top management salaries (Schuman, 2012) and to high cost of dismissal, and by smaller growth of profit. The society is plagued by high rate of unemployment, firms tend to limit workforce and to exploit the actual workers, busy with and worried to maximize firm's benefits and wellbeing of bosses. The question is : Is this practice, welcomed and used by any firms, optimal for society? Should the society ask more? Is Steiner philosophy more practical and healthy for broader community?

It will investigate the possibility of implementation of Steiner Social Three folding by analyzing, *à la carte*, four cases of firms working in different fields that have implemented innovative approaches to their management style; the investigative process, even if not supported scientifically, wants to expose clearly how change is possible, also by not adopting a definite philosophy which can be a forced gesture, not well-welcomed by the majority of managers and entrepreneurs.

The project is based on fundamental literature review, focused on historical important incremental changes in the definition and empirical research about Corporate Social Responsibility and about Stakeholder approach and on mind-setting changing definitions of this field, that brought to new consideration both the modern and forward-looking approaches.

For what concerns Rudolf Steiner's Threefolding, my arguments are constructed by assumptions based on conferences and lectures held by Steiner, in the early of Nineteenth century, which have been stenographed without consensus and review of Steiner and how he stated in his biography:

“Who reads these texts can welcome them as what anthroposophy has to say... Keep in mind that in texts not revised by myself, there are mistakes.”

(Steiner, 1925:153)

and the willing is the exposure of the principles to be adopted at a broader level in the organization and in the relationship with all the stakeholders, that, according to knowledge I will introduce later on this paper, is able to increase efficiency and competitiveness thanks to a more motivated and appreciated workforce and a stable and easy and productive relationship with the external environment, the pivots of organizational success.

The analysis of New Economics Businesses is based on material found on the Internet, as official websites and paper by scholars that analysed the firms taken as subject. And the aim of this analysis is to demonstrate a good and efficient implementation of what this work talks about, Corporate Social Responsibility and Stakeholder approach and the implementation of Threefolding principles.

Chapter one

Corporate Social Responsibility

Chapter one rotates around the different definitions that have been formed during the last century until the most recent findings on Corporate Social Responsibility. This deep and theoretical investigation is fundamental for understanding the main features of CSR and it is due to because it forms theoretical and empirical foundation to the proposal of implementation of Social Threefolding.

First of all, in Theory of Sustainability it goes through the characterization of Corporate Social Responsibility, from pioneers of mid-fifties to the European Union definition in 2003, highlighting key debates between Friedman and Friedmanite position and supporters of triple-bottom line. The analysis of theories has the goal to show how many facets there are when discussing a broad topic like this one, and how, even if incomplete and its benefits not shared among all the scholars, Corporate Social Responsibility is the new step to become updated with market and legal trends, thanks to its malleability and to its focus on stakeholders.

After the theoretical analysis, in CSR as factor of competitiveness, it is presented empirical evidences of Corporate Social Responsibility as a dynamic capability, noting its importance in competition as being a competitive advantage aimed at increasing brand loyalty and reputation, as well at improving Human Resources strategy. It shows that Corporate Social Responsibility have to be fully integrated into the core business practice and that the firm needs to put an extra effort in order to be considered a Corporate Citizen.

This chapter concludes with a discussion of Application fields and implementation tools, in which it notes the different social outcomes as it changes the scope and instruments used in companies that implement Corporate Social Responsibility as competitive capabilities. It is shown the effects of different policies on company and on its stakeholders and how to implement effectively these policies with two pillars, transparency and ethics

THEORY OF SUSTAINABILITY

CSR has not yet had an accepted definition by the majority of scholars, and even now it is subjected to further investigation by experts. The main subject of studies is the goal of enterprise actualized to modern society. Generally speaking, CSR comes from the need of a firm to develop itself in a sustainable way, by creating an economic value to shareholders, and, at the same time, by preserving environmental, social and human capital, keeping an eye on future generations. By sustainability, it means the request to align products and services with stakeholders' expectations, which concern social, economic and ecological values.

CSR is founded over the consciousness that external environment is pivotal to organization's survival, because of the strict and necessary linkages among firms and its external complementary co-players. In this way, while the firm is realizing its aim, which is creating value to shareholders as Friedman states (Friedman, 1970), it can make it closer to stakeholders' aims, by making efforts and responsible decisions during a medium long time frame, in order to maintain an equilibrium among the parts. The capacity of managers to disentangle the different, and sometimes contradicting, requests of stakeholders now becomes the core of conflicting decision administration. The firm has to have a culture as adaptive (Kotter, Heskett, 1992) as it is possible, as it needs to be aware of external changes, making flexibility and stakeholder needs organizational capabilities. At this point it is highlighted the strong link between the single firm and the environment, here meant as external forces to the firm.

Even if the history of CSR can be tracked down since after the Great Depression, the most influential voice is Milton Friedman. During the 70s, Friedman formulates the only aim of organization, which is making value to shareholders. Backward, Howard Bowen (1953) defines CSR as the duties of businessmen to follow policies and lines of action and to make decisions which are desirable in terms of objectives and benefits to society. He does not prescribe any direction through which CSR can be employed, it is up to managers to understand their own unique organization and the particular combination of external forces. Keith Davis (1960) revisits Bowen statement (1953) and eliminates the auspicious desires of society, replacing it with decisions that satisfy some other criteria beyond the blind, direct economic interest. The investments and sacrifices in to which firm occurred are paid back by a future greater growth of earnings. Davis (1960), in this occasion, created the meaning of business power,

according to which as social responsibilities grow, also business power of managers increases by influencing society and its actions. But, neither Davis had explicated which are the other criteria to consider a firm socially responsible. A contribution comes from the Committee for Economic Development (1971), in which it recognizes the principal aim of enterprises as the satisfaction of society's needs. CED understands the importance of firms to American life by assuming more responsibilities in front of society and communities. As response to CED proposal (1971), it has been created Environmental Protection Agency, aimed to supervise firms in the alignment of shareholders view to stakeholders approach.

In 1979, Carroll divides CSR into four responsibilities, which are the economic, the legal, ethical and discretionary responsibilities. What is new in Carroll theory (1979) is the prescription-like style through which he wants to be clear to interested firms and managers, the guide line is to satisfy all of four responsibilities. This represents the summa of previous academics theories and explanations, in fact the firm must create profits, by respecting the rules, following an ethic code and being empathic and a good citizen. Thomas Jones (1980) states that CSR is a process and not a step-by-step method, which has to be shaped around the different contingencies and not dictated. World Business Council explains CSR as a tentative of business to contribute to a sustainable economic growth by involving all the interested stakeholders in order to improve life quality.

One of the latest contribution comes from European Union that compiles, in 2001, the Green Book of Lisbon, and describes CSR as a voluntary integration of firms to social and environmental issues within their activities and the relations with stakeholder. In the same occasion, researchers find out three key elements to employ an effective CSR, which is defining objectives, identifying decisions to reach them and finding the financial resources to implement them. In the other hand, Paul Hawken (1993) means socially responsible organism the one that facilitates the flourishing of new and different economies and industries, relating to ecosystems or environmental protection, and, at the same time, the increasing of workplace.

CSR definitions do not give clear explanation about costs and benefits of the strategy, since the firm by adopting CSR should invest funds and time into HR training and retraining programs, licenses to operate eco-friendly and accounted risks of management. The firm can gain major benefits than the initial investment, such as

attracting more motivated workforce (Greening et al, 2000), increasing and reinforcing the image brand and the market share, by involving the most sensitive consumers to green and social issues (Mohr et al, 2005). The direct costs of implementing CSR are the loss of surplus because of the higher price to cover the higher fixed costs. This loss can be compensated by shareholders' sensitivity to social project investments.

It can occur an outcome which is not the optimal one to society, by choosing social activities that do not generate social benefits. This imperfection of choosing is due to influences by a number of externalities, like the managers' personal preferences, firm characteristics, as industry nature, technical capabilities. Moreover, the inexperience in social investment valuation (Orlitzky et al, 2003) can be a factor of inefficiency, that could bring the firm to increased costs. Since these factors are unrelated to social cost-benefit model, their results can be inefficient from the point of view of firms and of society.

The positive aspect of implementing CSR is the increase welfare, because firms by adopting socially useful policies can keep tracks of pollution and its costs, and allowing CSR produces more benefits than prohibiting or not regulating CSR practices. What legal laws prescribe to firms is mandatory, but any further increase in environmental protection results in increase of social welfare, and what is not prescribed, it is left to singular acts of firms, that equilibrates economic result with voluntary out-of-duty-of law actions and the environmental and social safeguard in corporate culture.

In the scholar world, there are two opposed positions about CSR, the first, which has a pessimistic approach (Friedman, 1962), considers that firms should behave on a safe legal ground, in order to avoid compromising shareholder benefits, the overall value of firm and the total benefits to society. The second one, the optimistic one (Porter, Kramer, 2006), believes that CSR is a successful strategy to the company which creates values to shareholders and firms, that helps the entire society, including stakeholders. Certainly, CSR can create profits and value (Margolis et al, 2007), but the firms must sacrifice previous-quarter profits in social interest.

Neoclassic economists believe that there is a clear distinction between social issues and firms issues, that must be regulated by different organism. According to Neoclassicists, firm operates in terms of social welfare as shareholders' interests are

granted and in the meanwhile this satisfies the society, by increasing value or creating new workplaces, or R&D department enjoys more funds for the sake of employees and consumers. Other economists, instead, believe that there is an implicit and natural contract between stakeholders and firms and that finding new sustainable and responsible strategies composes the firm competitive advantage, meaning what makes unique that particular company.

The adoption of CSR by firms is undertaken by voluntary actions or by pressure from market participants or governments. The voluntary CSR can be meant as a long-run strategic approach based on relations with stakeholders by adding to economic core ethics, social and environmental issues, innovation. This stakeholder view (Freeman, 1984) represents the commitment of shareholders, along with firm, to social issues by buying stocks of social-involved firms, and sometimes by accepting and tolerating lower ROI. However, this involvement is up to shareholders' preferences and utility function. The other action can be taken by employees, that can use their wages or give up benefits in order to allow the firm to afford CSR program. In this case, the compensation due to a loss or a decrease in monetary welfare takes place under other forms as Herzberg's Two-factor model described as motivator factors. The negative side of CSR is raising prices, lower profits and smaller dividends that can seriously harm a firm, when, in particular, firms are not committed to CSR as a long-run implementation strategy (Pirsch et al, 2007). If CSR is adopted only to acquire visibility in the market and to attract funds from conscientious investors and so forth to increase managers' benefits, CSR becomes an unsustainable and dangerous strategy to firms, shareholders and stakeholders.

The forced CSR occurs when firms are obliged by law or by market analysis to implement at some extent of social responsibility, as can be devolving a part of earnings to charity funds publicized on packages, or installing filters to decrease polluting factors in the environment. Even if CSR is a good choice of strategy for society, the possible not complete commitment to it can bring dysfunctions in the firm, misunderstandings between shareholders, that see their dividends decrease, and management level, that sees its wages and benefits go down.

Along with CSR, Corporate Citizenship (CC) has been discussed by many scholars that tried to describe the position and the figure of firm in the society. CC is in some case overlapping with CSR in their active approach to society. A form of CC is

philanthropic activities undertaken by the firm (Carroll,1979), which means that the firm gives life to a cycle of input and output between itself and society, by putting the earnings of output back in the circle in the sake of community. The limited view on CC describes the firm as actual and effective citizen of society where it operates, consequently, because of this view, corporations are legal entities, law recognized, which has right and duties. And as a normal citizen firm believes that the only philanthropy is donation that , as psychologists show in studies, makes “citizens” feel happier and more involved in social issues, even if not.

Thanks to Wood and Logsdon (2002), it comes in action another meaning of CC that accepts the connotation of firm public power, so the influence that corporations have on and about social problems and the duty of respect for civil rights. Citizens are respected when the firm takes on the providing role, meaning that it provides goods or services, when the firm takes the power in civil right as enabler of law position, and when it channels political rights, in order to sustain the natural course of politics. CC descends from Organizational Citizenship behaviour (OCB), predicted by Organ (1988) as five-dimension model. Still today this model is used and accepted by academics because it has obtained numerous empirical proofs that asserts its validity. Organ (1988) says that there are behaviour that acts behind the actual firm efficiency. These behaviours, which are not prescribed or induced by the company, come from, beyond personal characteristics, job satisfaction. This means that the more the workplace and the employer reflect the ideals of worker, the more the employee feel belongingness to the firm and he gives more of his efforts. The five factor behaviours are conscientiousness, sportsmanship, courtesy, civic virtue, altruism; these represents at micro level what the firm should represent in the outside world. OCB forms corporate responsibility which is the foundation of CSR, each step includes a bigger part of community and more involved form of carefulness to its neighbour.

CSR, at the end, is a new and modern way to do business by creating value and satisfaction to every single stakeholder. It must be supported by an active interests to different needs, by placing constant, well-constructed and constructive relations with each person, environment or corporation involved in the life cycle of firm. People need to get out the belief that the business of business is business. This credo brings firms to be selfish and consumers to believe firms untrustworthy and inhuman. Now there is the fundamental need to turn the situation over.

CSR AS FACTOR OF COMPETITIVENESS

Competition among firms is more brutal than decades ago, nowadays capabilities are difficult to retain because of the ease of receiving data and information from inside the firm. Insider trading case shows this, especially one of the most shocking is Raj Rajaratnam case, sentenced for 11 years for insider trading about data on Goldman Sachs during the crisis in 2008. By definition, competition is the rivalry among interested groups in order to reach a common goal or award, which can be monopolist or semi-monopolist control over the market, greater revenues or larger market share. To win this rivalry, firms have to own capabilities and to implement an adequate strategy to compete in the best way.

The most famous scholar that described competitive strategy is Michael Porter (1985), that made clear the distinction among scope and advantage of different strategies. The model is supported by numerous studies effected by Porter himself, he acquired data about companies and came up with the result of three recurrent strategies. He also pointed out, during his study, that when a firm did not effectively choice or adopt a competitive strategy, this incompetence would be more likely to earn below-average profits than firms that conscientiously have implemented one of Porter strategies. The first strategy is the relation between narrow scope and competitive advantage that can be either a low-cost or unique strategy. It describes the aim of the firm to be focused only on a particular segment of the market that can be regional or about specific services and goods. Low-cost strategy is focused on improving the value chain by decreasing costs of those activities that can make final prices go up; in this strategy, firms seek every possible way to increase department efficiency, in order to gain market share with their predatory pricing. Differentiation strategy, instead, is concentrated on being unique on the market, being recognized by consumers, and, thanks to this uniqueness, be differentiated by similar and numerous competitors. By definition, differentiation and cost leadership are on opposite ends, because the former cares of providing consumers with experiences and a high quality goods and services, while the latter 's priority is to decrease variable costs in order to sell at an under-market price.

The market is requiring dynamic capabilities to enable to get the firm flexible to external environment changes, it requires them always to be ready to provide consumers with new and more need-fitting goods and services. CSR can be seen as a dynamic capabilities since it tights corporations strictly to their own environment, making them

in almost real time aware of new opportunities to be exploited. The competitive advantage must be sustainable during time, Post et al. (2002) have declared that sustainability of advantage is correlated to ability to keep up good relationships with stakeholders. Managers must consider these relations as assets of firm that form the overall competitive advantage by following the Barney (1991) strategy of resource-based view.

