CSR governance innovation: standard competition-collaboration dynamic

Laura Albareda

Laura Albareda is Assistant Professor of Strategy in the Department of Strategy, Deusto Business School, Bilbao, Spain.

Abstract

Purpose – *This paper presents an analytical framework to understand the complex CSR accountability standard architecture, studying the CSR standardization cycle through the organizational studies perspective. It has two main aims: to discuss the theoretical approach to CSR governance, proposing a matrix to classify international CSR accountability standards; and to study the CSR multi-industry standardization cycle (setting and design, diffusion and implementation), creating an analytical framework to understand the innovative dynamics adopted through CSR standard-setting.*

Design/methodology/approach – *The paper is based on empirical research on global CSR multi-industry standards and the emergence of a regulatory dynamic based on competition-collaboration. The paper's arguments stem from a case study of the Global Reporting Initiative and its inter-linkage and convergence with the UN Global Compact and ISO 26000. The author analyzes this case based on the global governance and institutional dynamics of regulation research.*

Findings – *Based on the study of CSR standards, the paper presents an analytical framework with various elements to analyze CSR accountability standards: scope, type of actors, performance type and mechanisms and type of legitimacy and monitoring strategies. Second, the paper advances the study of emerging inter-linkages between GRI, UNGC and ISO 26000 and analyzes the emergence of a meta-standardization process generated by the competition-collaboration dynamic.*

Research limitations/implications – *Further research is needed to focus on the role of agency and different stakeholders on the meta-standardization process. Other research has to focus on the institutional logic and the multi-level analysis of the convergence between CSR standards and the self-regulation advanced process. In this respect, this research serves to demonstrate the leading innovative role adopted by private actors (mostly companies) in developing private standard setting for global governance.*

Originality/value – *The value of this paper is its analysis of the main convergence dynamic adopted by the most popular, global-scope CSR multi-industry standards, GRI, UNGC and ISO 26000. The findings show how this standardization cycle helps a new collaborative governance dynamic to emerge based on the adoption of private standard-setting. The paper is also useful for practitioners, helping them understand the growing convergence among CSR multi-industry standards, and how the convergence of sustainability reporting processes is advancing towards the integration and drafting of homogeneous guidelines with the prevalence of the GRI model.*

Keywords *Governance, corporate social responsibility, Sustainability, Institutional dynamics, Standard-setting, Standardization cycle*

Paper type *Research paper*

Introduction

Over the past several decades, we have seen how a series of global CSR international accountability standards have emerged within the context of global corporate sustainability and responsibility (CSR)[1], creating what Waddock (2008) identifies as a ''new institutional global CSR infrastructure.'' Among these standards, there are a set of multi-industry standards with a global scope (Jamali, 2010): the UN Global Compact (UNGC), the Global Reporting Initiative (GRI), ISO 26000, SA8000, the Ethical Trading Initiative, the AA1000 standards series, and the Carbon Disclosure Project. These standards are global in scope because they can be applied to a wide range of industries and across different organizations and markets (Gilbert *et al.*, 2011). In addition to these, we also find industry-specific standards applied to concrete markets or industries, such as the Equator Principles, the Rainforest Alliance, the Extractive Industry Transparency Initiative, and the International Cocoa Initiative, among many others. There are many examples in different industries such as the coffee, cocoa, textile, banking, forestry, marine and agricultural industries, to name just a few (Leipziger and Webb, 2007; Reinecke *et al.*, 2012).

The increase in this multiplicity of CSR standards has led to what we call ''CSR governance''. The latter is based on the development of standards that define specific procedures and processes to govern corporate performance in areas such as human rights, labor standards, environmental practices, anti-corruption activities, responsible investment, stakeholder engagement and responsible supply chain management, among others (Jamali, 2010; Rasche, 2010). Most CSR standards are based on the adoption of a set of repeated rules and guidelines that aim to ensure that corporate activities and processes apply an optimal degree of corporate sustainability and responsibility policies and practices (Gilbert *et al.*, 2011). These standards are re-ordering the corporate sustainability and responsibility transnational sphere, promoting corporate soft-regulatory frameworks (Albareda, 2010; Haufler, 2001, 2006; Djelic and Sahlin Andersson, 2006a; Gilbert *et al.*, 2011) and developing an organizational framework for sustainable business.