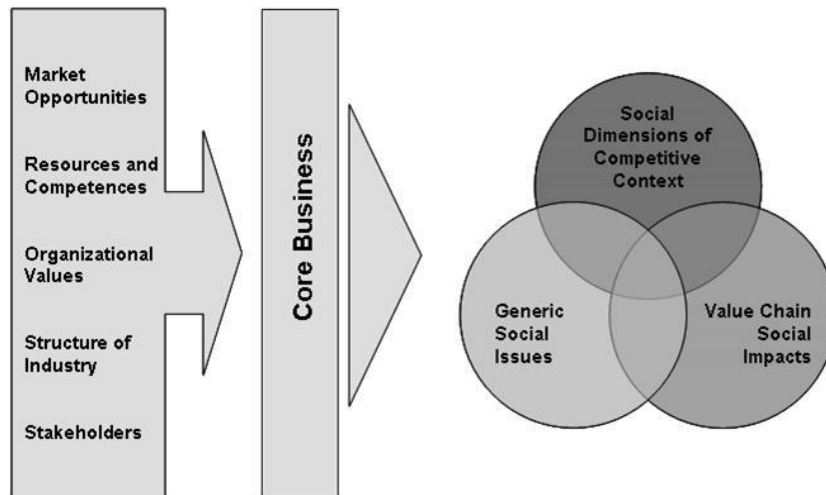
This new approach, opposite to Porter (1985), believes that firm must construct its unique strategy over its peculiar characteristics, as tangibles and intangibles resources, workforce and abilities. Competitive advantages are the result of combination of VRIN resources, that means Valuable, Rare, Inimitable and Not substitutable. At the same time, they have to be perceived by competitors unique and inimitable, in order to discourage possible rivalry, and by customers valuable and irreplaceable, in order to make them faithful to brand. The payoff of RBV is the likelihood of above-average earnings just by combining in the right way the VRIN resources. The duration of the benefits depends on the time in which competitors replicate the advantage combination and attract consumers because of the novelty. The strategy of combining and re-combining competitive resources is called dynamic capabilities view, and it considers resources as always-changing and improving according to external changes respecting the sustainability of innovation.

A new approach to CSR meant as an efficient strategy to corporations comes from the contribute of Porter and Mark Kramer (2002,2006). They bring back to the management sphere CSR, that was considered as merely philanthropy or a kind of sunk cost, they give to CSR importance at strategic level, they give meaning to cost firm sustain. Thanks to CSR, the authors believe that firm can gain competitive positioning, at the same time, they explain which are the fields of important social issues that can be changed by firms. They split social problems into three categories according to relevance to firm operations, the first are generic social issue, then there is value chain social impact and finally social dimension of competitive context. The clarifying steps by Porter and Kramer are useful in order to design a tailored-business CSR strategy, able to not waste investments and harm the survival of firm.

According to Andrews (1987), managers have to care of four variables in order to design the most proper social strategy, market opportunities, corporate resource and capabilities, awareness of obligations to stakeholders, corporate values and mission. In

this way, the firm can look at strengths and weaknesses of each point and understands its limits and opportunities.

Fig.1 Formulation of Corporate Social Strategy, (José Milton de Sousa Filho et. Al., 2010)



In the diagram, it is expressed the relation between social strategy characteristics and core business, that is shaped around the different combinations of factors that create uniqueness and inimitability of the firm. The efforts should be addressed to social issues as indicated by Porter and Kramer model (2006). However, Porter and Kramer(2006) noticed that a limited number of enterprises had classified and given a just priority to social issues according to their importance to competitiveness, instead majority just considers social issues similar and operable with standardized actions and projects.

Competitiveness represents the long- run performance in terms of profit conciliated with fair and judicial distribution to employees and adequate compensation to owners and shareholders (Francis,1989), therefore the key indicators of competitiveness must be found in financial statements as well as in stock performances.

CSR has to be meant as competition-focused strategy by improving brand image and reputation that consumers retain of CSR involved firm, moreover they analyze whether CSR seems to be naturally and deeply encoded in every actions of firm. Thanks to the knowledge of the economy in the modern information society, customers and investors can monitor CSR projects and attention of the firms to the environmental and social problems, they look at how employees are treated, where they work, if the workplace is suitable to their needs, if production and delivery of goods respect the environment and

any human rights. At stock performance, there is little correlation between CSR and profitability (Margolis et al,2007), that means that at this level, due to efficiency market assumption, firm implementing CSR projects does not really have neither a competitive advantage nor a inconvenient position over not implementing CSR firms, because Social Responsible Investment does invest in CSR firm until the marginal return does not come back to average market return, which makes equal CSR and not CSR implementing companies.

Empirical evidences of linkages between CSR and financial performance are contrasting, as Vogel (2005) remarks, because firstly causality is misleading and not clear, meaning that it is unclear if profitability was actually a resulting factor of CSR or if profitable firms could invest more in CSR programs, then because differences among corporations in accounting statement measures makes it difficult to compare the results and to have a reality-close picture. Studies conducted by Orlitzky et al. (2003) and Margolis et al.(2007) show positive relationships between OCB and financial performance, even if scarcely relevant. In the same way, there is no negative correlation between CSR and financial status, meaning that even if, financially focusing , there is no increment by implementing CSR, there is still no penalty for who implement CSR. Moreover, it was shown how employing CSR practices could help to access investors' funds through Socially Responsible Investment. The small positive relations between CSR and stock performance come from reputation indices, which includes charitable and philanthropic actions, information disclosure and transparency are well welcomed by investors, attraction of Social Responsible Investment, which is a growing or at least not decreasing market according to financial experts.

Regarding competitive advantage, CSR is stated to be a source of it, and recommended to be employ with greater involvement in order to reach more competitiveness, because as said Barney (1991), the successful strategy is one that, when other companies do not survive the competitive environment, adds value to the company and at the same time creates and increases earnings. By nature, CSR is made of different resources, because it is itself a combination of more resources, in this sense CSR can be meant as cluster of resources, that gives to firms an unique response to changes in environment and demand side of market.

In order to be “VRIN” CSR, it must follow two prerequisites, studied by Burke and Logsdon (1996), which are centrality, positively correlated to level of involvement at corporate level, and specificity, which expresses the positive correlation with inimitability of the cluster. What is clear by studies of Husted and Allen (2001) is that CSR is really effective as competitive strategy only when there are tangible and intangible benefits in the society. An IBM survey of 250 world-wide company shows that 68% of firms was concretely helped by CSR policies to become more profitable, and 54 percent now enjoys a competitive advantage, even if more than half of the firms has not a clear understand of the reasons that push consumer to be focused on CSR practices.

Firms in good market position, that hold a significant market share in the relevant market, find that CSR is a tied value to the final product or service. This positive relationship can be caused by higher profitability than low market share companies that maybe have less available funds to be invested in higher level than law prescribed CSR. However, the consumer propensity to CSR goods and services is not relevant to market dominance of firms, as showed by Meijer and Schuyt (2005) with the analysis of Dutch consumer behaviour. Conversely, other studies show contrasting results to Meijer and Schuyt study (2005), in fact researches demonstrate how CSR behaviour is competitive driver as it increases reputation, stand-out position in the market and strong brand image, factors considered as the foundation of consumer satisfaction and loyalty. The importance of CSR as driver of consumer choice has been demonstrated by the increased demand for fair trade and organic foods, industries that see their profitability grow at a steady pace. It shows by studies that consumers are normally disposed to pay a premium price over goods and services when it is justified by CSR behaviour of firms; however, the social and environmental issues come second place when society faces economic downturn , during which consumers are less propend to spend more for something that they value less important or with lower priority than survival or fundamental goods and services.

CSR has to be perceived by customers as a strong commitment of the firm, otherwise the increased claiming in advertising about green conducts has the only result to induce society to be more sceptical about CSR policies and to decrease brand image of those firms who strongly build their reputation on good CSR. In fact, CSR should be used by firm as a tool to reduce the increasing trust gap between companies and society,

likewise the corporations by re-investing in social-stakeholder issues, are considered as value sharing entities, that by increasing their profitability, they increase at the same time the well being of stakeholder involved in the process and in the vital life of firms.

When firm is getting involved in CSR practices, it has to find out new ways to do business, and this stimulus to change is a key component to innovation, that can give to firm competitiveness amongst rivals. Innovation results in new products, or different ways of production, or the entrance to new markets, as Grayson and Hodges (2004) pointed out. According to Mendibil et al. that conducted an empirical study in 2007, it comes out that it exists a positive correlation between innovation and CSR policies. The study analyzed small and medium enterprises in Spain, Italy and United Kingdom and showed that CSR is a key driver to innovation by involving stakeholders, by fostering innovation through suitable innovation work settings and by identifying innovation opportunities that the firm has to exploit. This means that firms invest in their employees, that they adopt a learning organization style and that they listen to consumers' needs and follow their specification in order to reach a look-like Pareto efficiency, in which every player, as investors, employees and their families, managers, suppliers and others, can be effectively better off.

A further factor that makes increase and helps to maintain competitiveness is the quality and the retain of motivated workforce. One interest of CRS is the workplace where employees spend most of their time. By workplace is meant the behaviour hold by companies towards their workers from Human resources perspective, so looking at health and security issues, fair wage systems, comfortable and suited work spaces. Starting from an empirical research, it is demonstrated how important is CSR to attract qualified workforce. Survey held in Estonia SME in 2007 highlighted that managers use CSR as HR strategy in attracting and retain talented employees; in fact, SME are usually shadowed by large corporations since these normally tend to attract the first choices in workers pool, but SME give to their employees good work conditions and a stable and stimulating environment where work. This often tend to weight more than higher wages or bigger benefit packs, as showed by MBA survey conducted by Aspen Institute in 2008, where 26% of students believes that firm interest in social issues is a factor that they consider as central when valuing job offers; only six years before, there

was only 15% of interviewed that considers CSR as a valuable factor to look at in job selections.

Even if adopting CSR as HR strategy could lead to higher cost in the short run that can affect negatively over profitability, because HR department needs to be retrained in order to understand and correctly follow CSR strategy. There can occur cost to train workforce, existing or future, in order to make them understand the different CSR policies that the firms are implementing, according to Totterdill (2004), there are results that value more CSR as an efficient strategy to be implemented, as workplace structure is found to be positively correlated to competitiveness and innovation, because by implementing Human Resources Social Responsibility strategy the firm increases individual and team participation, high level of collaboration and numerous contributions that can be part of a competitive advantage and can gain trust and loyalty by all or the majority of stakeholders. Some companies are adopting programs designed for their workforces that give the opportunity to employees to be actively part of volunteering and projects that help community. This practice is responsible to increase morale and feeling of affiliation to the company, not forgetting that employees are exposed to new ideas and stimuli that can teach them new skills or develop different abilities, noteworthy it is the image that firm gives to society that improve relationship with stakeholders.

By innate characteristics of CSR, by which firms form links and relations with the external environment, it produces and gives information about the external risks or opportunities that firm must keep an eye on. This peculiarity of risk adverse strategy has been outlined by Bowman (1980) that recognise the characteristics of CSR as tool to anticipate and reduce sources of risks for the company. Risks come from two sides, as Orlitzky and Benjamin in 2001 discovered, they come from regulatory changes and from demand side of consumers. Regulatory changes have decreased their risk as long as CSR makes firms up-to-date with law requirement and makes less difficult to upgrade quality standards if necessary. The latter is diminished by the increased level of reputation that CSR gives to firms that actually implement CSR policies, in this way CSR annuls demand-sided shocks that can occur in the market. Pohle and Hittner (2008) say that transparency given by CSR practices can efficiently anticipate stakeholders' shocks. By being more under public pressure the firm can grant better performance in social and environmental terms that are shared and understood by community, and this way CSR acts as prescribed by Heal (2005) as minimising conflict

between firms and stakeholders. However, CSR is not always protecting implementing firms from criticism by non-governmental organizations or stakeholders, in fact sustainability reports do not prevent misunderstandings or critics about policies, but they actually help the company by improving workforce morale and sense of belongingness .

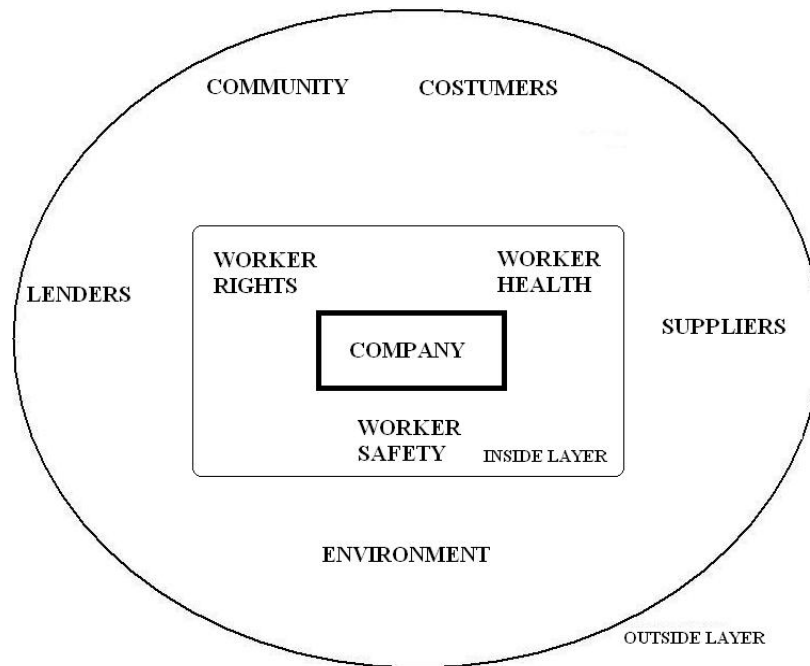
At the end, it is possible to affirm that there is a positive, even if small, correlation between CSR conduct and competitive factors. Different level of relevance has been noticed among the different kind of factors, to reassume strong positive correlation exists between CSR and Human Resources strategy, risk management and innovation, which, by the way, are the most important characteristics of competitiveness; a little relevant positive or null relations seem to occur at cost advantage, consumer perspective and stock performance. The effects reviewed are consistent for both big firms and SME, even if the magnitude of the relations can vary among industries, sectors and implemented core strategies . Nowadays, business is facing the need of being competitive and unique in the market, in order to be profitable and recognized by consumers. Regulation tries to protect the environment and society by imposing to the firms, which are the most influent “citizens”, prerequisites that attest the efforts of the firm to be eco-friendly and human-friendly. However, the basic level of CSR has become required *ex ante*, and for those firms that want to make CSR their competitive mark have to go beyond law requirements and do more for society, stakeholders and environment.

APPLICATION FIELDS AND IMPLEMENTATION TOOLS

Responsible actions, due to the implementation of CSR policies, have different action fields and different benefits that can be reached through these practices. It has been shown empirically how, even if not strongly supported by regressions, CSR has the power to improve firm situation by increasing profits (Orlitzky, 2003, and *contra* Vogel, 2005), bettering image that costumers receive (Meijer and Schuyt, 2005), retaining the best ones within workforce and workers pool (Totterdill, 2004), sustaining competitive advantage (Husted and Allen, 2001).

Mainly, CSR can be described as a structure with two main fields of action, the inside layer, which is internal to the organization, and the outside layer, which represents the external environment. The Inside layer includes the microcosm of workforce, so in this space CSR must be responsible and focused on HR department, with a fair wage system, granted rights as health and safety. This internal approach wants the firm to take care of its employees by giving them a comfortable environment, both physical, so appropriate spaces and working conditions, and ethical and psychological, the firm has the duty to protect employees by other employees or by managers and directors when employee becomes a whistle-blower and testify the illegality or immoral practices undertaken by top and middle management. Instead, the Outside layer represents the majority of stakeholders, as community and human value chain, suppliers and consumers, lenders and environment which has to be protected with policies that prescribe rights and duties of the firm and at the same time require to each counterparts ethic code and respectful actions toward other stakeholders.