In the last few years, scholars have been drawn to the study of standardization processes within the transnational context. Part of this attention has occurred in different disciplines, including the global governance and rule-making and organizational studies fields. In the organizational analysis field, part of the attention has focused on institutional dynamics regarding the standards' regulation (Djelic and Sahlin Andersson, 2006a), while others have adopted an institutional theory approach (Botzem and Dobusch, 2012; Brunsson *et al.*, 2012; Campbell, 2004; Etzion and Ferraro, 2010; Jamali, 2010). During the last few years there has also been a significant volume of research focusing on the study of CSR standards themselves and the institutional logic approach (Etzion and Ferraro, 2010; Gilbert *et al.*, 2011; Jamali, 2010, Rasche, 2010; Slager *et al.*, 2012).

Within this context, our research aims to advance the analysis of institutionalization dynamics among CSR standards. We base our arguments on the institutional dynamics of regulation (Djelic and Sahlin-Andersson, 2006a). This focus centers on studying processes such as standard-setting, and their design, dissemination, adoption and implementation (Brunsson *et al.*, 2012). The study of these processes is based on the standardization cycle (Botzem and Dobusch, 2012).

Bearing in mind the standardization cycle (Brunsson *et al.*, 2012) described in the literature, our research focuses on the analysis of institutionalization processes regarding global-scope CSR multi-industry standards. Specifically, our empirical research analyzes the convergence and collaboration processes established between the Global Reporting Initiative (GRI), the UN Global Compact (UNGC), and ISO 26000.

Our research reveals the emergence of an advanced process of revision, improvement and efficiency of the standards. The result of this process is a convergence strategy between the three standards based on the development of an institutional competition-collaboration dynamic. We aim to understand how this competitive-collaborative dynamic works and how the emerging institutional logics are being defined. Rasche (2010) called this convergence ''collaborative governance''. As a result, this paper argues how GRI, UNGC and ISO 26000 have generated a ''convergence logic''. This in turn allows us to examine the emerging ''CSR governance dynamic'', which helps us understand the political nature of the CSR standardization cycle, and the impact of corporate self-regulation as a governance innovative practice adopted by CSR standards, based on improving the efficiency of business reporting practices.

This paper consists of four main sections. First, we provide a definition of CSR governance and present an analytical framework and matrix to classify and understand the different CSR standards. Second, we analyze a case study to understand GRI's specific standardization cycle and the competition-collaboration convergence between GRI, UNGC and ISO 26000. Third, we discuss the main findings of our case study. Finally, we propose a conceptual framework that aims to analyze the logic of this convergence among global-scope CSR multi-industry standards, the objective being to promote dialogue on future research dedicated to CSR governance.

Corporate sustainability and responsibility governance

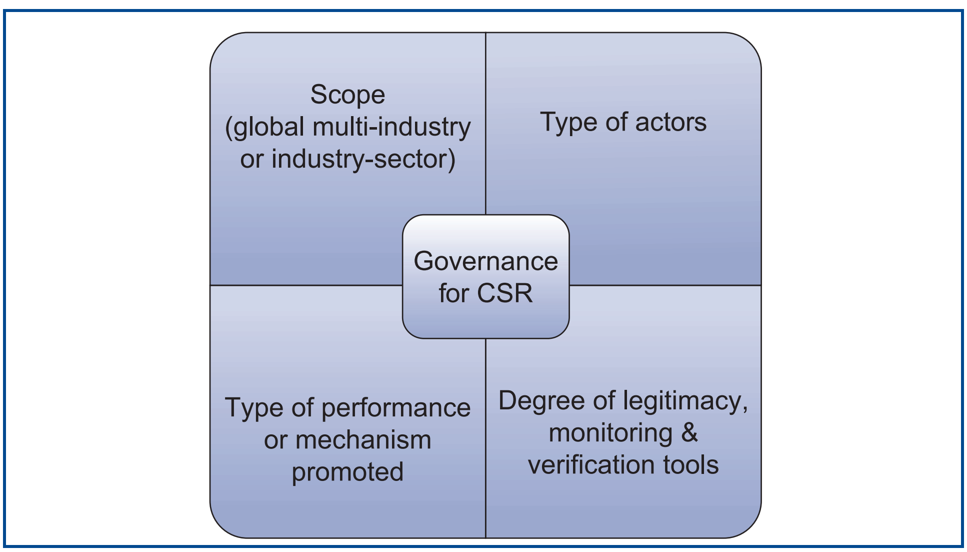
CSR fulfills the primary characteristics that Pattberg (2007, p. 52) attributes to private governance. Firstly, private governance focuses on the development of regulations and standards over spaces of structural private exchange, not spontaneous behavior such as market interaction (Cutler *et al.*, 1999; Held and McGrew, 2002; Hewson and Sinclair, 1999). In this respect, after a decade of standard-setting, CSR has become a governance space. Secondly, private governance includes institutionalization processes and frameworks (which go beyond mere collaboration between the actors involved; they have also served to build new institutional dynamics, organizations and platforms (Koenig-Archibugi, 2002, Reinecke *et al.*, 2012). Thirdly, private governance can potentially organize political decision-making, standard-setting and the implementation of spaces and mechanisms equivalent to those of public mechanisms as regards their functions (Detomasi, 2007).

CSR governance is based on the study of the evolving standardization in the CSR transnational sphere (Vogel, 2008; Albareda, 2010). It is mostly based on the study of standard-setting processes and the new roles adopted by firms and corporate executives and leaders, together with social movement organizations in the re-ordering of corporate global sustainability.

In order to understand the multiplicity of CSR governance, we propose a framework (Figure 1) that classifies our analysis of CSR standards into four dimensions:

1. The scope of the standards: this scope refers to the audience that the standards aim to encompass. There are basically two: global multi-industry standards and industry-specific standards.
2. The type of actors involved in the process of CSR standard-setting: the actors participating in CSR accountability standards are very diverse, with different sources of authority, though they are mostly non-state actors (Rosenau, 1999). In a general sense, we can say that there are three types of actors participating in the CSR standard-setting

Figure 1 Governance for CSR: analytical framework



process: businesses/firms, civil society organizations (including NGOs, responsible investors and consumers) and specialized United Nations agencies. Many take part in this process through networks and multi-stakeholder platforms (Ruggie, 2004).

3. The type of performance or mechanisms that the CSR standards promote: the design and implementation of CSR accountability standards are based on key tools. These include reporting, labeling and certification, processes, capacity-building, rating agencies and value chain management and monitoring.

4. The degree of legitimacy and the types of monitoring and verification strategies that CSR standards have adopted: the complex networks of private and public actors involved in CSR standard-setting have generated an important debate about the legitimacy of the standards themselves (Behnam and MacLean, 2011; Keohane, 2008; Botzem and Dobusch, 2012). Part of the sociological approaches to the study of standard-setting has focused on the concept of legitimacy, basically regarding its sources, referred to as input and output legitimacy (Lövbrand *et al.*, 2009). Input legitimacy is based on the premise that those who are subject to regulation participate in monitoring it (Botzem and Dobusch, 2012). It mostly emerges when there is a clear space for stakeholder involvement and monitoring in the CSR standard formation process. By contrast, output legitimacy has emerged through the standard diffusion process. It is linked to regulatory output and is based on the role of third parties in fostering the monitorization and verification procedures. Botzem and Dobusch (2012) show how the standardization cycle (setting and design, diffusion and implementation) are directly linked to different sources of input and output legitimacy.