Source: ideated by the author



CSR practices in the Inside layer are almost focused on workers' well-being in day-to-day operations of the company. This approach proposes different ways to make a difference for employees and employers in the Inside layer of CSR, for instance taking actions to increase and improve employees' involvement, policies to grant and ensure diversity between workers, as gender, political and religious issues, promoting workers' development as well as personal improvement of quality of life inside the firm and outside, looking for health and safety programs and family-friendly employment packs. Moreover, the firm can give the opportunity to create an independent audit, in a German fashion, where workers have the possibility to have voice in firm practices. Besides all this actions, the principal aim of CSR inside the firm is to support the growth of individual education and the improvement of working conditions, in this way the firm recognizes its employees as integrated part of core strategy that permits to enjoy and gain competitive advantage. By a study sample held by Deloitte, it has been shown that there are almost three fundamental benefits in the Inside Layer, which are higher productivity, a more durable and improved staff retention and most of all an increased and stronger worker morale. The interviewees see CSR as a driver of incrementing employees morale and a driver of productivity, so they perceive CSR as a motivator factor useful for stabilizing an heterogeneous workplace, meaning composed

of different and unique persons that must be harmonized in order to run a good firm. The positive effects of implementing CSR policies are also mirrored, also, in positive gains for employees satisfaction. Indeed, CSR firms have invested funds in order to give employees the right abilities in order to contribute actively to the success of the firms. Companies created programs aimed to train workers and to help in career advancement, to preserve health and security at work, to defend diversity and variety, to give more voice in decision making to valued workers. These programs have a such good and strong impact in employees' ideals that firms should consider CSR not as cost but as an investment for future survival, because it increases efficiently the performance.

Actions undertaken by firms at Outside layer are principally donations, investments in the community, sponsorships, cause related marketing and employees involvement in community. The first is a part of philanthropic actions, as Carrol (1977) explained; donations have the benefits of improving a little the brand image. Instead, community investments give more visibility and so forth a tangible improvement in brand image, as for instance funding public facilities. At the other hand, sponsorships are more marketing related as, even if firms give sustainment to tournament, concourses and similar. This involvement is returned with high visibility from possible costumers and good reputation as firm is involved in the community as well as it cares about something different from the mere profits, at least apparently. Cause Related Marketing represents a partnership between NGO and firms, by summing know-how and know-what of NGO and brand of firms; this form of external CSR is often used, because, thanks to low expenditures on the project, the firm reaches competitive advantage as good image and reputation. Involvement in the community by employees by volunteering is a sign of humanity given to public and a gesture of freedom and sensitivity of the firm towards employees that can choice to employ their time in community projects, even during work hour in some cases.

The Inside and Outside layers are, at the same time, linked one to the other by two types of linkages the inside-out and the outside-in (Porter and Kramer, 2006). These linkages show the relevance of the interdependency of firms and society, in fact firms and their actions are integrated with surrounding society and the consequences of that actions are absorbed by community. Whilst, in the other case of linkages, it represents the consequences of good or bad actions undertaken by social actors that mislead or

amplified or lead organizational policies. The success of CSR is dictated by how the projects are undertaken and communicated to all the interested parts. The firm must be aware that transparency and good actions have to stay close when there is such large and comprehensive project to do. Therefore, communication is the most successful tool to operate as Corporate Citizen.

The first tool to be implemented in order to have a transparent CSR policy is the Code of Ethics, which includes rights, duties and responsibilities of the firm towards its stakeholders. It is a formal statement about values that firm represents and embodies, and general principles that dictates procedures and goals to be reached. The Code is sustained by organizational systems of control and actuation as an ethical audit, that ensure that ethics and moral standards have been observed and respected throughout firm procedures and production. Then, it is used ethical reporting that shows quantitative and descriptive measures of effect of firm's products and procedures to society and stakeholders' well-being, it shows whether goals set in the Code of Ethics have been met and it measures the level of satisfaction of stakeholders about expectations on firm's behavior and attitudes. By this way, the firm can actively and efficiently communicate to its stakeholders and maintaining under control firm performances. Another tool of CSR is the Global Reporting Initiative which promotes transparency on every information useful to stakeholder to make and take decision whether or not continue to support the firm. Moreover, firms truly implemented with CSR have an incentive to be included in the FTSE4Good Index Series, which guides investors and social investors through companies that deserve social responsible investment. To be in the Index the firm has to meet some criteria as the development of positive relationships with stakeholders, working according to environmental sustainability, supporting and respecting human rights, countering bribery and ensuring a responsible supply chain.

In order to be certified by an external organism that the firm is conducting ethical and social choices, there are four main certifications that ascertain the good faith and good acting of the company. The first is Social Accountability 8000 and it describes eight social requisites that the firm must have, as no child work, no obliged work, health and safety, freedom of association and collective bargaining right, discrimination, disciplinary procedures, work hours, wages. When a firm obtains this certification, it proves that its CSR policy is credible and trustworthy. Then, there is AccountAbility

1000 that monitors ethical and social investments. Moreover, ISO 26000 prescribes the involvement of representatives of categories of stakeholders to collaborate with the management of the company. And, finally, OHSAS 18001 certifies the health and security conditions to which workers are exposed during work.

Chapter two

Stakeholder approach and business ethics

Chapter two presents the natural consequent idea to Corporate Social Responsibility, Stakeholder approach, an investigation around different approaches of different ages. This gives a clear understanding of what can be considered the second half of Corporate Social Responsibility, investigated in the previous chapter.

In Stakeholder theory, it presents the contra posing idea to a black-box model of firms, in which the main goal and prerogative is profit maximization, a method that does not take into account the processes and the consequences. Stakeholder theory, instead, shows a new way to consider other external and internal participants as a valuable source of survival and success. After delineating the history of definitions, it starts analyzing the most known and accepted definition of the theory, which has been defined by Freeman in 1984, and then it analyzes some of the new frontiers of this thought. Freeman shows the numerous components, as persons, entities and environment, that are involved and influenced primarily or secondary by firm's actions. Then analyzing the position of Alford and his book "Stakeholder theory and strategic management" in 2005, one of the most recent analysis of stakeholders' influence, in which he highlights the benefits of this practice.

After the investigation of theoretical background of Stakeholder theory, in Improvements, differences and complementary of Stakeholder with respect to CSR, there are suggestions of how this new way of thinking the firm as a complex system comports new behavior and attitudes with respect to Corporate Social Responsibility. Firstly, Stakeholder definition results clearer and easier to put in practice as a material idea. In fact, stakeholder theory gives many suggestions to implement correctly an efficient management of stakeholder groups. Instead, in order to co-implement both the strategies it needs an effective and strong cognitive alignment between managers, so who make actions, and stakeholders, who is influenced and can influence the choices of managers.

Business ethics keys out the role of morality and individual ethics, as they constitute the base for a safe and healthy business world. It shows the process of implementation

and execution of ethics program, that starts from training employees to new moral and ethic codes, then there are the programs, as the establishment of Code of Ethics and Conduct and then the step of making the codes be respected, in order to align moral and ethical expectations of employees, executives and other stakeholders. This gives reliability and trustworthy as key values to the firm.

STAKEHOLDER APPROACH

Stakeholder theory is the answer to a new status quo reached by firms within the second half of the last century, where the real aim of firms is challenged by the increasing power of companies, that was used in influencing masses and politics. One of the pioneers of stakeholder approach is E. Merrick Dodd (1932) that states the importance of public entities able to form opinions, in fact they perceive companies as economic entities doing a social useful service, as can be profit and the subsequent increase in well-being status of society. Moreover, companies are actually able to form, shape and manipulate expectations of public, and most of all now, with the hyper-usage of mass media, they can do this thanks to targeted communication and suited information. At the same time, expectations form and shape companies that, in order to be competitive and to survive the market, have to change according to prominent expectations. Hard to assess are the expectations that usually are not matched with concrete and relevant actions as the firm should need in order to build new strategies.

Starting from Seventies, stakeholder and its approach become more and more visible to the majority of companies, displacing the old and firm statement of Friedman (1970) that said that firm should be aware and worried only about profits and shareholder increasing value. Since now, it starts to delineate two fronts at which managers have to look: shareholders and stakeholders, by combining Friedmanite view and Stakeholder view. Stakeholders are, literally, those who bear interests of firm and its actions, they are whoever has a relationship with the company and who have economic or non expectations that the firm has the duty to meet.

The idea of a new approach to business came out in the 1960's, thanks to an innovative workgroup at Stanford Research Institute, that first understood the importance of other and external factors in the success of firms in the changing economic environment. The workgroup found out that other factors were groups whose concerns have to be understood and included in the business strategy, and those groups were divided as shareholders, society, suppliers, lenders, employees and consumers. The Stanford research outlined that stakeholder groups were the foundations of durable success, but it was necessary create a strategy aimed at managing, exploring and supporting all the possible relationships between stakeholders and firms.

During the same decade, another researcher investigated the world of stakeholders, just to find out that in his model these groups were only constraints to the operations of the firm. Ansoff (1965) created Corporate planning theory, according to which the identified participants to firm operations have needs and interests that the firm should integrate and respect during operations and management, but these needs would have dictated bounds to the company, that now would be interested and enabled to maximize only one group's interests, which is the shareholder group, perceived according to the Friedmanite (1970) position. In fact, the management needs to predict stakeholder needs with an environmental scanning and to adapt its aims to those requests in order to increase its value. The side effects of Corporate planning are the flattening of stakeholder groups, now treated only as a tool according to their roles in the production process of the firm; so forth, because of this macro level analysis, the firm can come up with generic strategies that can fix hypothetically any scenario that the firm meets and predicts, or, on the contrary, the use of specific research methods can lead the firm to one-dimension understanding of the environment, which is the economic level.

Thanks to preceding considerations, Russell Ackoff (1970, 1974) modeled the Systems theory. He is the pioneer of linkage importance for the firm and his theory highlights the external links that influence each organization, so forth Ackoff (1974) described the existence of open systems, which can be classified as a living network of interdependence between the parts. This inter-life requires a new way of resolving problems and a new approach to the company goals. Systems theory, indeed, needs collective "Pareto" efficient outcome, meaning that optimizes the well-being of the network. However, the collectivist nature of the Systems theory (Ackoff, 1974) is difficult to conjugate with the independence of the firm and the required action space for reaching its aim, and moreover, resolving problems and incorporating the needs of stakeholders as requested by the theory is tough, as formulation of the resolution of a conflict or the management of interdependency of needs has no clear answer and requires extra efforts on the part of the firm.

During the 1980's, generally speaking, stakeholder approach is a set of different frameworks, composed of the beneficial aspects of these previous theories, used by the firm to construct an efficient strategic management. The complete definition of stakeholder approach is due to Freeman that, in 1984, published his contribute to this discussion, and showed how many different persons and entities were involved in

business organization. The actual definition used worldwide belongs to Freeman (1984) and states that whichever group or individual that can influence or be influenced by the actions of a company that implements in order to reach its aim is called stakeholder. Freeman constructs a new enterprise model where each relations is a two-way relationship, which represents well the definition he gave, as the enterprise can be viewed as a system where interest-bearers are involved, and, for the sake of company, particular attention is put on dual relationship between stakeholders and company. However, stakeholder management imposes efficient methods through which managers can coordinate different groups and their expectations and make these be in line with objectives of the company. He , then, adds to Donaldson and Preston (1995) four principal groups of stakeholders, which are consumers, suppliers, shareholders and employees, two new groups, governments and community, since their relationships with the firm are essential both for firm actions and regulations and for stakeholder classes well-being.

Freeman revisited his model once again and it ended up to include ten main stakeholder groups divided in two categories internal stakeholders and external stakeholders. In the internal category there are suppliers, shareholders, consumers, community and employees, while in the external party there is government, NGO, environmentalists, media and critics. The two categories have the same importance and influence over the company, and the Freeman model prescribes active participation of stakeholders in firm actions, in this way stakeholders are able to gain advantages, economic or societal ones. In Freeman it is noticed a breakeven point that divides the previous concept of stakeholder approach into the modern one, in fact before Evan and Freeman (1993), stakeholders were considered as a mere mean for the company in order to reach its goal. Stakeholder as a tool had been the mainstream thinking until few decades ago, in which managers extracted only the beneficial parts of those relationships. Managers used stakeholder theory as a mean for brand loyalty, good reputation, affiliation, better financial status, stronger power on national and international markets.

Approaching a philosophical view based on Kantian principles, Evan and Freeman (1993) tried to challenge this stakeholder-tool binomial and put in the discussion a new approach to manage stakeholders, more complete and round. The instrumental view tends to manage stakeholders purely as functional ways to firm's goals. Instead, the new vision of Evan and Freeman (1993) prescribes respect for the figures of stakeholders, to

treat accordingly their well-being and their persona , this makes difference in the efficient management of external and internal stakeholders, that welcome their renovated position in hierarchy of corporate decision-making process. It needs to wait few years before having a complete and more integrated clear distinction among the different kinds of stakeholder management.

The categorization is due to Donaldson and Preston (1995) that systematize the various approach to management, by dividing the management style based on the different use, which are descriptive, instrumental and normative approaches to stakeholder relationship. The descriptive view assumes and coexists with existence of external and internal stakeholders, believing that the firm is net of cooperative and conflicting interests of stakeholders, so forth the management must be focused on conflict resolving role between these interests and firm interests. The instrumental theory reflects the thinking pre Evan and Freeman (1993) era, in fact management should consist of using the relationship as device to channel stakeholders' interests and expectations into company's goal. Finally, the normative theory is a complex assumption theory, different from any stakeholder theory, since it enters into philosophical realm. It describes the need of the firms to consider the influence of their stakeholder, based on two assumptions, the first declares that group or individual stakeholder has interests involved by company activities, and the second establishes that what makes a stakeholder is his interests in the outcome and process of firm and not the interest that the firm has on stakeholder group. After recognizing the existence of others' interests, these interests must be treated with respect and intrinsic consideration. This normative approach considers stakeholder as value bearer , that must be treated with morality and justice. So forth, the firm needs to construct an *ad hoc* strategy, that does not highlight not-instrumental factor, as behaviorists show that morality is driving agent in human decision and interpersonal relationships, and so eliminate the exclusive mere usage of stakeholders' interests, but a strategy that shows to understand the differences in motivations of each groups and responds differently to each needs.

As up to now, the researchers' principal and shared aim of stakeholder theory is the building of corporate strategy around the coordinated interests and needs of stakeholders that compose the environment of the firm. However, the stakeholder approach as it is structured shows a conflict of interests between the focus that the firm should have on morally and on economically attitudes. Goodpaster (1991) defines this

conflict as a paradox, as long as the firm's goal, assumed as Friedman (1962) position in the company mission, is to increase the stockholders' value, so the firm should be focused on the practical aspects of its processes, but, at the same time, firm's social goal is to manage properly the interests of stakeholders, as prescribed by the stakeholder definition of Freeman (1984). In order to resolve the conflict, it is required to the firm to manage contemporaneously contrasting interests by balancing them during strategic decision-making and by structuring the core business value around both the meaning and the goals of the firm, social welfare and economic welfare, and not focusing on benefit exclusively of a specific class, by definition, shareholders are integrated within the stakeholder approach. Moreover, assuming a scenario under the Kaldor-Hicks criterion, according to which there is no-losing part but only a beneficiary of the action, and his benefit offsets the discontent of the no-losing party, the increased welfare of the shareholders to the detriment of other stakeholders represents an optimal Kaldor-Hicks outcome, and so forth, a social optimal solution to Goodpaster paradox.

On the contrary approach to Donaldson and Preston (1995) there is Clarkson (1995), that argues the existence of two main groups of stakeholders that influence, with a varying degree of relevance, the operations of the firm. He identifies two groups, primary stakeholders and secondary stakeholders, on which the firm relies and is based. According to Clarkson (1995), the primary stakeholders are composed by suppliers, shareholders, lenders, employees and customers, and moreover the public branch of stakeholders, which are governments and communities, as markets and infrastructures are needed by the firm. The relationship between the firm and this group is strong and relevant to the firm survival, as this group is identified as firm risk-bearers, the management of this party should be well balanced and dedicated, indeed, if one component is dissatisfied or mistreated, the firm would be damaged and competitively weakened. The other agent of the Clarkson model (1995) is called secondary stakeholder, and this is less fundamental for firm survival, but at the same time important because its parts, which are the media and special interests groups, as NGO, can easily influence the primary group in negative or positive way, and thanks to this link with the primary stakeholders, this group requires a special and public-relation oriented management approach, in order to quieten possible public attacks that can decrease the chances of the firm to compete and survive in the industry.

Of the same approach to Clarkson (1995) it is the stakeholder approach that different scholars have pointed out during the 1980's, but as proposed by Freeman and McVea (2001), this stakeholder approach could be more suitable in today's fast changing external environment. This theory came from the assumption that key stakeholders, interpreted as primary stakeholder by Clarkson, have to be managed coherently and strategically in order to ensure the firm with success by integrating their interests into the firm's mission and goal. From this, stakeholder approach prescribes and describes some conducts useful for the management. An efficient stakeholder approach integrated in the firm needs to be as flexible as possible to any external or internal change without requiring a constant and state-of-art correction of the framework. The strategy has to address more stakeholders groups at once, and so, not requiring specific group strategies, but adopting an integrated approach. However, Freeman and McVea (2001) understand that a win-win situation for every groups is not possible, but they suggest that the benefit and harms should be shared by and distributed between groups when integrated approach is undertaken by the firm.

The scholars describe stakeholder approach as a strategic management rather than a strategic planning, meaning that managers consider the environment affection by firm's action and to firm when they decide of a new strategic plan of actions. Furthermore, stakeholder relationships are fundamental to firm survival and represent the base of stakeholder approach, so managers have the duty to balance and understand effectively the multiple signals that they receive from stakeholders' interests, in the view of prescriptive and descriptive approach, meaning that the balanced interests must be integrated and supported by economic, political and moral analysis. The sum of these characteristics represents the stakeholder approach that Freeman and McVea (2001) have described as driving managerial factor in the nowadays industrial background.

In conclusion, stakeholder theory is widely accepted and preferred over other approaches, also thanks to justifications that assess the validity of this approach firstly fully described by Freeman in 1984. In fact, from Donaldson and Preston (1995) framework, stakeholder theory is valid from descriptive characteristic, because theoretical concepts analyzed by scholars during decades are supported by empirical researches. Moreover, stakeholder approach is found to be at the base of increased company performance, so forth, this finding gives an instrumental explanation to the reason and need of firm to implement this choice. At the same time, stakeholder

approach gives reliance to other agents that construct and give possibilities of survival of the firm, thanks to its strong moral factor and thus it explains by a normative point of view. As Alford expresses in his “Stakeholder theory and strategic management” (2005)

“ Despite problems, the stakeholder idea has been fertile at least in three different ways. First, because it has started to weight over the general argument of management, after a period during which shareholders had been the only referents at strategic level. Second, because managers can understand CSR through the glasses of stakeholder approach and move to promote it. Third, because it has contributed to the creation of many instruments in order to calculate social and environmental impact of the firm”

(Alford H., 2005:175)

IMPROVEMENTS, DIFFERENCES AND COMPLEMENTARITY OF STAKEHOLDER THEORY TO CSR

It has been described two mainstream theories, Corporate Social Responsibility and Stakeholder theory, according to the most prominent scholars and to scholars that had second thoughts about these theories. Corporate Social Responsibility has been recognized as a breakeven point in company management, indeed, managers that has had the power to implement CSR has had the duty and the responsibility to take actions in favor of other prospects. The common opinion among scholars and managers was identified in the motto of Friedman, “*The business of business is business*”, that expressed the strict and goal-looking view of this eminent scholar in an article to New York Times Magazine in 1970. However, this mono-goal approach to define the real aim of firms was questioned and challenged by other scholars that, in some cases supported by empirical data, saw the dawn of new approaches and new definitions of corporate mission.

Since that article in 1970, scholars and the economic world have revised the importance of only-shareholders-in-the-world strategy, and it brought to the formulation of Triple-Bottom Line. As Findeli (2008) stated and argued, it is a fashion way to say and do nothing of different because the trinomial has no sense according to its definition and it implies an impractical and not defined implementation. However, even if Triple-Bottom line has been criticized both from theoretical and empirical point of view, this is one of the first theories that looks also to other objectives than mere profits, and it introduces the possibility to incorporate the social aspect of firms, which are then defined as stakeholders, and so forth it paves the way to Freeman’ Stakeholder theory (1984).

Stakeholder theory widens the horizons of CSR, because Freeman expresses clearly the categories of a broad and undefined “society” of Triple-Bottom Line’s definition. According to Freeman (1984), who bears the risk of the company and its actions is a stakeholder, who influence the decision path and who the firm looks at when assessing the validity of decision. What makes Stakeholder Theory different and more accurate with respect to CSR is the neat definition of the referents of the practices, and, as Carroll (1991) stated, Stakeholder theory, on the contrary of CSR, delineates clearly specific groups which business must be responsible to, and so the “*nomenclature puts name and faces on societal groups*” (Carroll, 1991:43). Moreover, CSR does not

present a conventional wisdom, as Johnson (1971) termed his findings about incompleteness of CSR definition. Conventional wisdom is reassumed to be the natural path of firms to include as the integral part of responsible firms multiplicity of interests, through which Johnson implied stakeholder groups, categorized as “*employees, suppliers, dealers, local communities and nation*” (Johnson, 1971:50). Furthermore, CSR misses practical implications to implement policies, in fact, most of CSR implementing companies focus their attention to massive external communication, as advertising and Cause related marketing, but they do not put enough efforts to internal environment, that means Internal Layer stakeholders, to make CSR policies permeated into core values and mission of firms, and thus firms are underestimating the foundations of their survival.

At the same time, Stakeholder Theory is a valid approach complementary to CSR until firm dedicates efforts and attention to its implementation, in fact Freeman theory (1984) requests communication and listening to stakeholders, but, moreover, it needs to manage effectively relationships with stakeholders (Schultz, 2006). Collaborative relationships with stakeholders is new trend of firms that are trying to balance stakeholders’ interests within the firm’s framework. According to Svendsen (1998), collaborative stakeholder relationships are competitive advantage for companies, as Wal-Mart^A and British Telecom^B did and gained.

The theories of CSR and Stakeholder reflect the focus of recent years to social responsibility of firms (Mintzberg, 1983), moreover, primary and secondary stakeholders (Clarkson,1995) put always more attention to what surrounds them and are always more interested in moral and ethical conducts of any agents, included and foremost companies.

^A Cfr. <http://www.walmartstores.com/sites/sustainabilityreport/2007/companyStakeholders.htm>, accessed May 7,2012 and cfr. “Wal-Mart: Staying on Top of the Fortune 500 A Case Study on Wal-Mart Stores Inc.”, Hayden et al.,2002 “*The company manages its relationship with its key stakeholders in a way that maximizes the tactical advantage of Wal-Mart. With groups that the company perceives as hostile, such as labor unions, complaining former employees, or even local ad hoc opposition groups, who are fighting to keep Wal-Mart out of their community, the company uses every means available to it in order to win. The company applies its retail philosophy, of being the best, and winning, into its political and public affairs strategy*”.(Hayden et al., 2002:27)

^B Cfr. <http://businesscasestudies.co.uk/bt/stakeholders-as-partners/introduction.html> , accessed on May 8, 2012 “*By working with its stakeholders, in an open and transparent manner, BT can build trust and strengthen its partnerships. It can also further its environmental and sustainability agenda.*”

Ethos Institute (2007) has created an integrated definition of CSR, that expresses in simple way the interrelation of CSR and Stakeholder Theory. CSR, according to this new acceptance, is a management strategy constructed upon ethics and transparent relationships with stakeholders involved and furthermore keen on environmental issues, aiming at “ *respecting diversity and promoting the reduction of social problems*” (Ethos Institute, 2007:78). This includes the new-generation firm’s attitude to realize stakeholders’ interests and listen to their needs, and adding to this, create value and profit for most requiring stakeholder group, which is shareholder one. However, firm needs to explicitly and actively implement CSR, through the use of Ethics Code, Auditing and Reporting all of three supported by clear and efficient communication of these actions to interested parts, and so the firm needs to construct and improve relationships with stakeholders. Stakeholder engagement allows the firm to implement a CSR policy, even if it supposes an instrumental CSR, supported by trust and credibility from stake bearers, and this denotes a competitive advantage and a benefit for the firm as stakeholders’ consensus represents the license to operate of the firm, so it means to firm that its operations are welcomed in sustainability terms and, most of all, potentially profitable.

Stakeholder Theory can be implemented as a resource-based strategy (Barney, 1991), in fact, the subjective and unique relationship, that firm establishes, gives the advantage to understand and internalize needs, interests and social circumstances that can shape the decisions of the firm. On the other hand, CSR can improve mutually relationships with firm’s stakeholders, by affecting the Inside layer and the Outside layers thanks to benefits that both the groups gain and enjoy. For example, in the Inside layer, CSR policy increases staff morale, employee work satisfaction and retention, and thus firm increases the benefits of internal stakeholder by implementing CSR policy supported by trustworthy relationship with the party involved in the policy. Thanks to this, Human Resources department cost decreases as recruitment, training and indirect costs as team building decreases, so forth it increases further firm competitive advantage. In the Outside layer, a good CSR policy backed by deep understand of needs and interests of stakeholders affects positively the external stakeholders, as governments, community and consumers, that now perceive the firm more focused on their needs rather than on shareholders/managers’ needs.

The co-implementation, as previously showed, is the strength of CSR and Stakeholder theory. However, an effective and efficient co-implementation presumes a cognitive alignment between managers and stakeholder, otherwise policies undertaken are perceived as shadowy and untrustworthy by stakeholders. Because of the influence of secondary stakeholder (Clarkson,1995), primary stakeholders tend to be more pessimistic toward firm CSR policies and more distant from the firm, declaring a decreasing of possibilities of survival. The different degree of cognitive alignment is due to external and internal factors, which are the operating industry, geographical factors and stakeholder pressure, and for internal side there is business strategy and CSR integrated core values. It has showed how cognitive alignment varies positively with the degree of dynamism and innovation, especially in high-tech and banking sectors, where there are reports of the magnitude of social impact because of actions and decision; furthermore, the decrease in cognitive gaps is due to a better understandings of consumers' needs, thanks to a strong customisation, and so managers can effectively build products and services around stakeholders' request , coming from market analysis. On empirical basis, Anglo Saxon firms tend to have higher cognitive alignment between managers and stakeholder than in the rest of Europe. It has been speculated that this positive relationship can be explained by lower level of expectations by Anglo-Saxon stakeholder or maybe a better understanding and fast response to changing of needs and interests, with respect to European companies. Pressure of external stakeholders put on firms and managers is positively related to lower cognitive gaps, explained by the awareness of managers of social results of decision, which is increased by requiring groups of stakeholders and by their activism. Cognitive alignment can be increased also by internal factors as business strategy, where researchers find positive relation between differentiation strategy and innovation-based strategy and alignment. In fact, these strategies are, by definition, clearer and more stakeholder-friendly than cost efficiency strategy or risk minimization conducts. An ambiguous result comes from integration of CSR in core values of the business, since, researchers find positive relation between high level of integration and high degree of alignment, but there could be causality factor, that would indicate higher alignment and thus high integration and better implementation of CSR.

What must be clear is that cognitive alignment, which is an indication of social performance of the firm, is not reach by superficial relationship with external stakeholder and relying on external communication, but thanks to day-to-day behaviour

changes that can be perceived easily and not distorted by internal and external stakeholders, as well as primary and secondary stakeholders. As companies understand this, so that efforts must be real and they do not have to use advertising- driving conducts, the co-implementation would be widely used and it would produce more benefits than costs.

BUSINESS ETHICS

Ethics responsibilities are defined as those conducts that are expected or prohibited by society, but not expressly governed by normative or rules. These responsibilities are already prescribed in economic and legality settings, but, as crisis hit the economic world in 2008, attitudes and behaviors have changed and become riskier due to a transfer of the business risk to weak stakeholders, who do not have protection and enough power to resist, who are employees, consumers and environment. These no-ethics conduct decrease trust towards consumers and investors; for this, trust reconstruction is considered today as a key element to get over the financial crisis. As Barroso states, European firms, in particular, need “ *new culture of ethics and responsibility*” , this can restore the brand image and foremost restore faith and trust in consumers and in market economy, a conscious economy. This statement makes clear the importance of stakeholders in the success of ethic business, as long as researchers understand how morality and ethics play a big role of business and stakeholder theory has a great role in integrating these practices in common business. This is a principal idea at the base of Wicks and Maren's Separation Thesis, which describes that ethics and politics are an integrant part of business world. Wong and Beckman highlight that in literature there are many recommendations to spread and strength ethics in corporations, but they notice that there are any suggestions on how to integrate ethics in corporate goals and mission. Townley (1992) believes that ethics should rely on an easy choice between right and wrong, but in a business setting there is any correct answer neither perfectly right or completely wrong, and often founded values can be questioned as it is requested to assess the validity of processes.

Ethics represents the moral principles reflecting society's beliefs, and address the action path of individuals and groups. Standards dictated by ethics identify and define nature and content of human interactions, establishing rules and moral conducts. Ethics is applied to many life fields, for instance, work ethics regulates attitudes and behaviors at workplace, it promotes personal accountability and responsibility for work activities and decisions. Another application is business ethics that guides the behavior and the conduct of the business, which is considered as an individual and so forth also the business should follow individual ethics.

Madsen and Shafritz in “ Essentials of Business Ethics” (1990) give the most complete and articulated definition of business ethics. According to authors of “ Essentials of

Business Ethics” (1990), business ethics is defined as an application of ethics to corporate community, as it was shown earlier, it helps to determine responsibility in business transactions, which is a similar content to work ethics, furthermore business ethics identifies important and key business and social challenges and issues, and it analyzes critically the business actions and practices. These elements reflect the importance of social responsibility in business ethics, on which it is constructed, and so forth it evidences that social responsibility is a good choice and so it represents an ethical action .

One of the critics moved against Madsen and Shafritz (1990) business ethics is that it is ineffectual and inconclusive as long as it just expresses in word what ethics is, however, business ethics deals always with ethical and moral dilemmas, that does not have a precise and clear right or wrong answer. Without an understandable indication, managers and organizations in general can make decisions and do practices in an unethical or very questionable way. This misconduct is called managerial mischief, and it includes actions to remedy actual situations and that can incur in unethical or wrong procedures. As said before, ethics is involved whenever managers and middle management need to make a choice or take a decision, and before them there are issues as conflicts of interest and mismanagement. Madsen and Shafritz (1990) recognize this phenomenon as moral mazes, and that what drives out managerial decisions is quite never ethics, but more often criteria and objectives as profit maximization, market view of business or reductive cost policy. These objectives can easily mislead actions, and so rules and Ethics Code are fundamental in order to give business guidelines of what is permitted and forbidden.

Ethics should be managed in an efficient way at corporate level, for this programs should be established and efficiently run. The most used tools in order to incorporate ethics are codes and policies, that have as benefits to spread fair and healthy values at all company levels and can be considered as guide in ethical dilemmas. According to Bob Dunn, CEO of Business for Social Responsibility, ethics management’s objective is balancing and equilibrating competing values, and one goal is to offer tools to understand in a easy way values and strengths. Based on studies, ethics programs are found to be very beneficial to businesses. Obviating from natural improvement of society thanks to spreading of ethical conducts, as abolishment of child labor, rights and fair wages to employees, another benefit is the straightness of moral conduct during

difficult times, moreover violations to Ethics Code are lower and more frequently detected and corrected by legal means. Management in all his aspects is improved, for instance public image perceived by consumers and investors is improved by giving the idea of stronger importance to people and stakeholders than profits and cost maximization. Ethics in addition strengthens culture throughout the firm, it gives a stronger consistency to standards and products quality. Relationships, teamwork and productivity are higher, there is more trust, dialogue, sensitivity of consequences of actions, and a better alignment of individual and corporate values. So forth in this setting, employees can grow in a peaceful background. Bennett (1991) highlights the results of study, in which managers and executives were tested, and the result shows a negative correlation between level of stress and ethics. This gives more importance to the construction of a man-measured company structure and processes.