Based on our analysis of these four dimensions we have classified CSR standards within a matrix. The sample we selected stems from a broader identification of 42 different CSR standards that have emerged during the last decades[2]. We identified these since they have specifically proposed new self-regulatory tools to manage economic, social and environmental corporate impacts. The full list is included in the Appendix. Table I details our matrix of CSR standards in a multi-level analysis. Specifically, the matrix has two axes:

1. the scope or audience of the standard, classifying the standard at the industry or global multi-industry level; and

2. the type of tools that each CSR standard promotes.

CSR standardization cycle: the study of CSR multi-industry standards

Based on our classification of CSR standards, we focus our research on a specific type of standard: multi-industry standards with a global scope. Jamali (2010) has described these as ''foundation standards'', while Rasche (2010) calls them ''principle-based standards''. We describe them as ''principle-based multi-industry standards'' as they seek to define the basic principles and values for the foundation of CSR rules that are applicable, in general, to all companies in every industry. They focus on principles, reporting and processes. Consequently, they can be adopted by any company in any market and industry. These standards provide rules, principles and guidelines and an independent set of monitoring systems transversally for all companies and businesses to promote CSR. They can also provide principles, certification and reporting guidelines. Included among this type of standard we find UNGC, GRI, ISO 26000, and SA8000.

With the aim of advancing the study of CSR standardization, our paper focuses its analysis on the standardization cycle. Our analysis of this CSR standardization shows how these processes consist of cycles (Botzem and Dobusch, 2012) in which different actors take part in different processes and stages: the standard-setting and design, diffusion and implementation.

We base our analysis of institutional CSR standardization dynamics on a qualitative case study. We present a study of the Global Reporting Initiative and its interlinkages with other CSR standards. Our objective is to be able to identify the different logics emerging around this standardization, and the emerging institutional dynamics adopted among them. Our empirical research analyzes the competition-cooperation dynamic arising between GRI, UNGC and ISO 26000.

Table I Matrix of CSR/sustainability standards: global and sectoral initiatives

	Woods, agriculture and fisheries	*Tea, coffee and cocoa production*	*Sugar and soy products*	*Energy sector*	*Electronic sector*	*Automotive industry*	*Banking and financial sector*	*Retail sector*	*Footwear and clothing sector*	*Carpet sector*	*Extractive sector*	*Assurance sector*	*Supply chain management*	*Chemical sector*	*Business management education*	*Media sector*	*Global and transnational*
Reporting											ICMM reporting and assurance						Global Reporting Initiative
Process standardisation	Rainforest Al/SAN Standard/Certificate, Ethical Bio Trade Standard									GoodWeave International Standard, ANSI Sustainability Standard, NSF 140-2007 Sustainable Carpet Assessment Standard (SCAS)	EITI	AA1000 Assurance Standard					ISO 26000
Risk management and value and supply chain standardisation	Round Table Sustainable Palm Oil Certification	4C Code of Conduct, Utz Kapeh					Equator Principles										SA8000 ETI, Fair Labour Association CoC
Knowledge management and capacity building and accreditation	IOAS	International Cocoa Initiative	Bonsucro (BCSI) Standard														
Monitoring and certification systems	FSC, PEFC, MSC, IMO	Ethical Tea Partnership Global Standard	Bonsucro (BCSI) Certificate, Roundtable of Sustainable Soy Certification	Roundtable of Sustainable Biodiesel Certification					WW Responsible Apparel Production	CRI Green Label, CRI-ANSI Accredication Certificate							ISEAL Alliance, FLO Certification
Accreditation systems	International Organic Accreditation																Social Accountability Accreditation Services
Accountability standard																	AA1000 Accountability Principles
Stakeholder engagement																	AA1000 Stakeholder Engagement
Financial indexes and principles							DJSI, FTSE 4 Good										UN PRI

(*Continued*)