What is fundamental to the effectiveness of the ethics programs is training of employees, in order to make them able to act in accordance with policies and procedures. Moreover the programs must be run honestly and openly by managers, setting them in order to draw up needed and requested behaviors by the firm. In order to have a functional ethics programs, chief executive must fully support the program and his support must be perceived by employees and investors. Employees, in addition, tend to be less offensive to introduction of ethics policies if they are actively involved in constructing and developing the program. In order to not incur in hypocrisy, it should be established an ethics committee that oversees the program and single acts. This gives stronger incentives to investors that seek a social responsible fund, as the committee ensures a certain level of supervision of conducts. In order to face in the right way ethical difficult choices, it is recommended, where not possible to decrease the frequency of ethical choices, to take decision in groups and make the results public and open to further discussions and improvements; in fact, group decisions are less subject to biases than individuals'.

First step to do to implement ethics at corporate level is construct training programs. These help new employees to be oriented to policies and thinking of organization, instead for employees that were used to the former procedures, it is requested to revise the new codes of Conduct and Ethics, in order to change their mind and keep the alignment process up to date with new requirements. Employees can be trained thanks to real-to-life simulations and tests, where it is asked to resolve ethical dilemma. In this

simulation tasks, employees learn the best ethical way to respond to a certain situation, by acquiring always more and new ethical skills that permit to act on a daily basis in a more appropriate way, both from human-individual perspective and from corporate one. When an employee face an ethical dilemma, he finds himself in front of a strong conflicts of values among equal-justifiable alternative choices, but that bring different and significant consequences to all interest bearers. In this case, when ethical skills are low or not sufficient to deal with the incurring situation, employee can refer to Codes of Ethics and Conducts in order to solve in best way the issue.

Code of Ethics presents general guide lines that help to take the right decisions and do the right actions. Even if in some occasions codes, generally speaking, are seen in a bad light, code of Ethics is critical to corporate survival when it is facing a crisis. It gives clear “Do Not” and “Do” actions which are easily structured upon different settings, thanks to the synergy of training and revised and up-to-date code. Code of Ethics must be the result of a task force composed by representatives of all departments and all levels of vertical hierarchy; it must be in line with regulations and strongly respect the law, it must comprehend ethical suggestion to induce employees to not break the law or infringe regulations; the values reported in the Code must represent and be in accordance with corporate values and mission, in order to not create confusion, a difficult knowledge and ethical alignment; it must be kept up to date with any new ethical dilemma or difficulties, in order to offer more effective solutions and suggestions; it must present also practical examples of ethical values, in this way it is easier to be integrated in corporate daily life; it must be perceived as a manifesto of what the company and all its employees and components represent to the outside world. This ethical visibility make the company less hostile to consumers, more keen with stakeholders, more careful of the consequences of their actions that can be on the shoulders of environment, consumers, community and employees.

Instead Code of Conduct clearly presents actions and processes in the workplace, by giving practical examples of behavior required by the situation. It is used for organizations to have more than one Code of Conduct, specific for each department, which could require different ethical skills and so forth different approach to different situations. What is important is that each codes must be in line with law, regulations and with broader values and policies of the firm. Conducts are identified in base to Code of Ethics, and so the code must be constructed starting from the ethical one. In there, it

must be reported the hierarchical superior to whom employees can refer when ethical dilemma or difficult situation arise. Generally speaking, Code of Conduct reports the implicit rules that are widely present in everyday life in the firm, so new employees by reading it can easily conform to firm's rules, such as dressing code, accountability for actions, professionalism, antidiscrimination rules.

In the scholar field, there are studies that try to figure out the motivations that drives firms and costumers towards ethics. Researchers, that have been witnessing the boom of ethical and responsible management style, aim to understand why firms are attracted by ethics and social issues, that become key features during crisis periods, where ethics are hardly compromised and mistreated. The idea behind ethical attitudes is that firms do ethics and then they gain extra profit, better brand image and more qualified workers. However, econometric studies (Johnson, 2003) found low correlation between ethics and social responsibility and financial results, so researchers eliminate this financial motivation from the lists. The low correlation between being good and positive financial factors can exist because of interference of the starting well-being of firm, meaning that more financially sound is the firm, the more it can be focused on ethics and social problems, meaning that the econometric model suffers of reverse causation (McWilliams, Siegel, 2000)(Orlitzky, Schimdt, Rynes, 2003). However, it has been proved a positive effect on qualified workforce, in fact employees prefer work in an ethical and responsible firm and environment, and, in this setting, only employees that demonstrate to be in accordance with the firm 's values and ethics are retained and attracted (Greening, Turban, 2000). What can be difficult for a firm is to construct a well-directed marketing policies in order to not incur in a trap where consumers can be not attracted by advertisements or even departed. As there are people interested in social issues and ethics, but that need a specified and segmented marketing strategy in order to make them buy products and services (Mohr, Webb, Harris,2001), there could be consumers that are not interested in ethical initiatives of the firm, so they are not touched by firm's efforts in order to be socially responsible, but in the contrary, there could be costumers that perceive to be teased by firm and so they do not buy products or services by an ethical firm, because this kind of consumers do not believe in motivations of firm, maybe because of wrong public relation management or because of discordant attitudes and behavior held by firm and its employees (Pirsch, Guta, Grau,2007) (Holstrom, Brady, 2000). So, ethics must be wisely managed, because a

misusage either in public relation department or human resource department can be more negative than the theoretical benefits listed above.

Business ethics can be considered as a cause or an effect of Corporate Social Responsibility. In fact, there are overlapping values and objectives, and not to forget, that when a firm calls itself socially responsible, it means consequentially that it acts ethically. The biggest difference is that ethics is usually considered as an individual action paths, while CSR has a broader meaning and action.

As it has been shown in this section, business ethics is the link between individual, corporation and society, because the base of business ethics relies on individual ethics, on which is primary constructed Corporate Social Responsibility, and moreover, it gives a strong importance in actions and decision to stakeholders, which are considered as the motor of the firm value and survival.

Chapter three

Proposal of Social Threefolding

Chapter three exposes a proposal of workplace innovation, which is defined as implementation of new and combined approaches to work , business organization and human resource management. It is introduced a theorist of Anthroposophy and Social Threefolding, which is Rudolf Steiner (1861-1925). His interests spanned from anthropology, pedagogy, organism functionalities and medicine, architecture and painting and, foremost, a particular and innovative vision of society and its structure.

In Social Threefolding, there are presented the ideas of Rudolf Steiner as he exposed them during his conferences. There is a deeper analysis of different kinds of Threefolding, according to this idea, every organism is balance between three spheres, Economics, Politics and Culture, that rule different processes and actions. For instance, there is functional one, that describes Threefolding inside human body, and here Steiner firstly announces how illness and dysfunction occur. Then action Threefolding, in which psychology is analyzed with inner growth of organism. Aftermost, the Social Threefolding, which describes carefully the three realms of society and macro-organism, as organizations. This knowledge is applied at different level to organizations, that are considered as a group of interrelated men and for this firms are alive organism. According to Threefolding, inefficiencies and problems that organizations are facing can be solved by applying an equilibrium between the spheres.

Afterwards, it provides an inner look at the parts that compose the business organism. In fact, in New approach to business entities, Steiner's ideas, Threefolding vision and Corporate Social Responsibility are put altogether to explain each nodes of business network. It is analyzed capital and its function, managers and their tasks, employee and their rights, goods and their aims, community and its interests, each of them analyzed thanks to these innovative ideas.

In Analysis of New Businesses, there is a practical approach and study of businesses that make CSR and social issues pivotal elements at the base of their strategies, in order to show how theorems and models are applied to successful organizations. It is studied the case of Corporate Social Responsibility in Johnson and Johnson, its efforts in social

problems, focus on its employees, on the outside of the organization, trying to have less impact on communities and environment. Then, it is exposed the idea of Professor Yunus, that received Nobel Peace Prize in 2006, who believes in the possibility to eliminate poverty thanks to microcredit and focus on person-entrepreneur, rather than hoping on multinational organizations. After this, Weleda, a pharmaceutical firm, that born from direct effort of Steiner, uses for its remedies anthroposophical and functional Threefolding. Wala, a German business, because of its divided structured, is a perfect example of practical implementation of Threefolding theory, independency and division of the realms but their harmonious coexistence.

SOCIAL THREEFOLDING

RUDOLF STEINER AND ANTHROPOSOLOGY

In order to explain a complex concept as social Threefolding is, there is need of brief presentation of the creator of this thinking, which is Rudolf Steiner. Steiner lived during the end of the nineteenth century in the catholic Austria, then, wandering in conferences held by himself, he stayed for many years in Germany and in other northern countries. He is recognized for the creation, born by his bright and vivid intellect, of Anthroposophy, practical anthropology and man's idea.

Anthroposophy comes from Ancient Greek and it means "wisdom of the man", and it takes its origins from Theosophy, which was a dominant philosophy and religion when Steiner was forming his mind and thinking. From here, Anthroposophy take the three main pillars of the philosophy, which can be summarized in this way: the first aim is to create an universal and comprehensive brotherhood, regardless of race, sex and religion; the second one is to foster studies of philosophies, sciences and religions, in order to have the maximum understanding of the human wisdom; and finally to investigate and enable the hidden abilities of man and Nature, in order to elevate the mind and the soul of every man and to join altogether a better world.

Die Philosophie der Freiheit, or Philosophy of Freedom, published in 1894, is Anthroposophy manifesto, in which Steiner states clearly the importance of free willing, represented by freedom of mind, thinking and body. Steiner breaks the philosophical stability of those years, by bringing into vogue Goethe ideas, and in particular his vision of human being. In fact, Goethe considered man as a natural and super-natural being at the same time, as man is son of Nature, so he is a natural being, and, thanks to man's conceptual power and thinking capabilities, man can overcome the limits set by Nature.

Steiner's work is all around the figure of man, that he always put at the centre of the universe, and he wonders about practical anthropology, looking new harmonic ways to make the man and Nature be in contact with men's society and their artifact architecture (Steiner, 1919b). Steiner believes the importance of a reborn pedagogy more focused on Menschenbildung, i.e. formation of human being ; according to this idea, cultural life must be independent, because as Bauman states (2004), " *culture creates and maintains meaning and identity... Meaning and identity are created and maintained both by the*

various forms of fine art and by “everyday” culture, ideologies and lifestyles. This is a process that occurs both at an individual level and at a collective level”. This state of independency must be assured by Society, which has the right and duty to provide anyone the “good life”. Good life (Dahlin, 2010) is the condition in which inborn qualities and skills can be liberally developed and expressed, and, when matured, skills and qualities must be used in benefit of the entire society, by having become professional skills.

Anthroposophy is founded on moral discipline (Viezzoli,1989), which is, as Steiner explains, the grade of relation between single’s spiritual life and community’s spiritual world. Moral discipline represents the actual evolution of the man. It has been noticed how this evolution of the man can have not be proceed during eras, and this underdevelopment can have, instead, created an immoral imprint of intellectual evolution nowadays. Steiner believes that morality and ethics should be taught and learned, because they are not inborn qualities, and men cannot live or co-live without these forms of respect and social value.

CHARACTERIZATION OF FUNCTIONAL, ACTION AND SOCIAL THREEFOLDING

As said earlier, Steiner is focused first things first on man, so he ideates the human body and its biological processes as divided in three different spheres that must be in equilibrium in order to have an healthy body and mind. This equilibrium is called functional Threefolding, related to human body. Steiner starts to construct the world on the image of man, so every field of life should be divided in three spheres. The other three-divided aspects are action and social Threefolding (Steiner, 1918).

It shows the Threefolding that consists of three realms of body. Steiner, indeed, thinks that man are made of three systems: the superior system, the inferior one and the rhythmic system (Gruppo Medico Antroposofico Italiano, 2005) . The superior system rules nerves and sense, and it is located mainly in head, where there are the majority of sense organs, which are considered bridge between inside and outside worlds. On the other hand, the inferior system represents the counterbalance of coldness that characterizes the superior system, the system of exchange and members is characterized by warmness, it is set in the abdominal part, legs and arms. This is characterized by metabolic process that is responsible to leave prints of the inner man in the outside world. The rhythmic system is characterized by music and harmony of sounds, it is in

the cardiovascular system and breathing one. All three systems are independent thanks to their openness to outside world, senses, respiration and feeding, and thanks to their capacity to be self-sustained (Schramm, 2002). They are in the same way important to the overall organism, and when one is predominant over the others, illness comes out.

Strictly related to physiological Threefolding, there is the human or action Threefolding (Schramm, 2002). It describes the main actions man takes during life, he thinks, feels and wants. In the same way of the functional Threefolding, there should be an equilibrium between this action Threefolding, in fact the predominance of one action could determine mental and behaviour disorders. The process of conscientious is a development that starts basically with child that wants, then the teenager that feels, and finally the adult man that thinks. This Threefolding presents strong correspondences to the biological one (Schramm, 2002), child starts to move in order to reach things and to be independent, and represents Want and it is correlated to maturity of exchange system; teenager begins to deal with his feelings and feels his heart beat, which represents rhythmic system; when he grows up, he starts to use his mental capacity and to develop thinking capacities, to develop nerve system.

Man is approaching material world progressively, made of duties and civil cooperation, keys factors in order to form a healthy society. For this, man gives out three of his qualities, which is talent, collaboration and useful work, to maintain stability in the social order. Society gives back the adequate structures (Steiner, 1921a) that allow abilities and talents to be formed by structuring a cultural life, juridical and political ones to ensure a peaceful settings where live and work with other men, and, moreover, thanks to economic life, man can be useful to society with suited job, conforming to his talents.

At the apex of these Threefolding worlds, there is social Threefolding. This idea is born by the cry of French revolution, *égalité, fraternité et liberté*, because men aspire to freedom, to democracy and equality (Archianti, 2006), because of these, they feel the need of fair organization and collectivism. By these needs, Steiner find out the existence, and the fragile nature, of three realms of social renewal, Culture, Economics and Politics. As for the other Threefoldings, each of the three realms must be separated by the others, if not, the confluence end up with chaotic unit that, furthermore, brings social damages. Each realms is governed by an overarching principle, which must be

respected and, altogether in harmony used to improve men situation (Steiner, 1919a). Steiner ideates social Threefolding as an helping tool in order to stabilize a mutual correction between the realms by increasing their independency and so decreasing interferences and biases caused by overpower of one realm over the other. The prescription of a durable and effective social renewal through Threefolding is to keep separated from each other the three realms, in this way any of them can occur to intervene in other's problems and dysfunctions (Steiner, 1921a). These spheres tend naturally to overcome one the other, but healthy realms prevent this scenario of chaos, and they protect mutually and exist one beside the others. This idea want to be a new approach to practical life (Steiner, 1921a), and not to be perceived and treated as an utopia. It was not constructed rigidly by forcing three realities to co-exist, but it was formed to be shaped around the different circumstances and actually to rescue the modern society.

Culture represents faculties of man, both spiritual and physical, as religion, education, morality, science and art, which is considered by Steiner as a place where it is possible to develop skills and inner abilities (Steiner, 1919a). At this stage, man is just a man among other of his kind, in fact every man is facing in this realm a contradiction between his natural needs and spiritual and intellectual needs and instincts. Thus, Culture realm is considered as a bridge between the material world and the spiritual one, and, for this, it must be ruled autonomously. It needs to be freed by any control over it of juridical or economical institutions, instead, very often it happens a convergence between "authoritarian" powers over Culture. Steiner believed that, starting with education and ending with personal willing, men have not to be forced or prevented from thinking freely and believing in what they care most (Steiner, 1919a). The Culture realm is governed by freedom rule, and by freedom it is permeated in every spiritual aspects.

Equality of rights and security of laws belongs to Juridical and Political sphere, in which it is regulated the relationships between men and by which rules are made respected (Steiner, 1919a). It establishes the harmony of individual freedom, cared by cultural life, and collective solidarity, controlled by economic sphere. It requires institutions and legal infrastructure that can really and actually help people to maintain equilibrium and equality between them. In the binomio justice-culture (Steiner, 1921a), there must be, for the optimal outcome and the higher grade of efficiency, cooperation

and not abuse, as long as cultural life creates and forms men that become judges and protectors of stability, that, according to pedagogy founded by Steiner, receive not formulas or fossilized notions, but life experiences and an openness of mind and vision for different areas of knowledge that, otherwise, is not possible to experiment and learn. Instead, between Justice and economics (Steiner, 1921a), there must be the most absolute independence as long as politics and justice can be easily moved in favour or not by the power of economic realm.

Steiner proposed as dominant principle, in Economic realm, solidarity and cooperation (Steiner, 1921a)(Steiner, 1919a). Solidarity and cooperation are fundamental in order to keep under control the natural tendency of man to be an antisocial being (Steiner, 1918), in fact the main difference between economics and culture is that what is pivot to culture is individual thinking process, meaning that social culture is made of every single individual ideas, but man, caring of his basilar needs, becomes an unsociable being, guided by selfish feelings and carried by aversion or sympathy and not by intellect or morality.

In a functioning cooperation, it is produced what, and how much, the consumers' needs dictate. What Steiner promulgated is the idea of service-oriented cooperation promoted by a strict relation between producers, distributors and end consumers, that can close human beings one other, instead of experiencing what now has become an aseptic economy. Three-articulating the economical life, it distinguishes three factors that make it coherent and useful, the first is production of goods, which requires skills and knowledge; the second one is well-managed circulation of goods, because they do not exist without commerce; the last one is about the knowledge of demand of the market, in order to manufacture what can be sold (Archiati, 2005). At the end of this sequence, according to Steiner, in the association, where men have trust and brotherhood sense, the profit is collected and redistributed among the participants, further increasing sense of collectivism and union. But, what Steiner and nowadays society is facing is an economy always more artificial, and consequently producers have become far distant from consumer-man, who now feels alienated, and meanwhile capitalists are looking for a more profitable margin.

Men, however, are not able to maintain independent the spheres, and what they represent, freedom, brotherhood and equality, now become the results of social dysfunction. The negative sides of interferences between the realms are theocracy,

shareholder capitalism, communism and socialism (Steiner, 1921a). In the first case, theocracy represents the cultural life that dominates over the others, in which religion, since theocracy means power of god, rules politics and limits economy. Socialism and communism, on the other hand, controls any facets of culture and economy, restricting freedom and idolizing a false equality. Other social dysfunction is capitalism, or the absolute hegemony of economical power, in which politics and culture are in the hidden hands of economical power keepers, that through this power buy or corrupt society. In this setting of overpower, Steiner believes that Threefolding would be a middle way between the occidental capitalism and the eastern communism. He thinks it as weapon to reject the tyranny of both economies, the Anglo-Saxon economy, that let economic sphere tyrannize over the other two spheres, and the latter, represented by the Asian world, in which the State takes supreme control over culture and economy. By reinforcing the barriers thanks to Threefolding in Europe, Steiner believed that social order would be maintained and freed by any domination, especially during the decades beaten by two world conflicts.

SOCIAL THREEFOLDING MEANT IN ORGANIZATIONS

Society put more stress on morality and economic creating-value figure of organizations, people, nowadays, is focused on sustainability of firms' operations (Cisco Public Information,2009). Society has been deeply analyzed and can be catalogued thanks to prominent culture that permeates society's members (Jenkins, 2002). So, according to Perlas (2007), it has been divided mainly in three different societies in base to three different cultures. In his framework, he differentiates between Jihad, McWorld and Civitas. Jihad society expresses the supremacy of religion and cultural sphere over Politics and Economics realms; it is characterized by a strong conservatism, strong repulsion over modernity and a strong sense of retaliation over other societies. McWorld society, otherwise, represents the up-to-date modernity and economic liberalism; it is pervaded by a sense of materialism and, in some sense, procedural immorality (Antoniazzi,2004), meaning the selfish feeling proper of an unbalanced power of Economic realm over the other spheres has distorted the ethics and morality of men. Meanwhile, the counter parting society is Civitas, this groups all those men that do not recognize themselves in neither Jihad nor McWorld societies. In fact, they move critics to McWorld because of its unfair wellness distribution, because of mass producing and so forth mass profits that powerful people gain at the expense of the

poorest majority. At the same time, they critic Jihad because of its repressive view of Cultural life, so freedom and individuality. Civitas believes that automation, investment migration to more profitable lands and inexorable unemployment rate are society illness caused by McWorld- Consumistic-Capitalistic society that has been overspread. Furthermore, the dominance of Economic sphere silences Cultural life and free thinking. However, there could be evidenced other classifications of society, in fact according to Lenski (1974), society can be divided based on levels of communication, technology and economy. This social theory (Lenski, 1974) is more focused on anthropological societies than threefold aspects, and for this can be a limited setting for the basis of Threefold organizations.

These wrong societies have given birth to wrong organizations that are founded on incorrect values and that pursue the wrong objectives, according to their mother society. So, even if societies have given different precondition, according to Steiner's vision of world, the solution should be to stabilize the equilibrium of three spheres at more levels possible. In fact, organizations must reorganize their organization charts in order to give adequate spaces to each realm that rules certain operations and processes.

When a realm takes over the others, society or the organism incurs in dysfunction or illness, and this is what happened and is happening right now, three realms are no more independent, their operations and objectives are confused and overlapping (Tagliente, nd b) . Politics is poorly prosecuted, Economics is no more focused on brotherhood and even Culture has distorted the meaning of freedom, and these prominences are at society level and at organizational level, being one the image of the other. Focusing now at organizations, they are composed by three realms of social and action Threefolding, Culture, Politics and Economics and Thinking, Willing and Feeling. Action Threefolding represents the processes of the firm, in fact, Thinking is related to ideation and creative processes, Feeling controls administrative procedures, and Willing is the movement of raw materials and goods, so logistics and production are competence of Willing sphere. In order to analyze the state of the organization, it is possible to translate the condition of action Threefolding to the representation of functional Threefolding (Tagliente, nd b). By representing Thinking with head, Feeling with chest and Willing with movement parts, organization now looks like a man (Steiner, 1921b), and any dysfunction is clearly visible, as ill body would not be anymore representation of harmony and the body would be more like to an enormous monster than to Vitruvian

man. Usually, based on experience (Tagliente, nd b), the figured body has an enormous Willing presence, implying a massive inferior system, so gigantic legs and arms; this represents a firm whose principal aim is to obtain more and more funds and profits, in order to go on. But what firm forgets is that mere nutrition, which is profit, is not sufficient and it is not the only factor that make the firm become healthy and for this a success firm. The firm's destiny must be equally balanced on action Threefolding, apart from profits and inferior system, firm needs an equilibrated growth of its employees, by defining a proper rhythmic system, so make Hearth and Lungs appropriate for Willing sphere, and by imposing rules and an intelligent Head. At the end, the body-organization needs to be based on motivation of its components, their human and professional formation, and fair and efficient procedures that can make Threefolding breathe and shine (Tagliente, nd a).

At this point, it is possible to affirm a strong sentence, Organization is the mirror of Leaders and mirror of Society. It is presented in a clearer way the correlation between man, organizations and society, that are nowadays milestone in men's life. In order to look to society, it needs first to be worried about organization, that needs to find a stable and durable equilibrium inside, and this is possible by adopting a Stakeholder view and be more focused on Inside Layer, meaning workers' needs and factors of motivation. However, workers would reflect the equilibrium of their leaders and managers, that, according to Steiner's vision, need to be matured and ready to accept responsibilities of others' growth. Lack of maturity and capability of doing things should be inversely correlated, since the not being ready for certain tasks can lead to a superficial knowledge and implementation (Smit,1998), so a manager that does not feel comfortable can procure damages to his subordinates and to the firm in general. In order to grow motivation and affiliation of employees, leaders are key figures in organizations, as they are perceived as ethical and moral guides, that teach to their peers values and that can satisfy higher needs on Maslow hierarchy, as Love and Understanding (Tagliente,nd c). At the same time, managers, that usually feel superior in mental and power fields, are strongly recommended to enter the group of "simple" workers, because nowadays power of power is hated and despised, and therefore, managers should gently impose their opinions, be open to discussion and constructive critics, in this way employees would recognize their authority thanks to knowledge and ability. Managers and leaders should summarize managerial Threefolding, which are three characteristics, in Culture sphere managers should figure out ways to finance the

firm's life, in Politics realm managers should take on the figure of patrons of workers' equality and rights, in Economics managers should be focused on creating and implementing a strategy proper to firm's characteristics.

As leaders and managers are set in this new thinking style, the organization is equilibrated and ready to present to the world the Threefolding equilibrium. If in the organization is applied Threefolding and its principles, the natural outcome will be a fair workplace, that minimize dismissals of employees (Greening et al,200), as the equilibrated Politics sphere ensures equality of rights; there will be less selfish and unethical behaviours, that can be dangerous for employees and society in general (Margolis et al., 2007), as brotherhood and collectivism are new pivotal values in companies; there will be an increase and an improvement in creation and ideational processes, that will increase production and efficiency, as long as freedom is ensure at any level of the firm.

The tri-articulation can be considered as confirmation of the relationship between Corporate Social Responsibility and Anthroposophic Threefolding. In fact, in the Economics sphere, brotherhood and collectivism prescribe a focus on society and environment. An economy based on this principle is careful to not destroy the delicate equilibrium of company, society and environment, and this principle is also recognized by CSR definition (Green Book of Lisbon, 2001). An example of this vision shared by Threefolding and CSR is fair trade, whose companies are very careful to balance needs and requests of different stakeholders, such as employees, communities, environment (Schmelzer, 2007). In Politics sphere, rights are ensured to everyone, and this right-insurance is also an objective of CSR, as it tries to respect these rights, as the right to work and perceive a fair wage of workers, the right of communities and consumers to buy goods that satisfy needs and to live in a protected and cured environment. In Culture realm, freedom permeates the voluntary-based actions undertaken by CSR firms (Green Book of Lisbon, 2001), freedom of communities and workers to support morally and economically those companies that want to take CSR as a new way to do business.

NEW APPROACH TO BUSINESS ENTITIES

Nowadays, in which global population is growing at a fast pace, and which working population is growing with, organizations have the power to influence many lives due to their decisions. Working conditions, massive production of goods and services, firm's alienation from surrounding community and idolatry of shareholders and their money power are all decisions and factors that are set by organizations and that influence their workers, families and society. The new required sensitivity is central to Corporate Social Responsibility and to Stakeholder theory, and it is described in Steiner's works, in which he highlights responsibilities and rights of any components that form the net of business.

Within Steiner's conferences, he touches often these economic subjects, it must be considered the fact that the majority of conferences were held to the benefit of workers, proletarians and entrepreneurs inside their factories and workplaces. By retracing these ideas down, it is possible to admire these advanced and futuristic ideas, that, as it is displayed soon after, are resumed by modern economists and experts.

CAPITAL

According to Steiner' conception, capital is the cultural slice of economic area and it results from freedom guaranteed by spiritual sphere and ruled by a just State, and it is the key and foremost component that promotes fostering productivity. The cycle of capital (Steiner, 1919a) starts from endowed man that has developed abilities and skills that, transmuted into economic process by application of these abilities as work, produces material-form capital and money, that are transferred to other endowed men that are able to starts again the capital cycle. Capital is the pivot to sustainment of other spheres, because it holds the ability to maintain alive Economics sphere, by financing wages and factories, and to require a vivid Culture sphere, because, without this, men would not be able to imagine and believe in others' ideas, and so anyone would invest and the Capital would become static and unused.

Capital, according to Steiner (1918), is a natural reality and it is not harmful, but now it is always more projected to create margins and profit, in order to acquire a better well-state. The ownership of capital should be collective, like equity and issuing bonds, as well as the use of production means. The entire organism should be regulated by stewards-entrepreneurs (Latis,1944) that look to improve the overall society Well-being,

by distributing part of profit to pay society back, under the form of wages and taxes, and the other part goes to themselves because of their position that requires higher personal capacities and responsibilities (Smit, 1998).

Free circulation of capital gave the birth to Capitalism, and, as it has been first defined, capitalism is *“an economic organization of exchanges, in which basically two different groups of people, the owners of the means of production [capital] ... and the workers with no property, cooperate in a rational process of production, joined by the market.”* (Sombart,1902), and that, intended in a proper way, can be demonstration of the freedom that Steiner promulgated. An economic reason in support of capitalism is that it is never static (Schuman,2012), and thanks to this, it foster innovation and economic dynamism.

However, people require from capitalism to be less prone to financial and consumption meltdowns and to be reformed, in order to not consolidate additional power of who gains from free circulation of capital. Capitalism can be misused because misunderstood and can create social damages, how Anti-capitalists proclaim since ages. In fact, the first controversy to be moved against occidental capitalism is the unfair wealth distribution (Schuman,2012). Slow growth rate of US highlights the mistrust of investors in American-style capitalism (Schuman,2012), and this distrust put limits to capital and benefits that can come from its flow. For this, market society is no more sustainable, defining market society as capitalist market economics that has the power to influence society members' attitudes and political views (Hirschman, 1982). Development and growth have been accompanied by adjectives in order to be considered different but they have the same results (Latouche, 2006). As Tagliente states (nd c), in a healthy organization, the amount of capital is not fundamental in order to sustain a constant and growing development, but fundamental are its periods of ideation and creativity that allow the organization to re build new strategies and advantages during static phases, short or not depending on status of the firm. Moreover, according to Latouche (2006), de-growth, which is not a negative growth, but a slower growth, is suitable for a society in which consumerism dictates that more is good. Latouche (2011) wants to reframe attitudes of society towards of de growth, in fact, de growth arises fear of increased unemployment rate and social welfare programs abandoned because of lower GDP growth. Latouche (2011) wants to stop conceiving growth for growth, or unrestrained research of profits and margins, organizations should be focused on happiness and livability for communities. So capitalism needs to slow its pace and be more focused on

its effects on who benefits and who does not, so by taking responsible actions towards the firm, the society and the environment, like the conception of Corporate Social Responsibility of Hawken (1993), according to whom, responsible use of capital benefits industries, fosters environmental protection and helps society by increasing workplaces.

SHAREHOLDERS AND MANAGERS

Shareholders are defined, according to Latis' conception (1944), as intermediate figures that shares risks even if they do not own fruits of capital, but they are entitled to a share of profits. Anyway, whenever the firm should incur in losses, shareholders would be protected as they would lose only the amount invested. According to Steiner (1921a), shareholders live on the shoulders of workers and their productivity level, however, shareholders can be seen as supporters of Culture sphere, in fact they can donate cultural stimuli to society. According to Sjöström (2010), shareholders would act as precursor of Corporate Social Responsibility, in fact, their participation to social activism influence organizations and make them adopt new standards of social responsibility. According to a study conducted by Wen (2009), the nature of shareholders of today is more prone to social responsible investment (SRI), even if evaluation systems are not adequate and so forth SRI still remains a niche investment decision.