Table I

	Woods, agriculture and fisheries	Tea, coffee and cocoa production	Sugar and soy products	Energy sector	Electronic sector	Automotive industry	Banking and financial sector	Retail sector	Footwear and clothing sector	Carpet sector	Extractive sector	Assurance sector	Supply chain management	Chemical sector	Business management education	Media sector	Global and transnational
Value-based initiatives															UNPRME		UN Global Compact
Multi-stakeholder alliances							UNEP Financial Initiatives				ICMM Mining Partnership for Development					Media CSR Forum	
Global best practices and principles and reporting							UN PRI								GRLI		
Business management education																	UNPRME
Global business self-regulation, certification and standard					Toy Industry CARE Process	Electronic Industry Citizenship Coalition CoC	Au Industry Action Group Certificate							Responsible Care GCH			
Global business initiatives																	Global Corporate Citizenship Initiatives – WEF
Climate change																	Carbon Disclosure Project Caring for Climate – UN Global Compact
Social and environmental stewardship											ICMM Environmental and Material Stewardship						

Data and methodology

Qualitative case studies are useful to understand emerging phenomena within their contexts (Stake, 1995; Yin, 1994). Our case study aims to identify the competition-collaboration dynamic through narrative. The source of our data is based on 13 semi-structured interviews with GRI creators, members of its Secretariat and of Board of Directors. We carried out these interviews in 2008. We combine the data obtained with a textual analysis of all three standards' key documents. We studied their archival data, publicly available information from standard-setters, their own reports, media websites and annual reports, documents, journal publications and other reports. We also studied other official GRI and UNGC documents. We compared these with academic papers mostly focusing on CSR governance, CSR standard-setting and institutional theory.

Global Reporting Initiative

Setting and design

The Global Reporting Initiative (GRI) is the most widely-recognized multi-industry standard among companies today for sustainability reporting (Etzion and Ferraro, 2010; Jamali, 2010). It consists of guidelines and performance indicators which help companies and other organizations publish non-financial reports. In general, the aim of these reports is to provide companies with an accountability and transparency mechanism through which the companies adopt the triple-bottom line approach (Elkington, 1998) and inform their stakeholders about their respective economic, social, environmental and governance impacts.

GRI was originally created by the Coalition for Environmentally Responsible Economies (CERES)[3], founded in Boston in 1989 with the aim of defining the ''Valdez Principles'' for environmentally responsible firms[4]. CERES represented a new way for the business community to relate to others, beginning with the principle of collaboration and dialogue between companies and NGOs. Szejnwald *et al.* (2007) discuss how the standard's ''setters''[5] had a clear vocation, wanting to create a business transformation process that went well beyond mere environmental certification. For this, however, they needed a long-term view, one providing empirical experience and a multi-stakeholder consultation process to encourage the learning process among businesses (White, 1999).

The standard design process was important, especially because it had to have an impact on all types of firms so that they could begin to dialogue with their respective stakeholders. This dialogue would ideally occur between companies and socially responsible investors, consumers and environmental NGOs. With this objective in mind, they drafted the first guidelines between 1997 and 1999. They created the GRI's Board of Directors which began to work on designing the guidelines with specific indicators. The companies' users and other stakeholders discussed and validated these indicators by means of an interactive review process (White, 1999). In 1999, the GRI created its Secretariat, while its Board of Directors consisted of 17 representative members from different stakeholders: companies, think tanks, environmental NGOs, socially responsible investors, auditors, etc.; in addition, they also created a few small and independent work groups (Szejnwald *et al.*, 2007).

In 1999, GRI publicly presented its first *GRI Corporate Sustainability Reporting Guidelines*. Little by little, numerous multinationals began adopting this standard. In 2005, more than 2,000 companies around the world published sustainability, social and/or environmental reports. Of these 650 did so bearing the GRI guidelines in mind (White, 2005).