Instead, managers are considered protectors and regents of organization and their aim is to sustain and foster organization's productivity (Latis, 1944). They are defined as creative and innovative, according Schumpeter's model (1934), for this they impersonate Cultural sphere of Steiner Threefolding (1919a), whose overarching principle is freedom in thinking. Managers are considered by Marshall theory (1994) as a unique resources for the firm, thanks to particular and personal responses to external environment changes (Duncan, 1972). Managers are responsible for firm's functioning, and they are accompanied by a Board, whose aim is to advise managers about general deliberations; in fact, managers have the final word about specific and executive decisions (Latis, 1944). According to Latis (1944), managers should be in love with their tasks and job, in order to be fully concentrated on the wellness of organization. According to Stewart (1967), instead, managers' aim is to get things done with aid of resources and other people, so they supervise others' actions and report data and projects' information to Board of Directors. According to Mintzberg (1973), managers

have different roles that are the base of organization's functionality, as role of monitoring, role of leader to motivate workforce, entrepreneurship, resource allocator. According to this model, managers are in charge to supervise every aspects of the firm and they must be able to award efforts of workers and to take corrective actions when needed. Because of these pressing tasks, managerial job requires a great level of responsibility and success, for this wages are higher and integrated with incentives, in order to compensate higher responsibilities (Latis, 1944), and to motivate to reach always higher objectives (Locke, Latham, 2002).

WORK AND WORKERS

Economic definition of work says that work is a source of purchasing power, thanks to its characteristic of being paid (Gill, 1999). The only side effect of work, by economic definition (Gill, 1999), is the loss of leisure time, which is considered one of the decisive factor for the growth of voluntary unemployment (Blanchard, 2003). However, sociologically speaking, work is a determinant for income, for social status and for life chances, it has been evidenced how loss of job can induce to a psychological suffering and discomfort (Gill, 1999), as work has become central to economic and to society (Jahoda, 1982). According to Steiner (1921b), work represents Politics realm as it rules relationship between men, moreover, work embodies Economic realm and its overarching principle, which is brotherhood and collectivism (Steiner, 1919b). Work, in fact, became always more specialized, for this, it requires more and more men to work together in order to create something valuable, so forth brotherhood and collectivism become essential for economic processes and realm (Steiner, 1922). However, according to Archiati (2005), employer pays the result of work but not work itself, because economics is based on products and, so forth, work does not have an economic value.

Human work, even if treated as commodity, is completely different. This treatment implies that men's capacities are commodities too, and, in consequence, that men are depersonalized commodities (Dahlin, 2010). Businesses are exploiting as commodities men and their relationships in an utilitarian way (Latouche, 2006) (Steiner, 1919b). For this, workers do not give all their efforts in jobs, as wages are proportional to resulting products and not on efforts and commitment (Steiner, 1922), so forth, many of the human abilities are withheld and not let them circulated in Threefold society. There is need to motivate workers in order to make their capabilities flow in goods. According to

Latis (1944), a first step should be a fair and lawful wage, then it should integrate base wage with a percentage of the profits, as worker is co-author of profits and revenues; then it should be given an extra for having provided human capital or other sources of capital. The principal aim is to give the possibility to workers to become savers, and, possible future investors.

As CSR implies, and Stakeholder theory states, workers must be taken into account as fundamental organism for survival, and existence, of organization. Managers and employers must take proper actions in the Inside layer, which includes workers' rights and their health and security. For this, it has to be ensured a suitable workplace where workers do not feel uncomfortable or exposed to danger (Herzberg, 1959). Workers need to have fair and lawful wages, that permit them to live a decent life (see also Van Parijs, 2001). Moreover, workers need to be motivated in order to perceive themselves as essentials and to be more efficient and effective at work, so their needs must be satisfied as according to McClelland (1987) and their achievements rewarded according to Purcell's model of reward (1993). In this way, by focusing more on workers and their psychological and human growth, firms can fairly treat workers.

GOODS

Consumer goods are defined as tangible commodities purchased by households that satisfy their needs and wants, as according to Maslow (1943). According to Latouche (2010), economy should be a substantial economy, it means that goods should be meant only as tools to satisfy man's basic needs, without reaching overabundance of goods. According to Threefolding theory (Steiner, 1921a), Economic realm groups relationship between men based on exchange of goods, and these are defined, according to Steinerian view (Montelatici, Vinci, 2012), as economic goods that can fulfill Culture sphere (Steiner, 1921b) of men and that, in the moment in which satisfaction of needs requires commodities, they enter the market, and, when commodities satisfy needs and wants, they become goods. Steiner (1921a) differentiates typologies of goods, in fact, there are tangible goods, created by physical work, and intangible goods, which are generated by thinking and imagination. He inquires on their values, and he states that the value of tangible goods is countable by how much work flows in goods, and the value of intangible goods is how much work goods save to owner. However, as Archiati states (2005), value of goods are defined by real demand of buyers, that put an economic value on goods, and it is not defined by producer's work or capital. Likewise,

according to Menger (1981), goods have their values not because of the labor required to produce them, but only because goods can satisfy needs and wants of buyers. This value definition has changed, in Menger (1981), also the definition of value of labor, which is now in function of the ability to produce satisfying goods, and this creates theory of Derived Demand. From this good value definition (Menger, 1981), firms and organizations need a time break in order to understand what to produce and what to sell, instead that pausing and wondering how to produce. According to Tagliente (nd c), even crisis can be beneficial for this purpose, in fact organizations need to listen to what men really need and want, following Maslow hierarchy (1943), only answering to this question firms would be able to survive this crisis (Tagliente, nd c).

According to finding of annual Global Green Brands Study (2011), buyers and consumers are more and more keen on how goods are produced and how their production influence the environment, especially because consumers have a better understanding about Corporate Social Responsibility of firms and environmental risks, causes and remedies, and do judicious choices for food, household products and personal care, and now they are starting to compensate higher costs with lower environmental impact durable products, as automobile sectors, and green technology.

COMMUNITY

Communities have been investigated, in sociological terms, and divided between two kinds of human relations, according to Tönnies (2002). Communities, from German *Gemeinschaft*, indicate a cohesive and tight relationships between members, for example can be family, in which members share a common will; instead, associations, from German translation of *Gesellschaft*, represent a group of members that are united by self-interest and self-actualization. Moreover, thanks to McMillan and Chavis (1986), communities are defined as sense of belongingness among the members, based on four factors, which are identified by researchers as membership, influence on and by the group, fulfillment of needs and emotional connection. McMillan (1996) further revisits Sense of Community theory (McMillan, Chaviss, 1986), and he renames the four factors as Spirit, Trust, Trade and Art. Always starting from definition of community as a sense of belongingness, McMillan now sees community as a feeling to stay together, which is Spirit and then was membership, trust in the structure of the community, which was influence, a trade among benefits of staying together and a new born economics thanks to alive community and a trustful structure, and it was identified

by fulfillment of needs, and then emotional connection is now Art and that groups members' history and experiences. According to Steiner (1921b), however, community and collectivism should not overwhelm sense of individuality, so, in Threefolding terms, Economic sphere and its principle of collectivism should not prevaricate Culture sphere and its principle of freedom, which is expressed by individual personality. So forth, community should be based on strong and genuine human relationship, which, however, is not taken into account by organizations, that often lessen the importance of convivial social relations (Latouche, 2006) and for this they miss the base for their operations.

However, this lack of human contact between community and organizations is going to be less present, and this thanks to Corporate Social Responsible firms, that have as aims to actively communicate their actions and their efforts towards social issues with communities. According to Ethical Corporation (2011), 69% of surveyed corporations have studied social and economic impact of their operations on community, the impact of good behavior of business is measured by economic livelihoods of community and by job creation power of the firm. Furthermore, surveyed firms say that they want to build reputation thanks to CSR programs and 62% of firms want to effectively communicate with stakeholders about beneficial impact of operations. This study highlights how nowadays corporations are more careful of their processes not only at environmental level but also at social and community level.

ANALYSIS OF “NEW BUSINESS”

It is going to show how theories that have been presented as far as now and how they have been applied in successful organizations.

A good CSR can be observed in Johnson & Johnson case, in which, thanks to its focus on external and internal stakeholders, it is possible to highlight the benefits of an efficient CSR program. Johnson & Johnson, even if it has not adopted Threefold view based on Steiner’ work, has, undoubtedly, a proposition of its operations and towards stakeholders which is near to Steiner’s philosophy. In fact, Johnson & Johnson believes in the brotherhood and collectivistic principle linked to Economics realm. Johnson & Johnson tends to share its good fate, so good profits and good reputation, with other involved parts, as employees that benefit of health insurances, as society that are addressed philanthropic actions to, and as environment to which is reserved special attention.

Social business, then, is the case in which social engagement and Social Threefolding are united to pursue important social issues that oppress a large share of global population, poverty and inequalities. In fact, by fostering economics, through microcredit, it can help to improve Culture realm, which is education of kids, that again fosters economic processes, and gives equality and opportunities to society, thanks to economic and social status equalities, as prescribed by Politics realm.

Then, it is analyzed an anthroposophic-born organization, which is Weleda. The firm juggles between social responsibility, by using fair trade partners and biological raw materials, and anthroposophic meaning of organization’s structure, as helping mothers and one-parent family with the opening of firm’s kindergarten, and in general helping at maintaining an equilibrium among different, but fundamental, factors of a man’s life. At the end, there is shown a practical implementation of Social Threefolding within a German firm, Wala. In Wala case, independency and coexistence of Threefold realms are successful implemented, and this makes Wala case a business case, useful to take it as a guide for other responsible organizations.

JOHNSON & JOHNSON

Johnson & Johnson is an American multinational organization established in 1886 and comprehends numerous brands related to medical aid, personal care products and medical devices. Johnson & Johnson has 250 subsidiary companies in over 57

countries, and its products are sold in 175 countries. Johnson & Johnson gives jobs to almost 118000 employees around the world.

Its credo was crafted by Robert Wood Johnson II in 1943, and it incorporates principles of Corporate Social Responsibility, even before the first theories about aim of firms have been formulated (Carroll, 1979). Johnson & Johnson believes that credo is the base for a successful company strategy. Credo was updated in 70s, and it was modernized thanks to meetings in which executives challenged the values of 1943 credo and formed new values. At the same time, meetings were a tools for spreading these new values over the company.

Principal objective that Johnson & Johnson pursues is community and stakeholder well being. Credo states that Johnson & Johnson is responsible to its clients, “*doctors, nurses, patients, suppliers, customers, employees, communities and stockholders*“(Johnson & Johnson Credo). Johnson & Johnson encourages improvements in health and education, always protecting environment and natural resources.

Furthermore, Johnson & Johnson references to sustainability in holistic term, including social, environmental and economic sustainability of operations. For this, Johnson & Johnson is ranked at number one of Corporate Social Responsibility Index, gaining a score of 82.67 out of hundred. Study (Johnson & Johnson Again Ranked Tops for CSR, 2010), conducted by Boston College Center and Reputation Institute and based on a survey conducted in January and February 2010 on 77190 American consumers, analyzed public perception of American companies and their social impact, Corporate Citizenship (Logsdon, Wood, 2002), ethics, transparency and workplace practices.. This primacy of Johnson & Johnson gives prestige to socially addressed programs and it highlights the careful eye that Johnson & Johnson reserve to society.

CSR programs embrace all the aspects that have been investigated in this thesis. Environment, first of all, has been, since 1993, a principal goal for Johnson & Johnson, the organization, in fact, tries to reduce toxic emissions, reduce pollution and it tries to reach healthy planet goals. Johnson and Johnson is proud to have met the pre established goals and sometimes even exceeding them. Moreover, Johnson and Johnson every five years set up new goals to meet in environmental protection. As it has been

shown, environmental protection is for Johnson and Johnson a reason of good reputation among its consumers and a cause of primacy over worldwide competitors.

In the Credo, there is explicitly referenced by Johnson and Johnson its commitment to its employees. Johnson and Johnson pursues to respect employees and to award their merits, it ensures protection at work with human and decent working conditions. Organization is constructed around employees and their responsibility towards their families, also thanks to fair and adequate compensation and to possibilities of personal and working growth. The success of Johnson and Johnson is commitment and dedication of its employees, for this, Johnson and Johnson cares to provide to its employees with personal and families health programs, developed career paths and balance between families and work. This carefulness toward its employees is represented also in Johnson and Johnson benefit programs, that give a further motive to attract and retain the best workforce (Greening, Turban, 2000). The attention toward employees as men is the aspect that Steiner (1921b) describes. In his lectures, Steiner makes clear the need to stop consider workforce as mere instruments and as valueless commodities. The providing of instruments and possibilities, that allow men to evolve and develop themselves, is what Steiner (1919b) predicates and what Johnson & Johnson does.

Johnson and Johnson takes responsibility also towards stockholders and the creation of value, that make possible the investment in research and fostering innovation with benefits of consumers and society. Here, Johnson & Johnson puts in place a good example of coexistence of Economics realm and Culture sphere. Thanks to economic process that creates capital, the cultural aspects of the organization, that could be research, ideation and development of an idea, are fostered and spurred. As Steiner dictates (1919a), and as Johnson & Johnson does, the two spheres coexist but they do not overwhelm one the other, maintaining independency of the spheres.

Furthermore, Johnson and Johnson is responsible toward communities where it works and where employees live. Johnson and Johnson feels responsible for supporting good citizen actions from both sides of organization and communities. So forth, Johnson and Johnson implements policies and conducts aimed at fostering ethical decisions and behaviors among its employees and neighbors.

An example of responsibility and conscious business of Johnson and Johnson is withdrawal of Tylenol in 1986 (Johnson & Johnson and Tylenol,nd), when some deaths were assessed to be caused by Johnson and Johnson's drug Tylenol.. The drug in 80s ruled the U.S. analgesic market with 35% of market share and it counted almost 15% of Johnson and Johnson's profit. The ready crisis management stemmed scared consumers and over 1 billion of dollar of value loss. Johnson and Johnson solved the problem by recall every package of Tylenol and promised to release new Tylenol only after having improved product protection. Johnson and Johnson, in this way, was able to contain and reestablish trust of consumers. In fact, within five months from Tylenol crisis, Johnson and Johnson recovered 70% of drug market share. Moreover, it has been showed by studies that many consumers, reassured by quick and efficient actions taken by Johnson and Johnson, switched from other painkiller drugs to Tylenol. This fostered again trust and faith in the strong sense of social responsibility of the organization; in this way, losses incurred because of withdrawal and re-packaging were recovered by future revenues. This demonstration of efficient and fast-response crisis management supported by CSR, implemented at Johnson and Johnson since then, made it one of the largest and financially strongest organization.

SOCIAL BUSINESS

Nowadays, Social Businesses are defined those companies that have a Facebook page or Twitter account. However, this is a restricted definition, because social business should be considered as an organizational culture based on collaboration and community sense. According to IBM (Social Business, 2012), there are three main characteristics that define a social business, the first is engagement, which is a deep connection between firms and people, directly involved in operations, in order to integrate their efforts in a productive way; then, there is transparency of information, this increases cohesion within the firm; and, finally, nimbleness able to anticipate external opportunities and to response to threats.

However, social business has a deeper economic and social meaning. Social business was defined by Professor Yunus (2008). According to his definition, social business is a non-loss and non-dividend firm whose aim is to address and to be responsive to social issues, as poverty and malnutrition. The particularity of Yunus' social business is its mission and aim, which is not growing value shared between shareholders, but the improvement of social status. Thanks to its economic property, business is able to create

profit and to self-sustain; in fact, first, it pays back to investors the initial investment without further interest payments, and, then, with revenues, the firm is fully able to pursue its social objective.

Prof. Yunus describes some principles that define a social business and that social business should follow. First of all, social business' aim is to defeat poverty or, at least, propose solutions to this social problem; as said before, profit maximization is not an objective of the firm, so forth, investors have no claim for dividends, but only for initial invested sum; furthermore, profits generated after investors' payments is exclusively used for improvement and enlargement of the business; a social business is both socially and environmental responsible; workers are entitled to receive market level wages and to have human and decent working conditions; and, last advice, it needs to run the business with joy, as also Tagliente states (nd c).

Yunus (2008) finds two mainstream models, the former is focused on providing product or service with a specific social or environmental objective; the latter is a new concept of profit-oriented business, which is owned by poor people and that can benefit other poor persons.

There is, in business, an example of anti-social organization and strategy. Nestlè Corporation, for years, hired nurses in Africa that would have been promoting its infant formula. However, the powdered milk needs clean water, that in Africa is not available, this unethical marketing strategy brings many children to illness. This story can be analyzed under two forms of business thinking; according to Friedman (1970), profit-maximizing objective pursued by Nestlè Corp. was right and perfectly economically justified; according to Prof. Yunus (2008), this practice is counterproductive in social terms, in fact, children come in second place after profits.

Other story for Grameen Danone (Yunus, 2009), which is a social business, and whose objective is defeating malnutrition in Bangladesh. Its business plan is around the commercialization of nutrient enriched foods at an affordable price, in order to allow also the poorest children and families to get an healthy nutrition. Grameen Danone, being a non-dividend social business, measures its own success not on the basis of stock value or generated profit, but on the basis of how many children are out of malnutrition within a year, so its success is the approaching of business' mission.

Moreover, Prof. Yunus is the creator and supporter of microcredit and he founded, in 1976, the first microcredit institution, Grameen Bank, in Bangladesh. Microcredit has as

objective the providing of economic and financial tools to persons otherwise excluded by traditional bank system. Microcredit philosophy believes in capacity of the poor and the disadvantaged, for this, microcredit institutions have flourished in many underprivileged parts of the world, as Africa, Mexico and India. Even if also in the world of microcredit and poor friendly institutions there are and were some scandals and accuse of personal advantages on the part of bank directors and supporters of microcredit (Drake, 2002), numbers support Grameen Bank operations and social impact, in fact, according to Yunus (2009), the bank has 8 million borrowers, and 97% of these are women that started a business thanks to microfinance. Yunus' founding belief of microcredit bank is that the poor has skills and abilities that, unfortunately, cannot be expressed because of lack of trust in this category on the behalf of traditional profit-seeking banks. Credit must be considered a human right and not a privilege, the binding connection between lender and borrowers is trust in not creditworthy persons and in their businesses that constitute principal source of sustainment of poor families. Grameen Bank's clients are women, the poor and the beggars, that start business and, according to Yunus (2009), thanks to microcredit over 18% of beggars that received a loan stopped to beggar and became small entrepreneurs.

Furthermore, social business and microcredit can be considered according to Social Threefolding principles of Steiner; as according to Perlas (2005), in fact, fostering economic stability among society, ruled by Politics sphere's principle of equality, can bring cultural initiatives and improvements to almost everyone. Grameen Bank encourages education of children and kids, and more than 42000 students can afford medical and engineering schools thanks to microfinance (Yunus, 2009).

Microfinance philosophy overspread also in the richest countries, as America and Europe, to help further poor people that in rich countries feel more pressure and have less opportunity of social redemption.

According to Perlas (2009), there is a new trend concerned to microfinance, which is strategic microfinance. This trend has been developed first in Philippine, and it represents a creative response to the social issues, as poverty, malnutrition and illiteracy. Strategic microcredit is used to finance both economic and cultural projects; however, there must be carefulness in not making Economics and Culture spheres overlap, and in maintaining always independent the spheres and their principles.

As seen, social business can be the sum of social responsibility and social Threefolding as expressed by Steiner (1921a), and can be implemented in order to reach social and environmental goals and to give a new humanity to men.

WELEDA

Weleda is a multinational organization that produces natural personal care and pharmaceutical products. In 1922, Rudolf Steiner and physician Ida Wegman founded Weleda, based on human Threefolding, with the intention to establish a softer and wiser approach to medicine, this effort created anthroposophic medicine. Weleda is one of the most known provider of anthroposophic drugs and natural cosmetics, it counts almost 2000 employees worldwide. Weleda collaborates with 20 direct subsidiaries and it has partnerships in 53 countries.

The growth that Weleda joined during 80s and early of 90s have been stopped by increasing regulations in Germany started in 1993. These stopped demand for anthroposophic drugs, because of an increasing in prices and shock from consumers' side. However, Weleda responded well and efficiently to governmental shocks by cutting its offered medicines and by improving processes. Moreover, Weleda launched a money market fund in 1998 through a German ethical investment bank. This increased Weleda capital to 10 million euro in 2005, just by having grouped ethical and responsible investors. At this point, Weleda could be profitable again also on the medicine side and it expanded its medical market and processing capacity, that has been essential for increasing product lines to offer to consumers.

Weleda's mission is to maintain human beings healthy, by providing products that satisfy human needs at three levels, psychological, physical and social level. Its efforts are dedicated to satisfaction of those consumers that choose to heal in a responsible and natural way . Weleda's values are founded on respect, love and responsibility toward nature and man, and, for this, it can be considered one of the first socially responsible organizations.

Indeed, Weleda's sustainability is shown by its operations and decisions about raw materials, that are plants grown using biodynamic methods, described by Steiner (1924), and that come from fair trade partners. Company undertakes programs of education of suppliers, farmers, physicians, pharmacists and consumers. Weleda certifies that its products are not tested on animals, and that are used strict and modern quality controls. Weleda uses 80% of raw material coming from biological farming and

fair trade organizations. This commitment, in the short run, can be an expensive choice, however, thanks to medium term contracts that ensure price stability, quality materials and protection from market speculation, biological products can be the good choice in economic terms. In order to respect the environment, Weleda uses green energy, in fact, it has sponsored the building of a warming system functioning with the scraps of woods near its factory in Switzerland. Consequently, CO₂ are expected to decrease of about 120 tons.

A part from a strong engagement with environment protection., Weleda, according to its values, has care toward its employees. For example, Weleda France opens a kindergarten for employees' children. In this way, Weleda fosters equilibrium between daily life and work that can be hard to find and maintain.

Weleda tries to improve stakeholder communication through informative events, sustainability reports, website and Weleda Journal distributed world widely. Stakeholder engagement pursues to spread the concept of sustainability and responsibility among consumers, suppliers and partners.

Even if Weleda is running a hard financial year (Weleda, Annual and Sustainability Report, 2011), it is one of the more visible natural product organization in the world, it received many awards by critics, consumers and agencies for ethics certification.

Weleda, in the end, is meant to represent how a sustainable, threefold and responsible organization can run operations and strategies, and can provide quality products and increase its researches and investment in development of new product lines.

WALA

Wala is founded in 1935 by Dr. Rudolf Hauschka (1891-1969), stimulated by Steiner's conferences and debates. It employs 700 employees and exports pharmaceutical and natural personal care products to more than 30 countries.

Its culture is permeated by a strong sense of social responsibility, in fact, it promotes and finances biodynamic farming method at global level. Moreover, it has a social engagement, based on the respect of needs of families and on the sharing among employees of firm's profits.

Also on the environment side, Wala has a strong sense of responsibility toward environment and natural resources. It takes careful actions in order to protect the environment, reduce pollution and save also economic sources. Furthermore, these save-environment practices are taught to Wala employees, in order to spread the

knowledge. An eco-sustainable management ensures also an high natural product quality. This is possible thanks to founding belief according to which Earth is a complex organism made of different cycles that form a constant system. The Earth philosophy is mirror to Threefolding doctrine, which prescribes many parts that live in equilibrium and form a complex system.

Wala's values are concerned with people and profits. In fact, employees are the hearth of all activities and processes, and profits are considered to be a tool to reach Wala's mission, which is to provide Wala anthroposophic products to men that need them. Wala respects the dictate of Social Threefolding, according to which, the three realms of Economics, Culture and Politics, must be kept separated and independent, but, at the same time, all three must be work and live together harmoniously. For this, it was established in 1986 Wala Stiftung. Wala Foundation's tasks is to be guardian of Wala ideas and to promote Wala development and the development of Wala employees. Wala Foundation is a limited liability company and it is the unique shareholder of Wala. This active role allows to re-invest in Wala the profits earned by Wala itself and to distribute profits to employees, according to a special pension-fund like program. The only objective of the Foundation is to preserve Wala philosophy and to foster a profitable development.

As according to Latis (1944), managers and members of Foundation receive a fair remuneration according to their tasks, what remains of profits is reinvested in society capital. Capital is the spiritual and cultural part of Economics sphere, so forth, capital is free by any liabilities or by other restrictions. Capital should be passed on from endowed people to other endowed persons. For this, society capital of Wala Foundation cannot be passed as heritage because of blood linkages, but the part of society capital must be attributed to who has skills and abilities so particular to pursue aims of Wala. Participation model, which describes the sharing of remained profits among employees, is derived from Wala's belief in Steiner's words: "*The welfare of a group of people working together is all the greater when each person does not keep the fruits of his achievements for himself, i.e. when each person shares the fruits of his achievements with his colleagues, and when his own needs are not satisfied by his own achievements but by those of others.*" (Steiner, 1905). This belief and the consequent engagement of Wala toward employees gives to the organization a human stability and brotherhood that makes the force of Wala.

In conclusion, Social Threefolding and numerous doctrines of Steiner are at the base of Wala. Economic brotherhood, Culture freedom and Politic equality are principles that are alive in Wala. The distinction of tasks of Wala and Wala Foundation expresses the independency of realms, but, at the same time, the coexistence of Wala, as economic aspect of Economics sphere, as production and commercialization, and Wala Foundation, as cultural and politic aspects of Economic sphere, as capital administration and management, represents the principle of Social Threefolding. At the end, Wala considers itself as pursuing a cultural mission rather than a profit-oriented business, and the cultural mission is express in this sentence,

“Wala has been developing natural products since as far back as 1935. In the earliest days of its history, the company was a pioneering force in a society that had all but lost touch with natural products. Today, more than 70 years later, it is increasingly evident that the natural approach may be the only one that can lead us to the future. For Wala, this was always the natural choice”

(Wala)

CONCLUSION

Until here, it have been discussed numerous theories regarding new perspectives about organizations. The principal hypothesis from where this thesis moves forward is that Social Threefolding, theorized by Rudolf Steiner (1919b, 1921a), can be a more enlarged vision through which it is possible conceptualize Corporate Social Responsibility.

Corporate Social Responsibility has been deeply analyzed and discussed in economic literature, however, there is always two contrasting mindsets about firm's objective. The first one is headed by Friedman and his hard position toward business' range of action; Friedman (1970) is sure that aim of organization is to make profits and increase value for shareholders. Any other objective is not included in the Do's list of business. On the other side, there is Carroll (1979), who is the first to theorize four different levels of action of the firm; and then, there is one of the most comprehensive definition of CSR given by European Commission (2001), according to it, CSR is a voluntary integration of involved firm with social and environmental issues within its activities and an active relationship with stakeholders. At the end, even if most of organizations nowadays have assumed a responsible attitude towards society and environment, there are still some shadow areas in which the border between social and environmental benefits and organization's survival is not marked.

Economical benefits have been assessed by studies and analyzed in "CSR as factor of competitiveness", in which it has been demonstrated how CSR can be considered as a factor of competitive advantage (Post et al, 2002). CSR is based on efficient and good relationship with stakeholders, and how the organization, been exposed to unique external and internal stimuli, creates a unique strategy.

In order to reach and enjoy social and environmental benefits, the organization has to demonstrate to all its parts, employees, suppliers and consumers, that it has an ethical and responsible attitude toward its aims applicable to any processes and decisions.

In order to gain benefits, the organization needs to build a strong and efficient communicative way to stakeholders. Thanks to Freeman (1984), stakeholder theory became in those years more and more understood and implemented by organizations. According Ansoff (1965) and to Ackoff (1970), firm should recognize the importance

of other factors at the base of survival than just profit and market value, and it should identify the classes of stakeholders and understand their needs and expectations. The organization must integrate in its strategy all external factors coming from linkages with stakeholders.

In third chapter, Social Threefolding is explained in terms applied to organizations and their functions. Steiner (1921a) and Archiati (2005) say that any disequilibrium can be attributable to overlaps and lack of independency of the three realms that form Threefolding. After having divided organization' functions and chart, there should be reestablished an equilibrium and an independency among the different realm overarching principles.

Up to now, stakeholder theory (Freeman, 1984) can be considered an improvement to CSR. Stakeholder theory highlights those individuals that CSR labels as social issues. Social issues are all those persons that have interests and cultivate expectations towards the firm, as expressed by Freeman theory (1984). Also Carroll (1991) expresses his support toward Stakeholder theory as complementary to CSR, since that, the specification of social groups can make CSR more appropriate and more suitable to be implemented by organizations.

Further explanation that gives right to CSR is Social Threefolding. This theory (Steiner, 1919b) explains deeply the reasons of a holistic approach to organizations. Social Threefolding prescribes that attention should be addressed foremost to individuals which are at the base of organization's life. As CSR dictates, organization must address efforts to social issues, explained by Stakeholder theory (Freeman, 1984) as numerous groups of influencing and influenced by organization's operations. It is possible to note that all three theories, CSR, Stakeholder theory and Social Threefolding, are concatenated one the other, one represents a better and improved version of the other. Premising that CSR has been a break-even point in how to run a business, CSR still needs improvements and a better equilibrium.

Stakeholder theory is presented as a specification of CSR social issues. Without Freeman's theory (1984), CSR could have had a different meaning and numerous different implementation ways, not all right, but not all wrong. In fact, how could CSR have addressed its social programs, without have defined properly a society who refers

to? How could an organization have brought benefits, if it did not know what social groups were asking and expecting?

Stakeholder theory comes in action in order to give an answer to organizations who are seeking to define social issues. But, Stakeholder theory does not provide the organizations of advices to face stakeholders' needs and expectations and to pursue, at the same time, their objectives of economic success.

Here, Social Threefolding can make the difference between CSR organization and a Threefold organization. Stating that nowadays almost every organization implements at some level CSR programs, Social Threefolding can give a push to organization at three levels, social, economic and human. As seen in Weleda and Wala examples, Social Threefolding tends to be more focused on human side of organizations.

According to Greening et al. (2000), CSR is cause of attracting and retaining the best workers. This is not enough, workers need to feel at centre of organizations' processes, so they need practical programs and attentions toward them, as work hours that allow a balance between work and family, as participation to profit that workers have created and that now can enjoy. This carefulness is the base of Anthroposophy and still central in Social Threefolding, man is a Threefold being, for this, life must contain aspects that do not overlap or threat the existence of the others.

The actual improvement of CSR thanks to Social Threefolding is equilibrium in and out the firm. Organizations belong first of all to Economics sphere and its principle of brotherhood (Steiner,1922). Organizations must stay in economic practices and field, they should not assume the role of social stabilizer or environmental lover.

Organizations must find an equilibrium in these spheres, so pursuing an economic result, reducing environmental impact and improving society's well-being and culture.

In any decision and actions, organizations must balance the threefold vision of man, firm and society. CSR, due to its marketing power, tends to put one aspect at the service of profits. Cause related marketing takes advantage of unprivileged or in trouble parts of society in order to increase organization's welfare, economic and reputational. This means give supremacy to the Economics sphere over Politics, in which any one should be equal, and over Culture sphere, in which there is freedom to choice without being forced by promises of future philanthropy.

Under Social Threefolding, the organizations should have as company's objectives a mix of the spheres. Neither economic profits (Friedman, 1970), neither social well-being, neither just environmental objectives should be the only concern of firms. But, being responsible and threefold is the right way to reach an equilibrium among the three important goals. Set the goals, according to Social Threefolding, it is the same to start from a sphere or another, because the three spheres should have the same importance. What is important is to assume a threefold view toward CSR and asking the right questions in order to reach unique answers suitable for unique situations, because the concept of Social Threefolding is not useful for who is seeking a well-grounded answer (Strawe, 2001), but for who is available to do the right questions.

What is a men' organization, if not an alive entity in which everyone shares a big part of his life?

How can men be structured within organizational chart in order to realize their existential projects and at the same time the existential projects of the organization?

“During life you make the biggest mistakes not because you prospect wrong solutions (these are generally utopias) but rather because questions are set incorrectly, not prospecting them based on true observation and knowledge of life. It seems to me that the most important problem of economic life is constituted today from asking questions in the right way and from building life in such a way that does not give us theoretical answers but in a way that life itself and human and historical reality give us the answer to the well posed questions.”

(Steiner, 1921b:32)

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