Diffusion

GRI's initial spread was not easy as the creators of GRI explained (White and Zinkl, 1998). When GRI presented its first guidelines in March 1999, a total of 19 multinationals agreed to take part in the pilot program and review the guidelines, presenting a final report in 2000. Included among these companies were General Motors, ITT/Flygt, Procter & Gamble, Novo Nordisk, The Body Shop, ABB, Shell International, BAA and BP Amoco (Sustainability and

UNEP, 2000). All of these applied the GRI's guidelines to publish their 2000 sustainability reports and promoted their implementation. The setter convinced the companies to accept GRI as an advanced and effective guideline.

GRI setters also had to compete with and improve its effectiveness compared to other sustainability reporting standards that already existed or were currently being developed by public institutions or business associations and consulting firms[6]. Within this context, one of the GRI creators' major innovations was involving multinationals from the outset. Noteworthy participants among those involved from the start were Magnus Enell from the ITT firm, Flygt; Heinrich Hugenschmidt from UBS; Erin Kreis and Judith Mullins (Public Policy Center) from General Motors; Chris Tuppen from British Telecom; and Deborah Zemke from Ford Motor Company, and, reporting directly to the firm's CEO, Bill Ford. Björn Stigson, Executive Director of the World Business Council for Sustainable Development also provided important support, participating from a very early stage and representing the business sector on the Board of Directors until 2009.

From 1997 to 2002, CERES and the Tellus Institute developed GRI based out of Boston. GRI setters soon felt that GRI needed to be independent from CERES, with its own infrastructure and long-term resources to legitimate the project. This challenge was met in part with participation by the United Nations Environmental Program (UNEP) which joined the project in 1997. The latter's participation served as a fundamental driver to further develop GRI (Palenberg *et al.*, 2006). UNEP also helped the GRI project achieve financial support from the United Nations Foundation.

Implementation

The project's implementation has consisted of the different generations of guidelines, their adoption by companies and expansion to become a mainstream reporting guidelines. In 2002 GRI presented its second version, the first official version after the project's independence: *2002 Sustainability Reporting Guidelines*. After an intense review process by all its stakeholders, the third version, called the *G3 Sustainability Reporting Framework*, was presented in 2006. GRI is currently working on the fourth version, G4, the release of which was originally scheduled for May 2013.

A key strategy for GRI setters was adopted on the official launching of GRI. GRI's public presentation as an independent institution coincided with the United Nations Conference for Social Development in Johannesburg (August/September 2002), where it was publicly presented. Since 1999, GRI has organized multi-stakeholder meetings in various regions around the world (India, China and other Asian countries, Africa, Australia, etc.), the aim being to expand its global focus. In 2002, more than 1,000 organizations referred to GRI in their annual sustainability reports, even if not filing their respective reports with GRI. In this respect, many governments consider GRI to be an important reference. This is the case in the UK, Holland, Canada and Spain. Various inter-governmental organizations also mentioned and promoted GRI, including the European Union, the OECD, the United Nations General Secretary, UNGC, etc. Business cooperation organizations also promoted it, including the World Business Council for Sustainable Development, the Business for Social Responsibility International Business Leaders Forum and Ethos Brazil, all of which are GRI members. Various private business cooperation groups such as the World Economic Forum have also supported it. GRI thus improved its competitiveness with respect to other initiatives, becoming the standard of reference.

Another of the GRI's important challenges during this implementation stage was its relation to other projects based on environmental and social reporting. GRI was also able to anticipate the proposals put forward by the International Organization for Standardization (ISO) and other international accounting groups to thus make it a global project. Based on this objective, the GRI's creators tried to establish links with different accounting organizations that were developing non-financial reporting projects at the time. These organizations included the Association of Public Accountants in the United States and the Federation of European Accountants.

Currently, more than 5,298 organizations have a profile in the GRI application, with more than 11,972 GRI reports filed since its inception. The majority of GRI reports are filed by companies, though governments and NGOs also participate, publishing their reports according to the GRI guidelines and registering them in the GRI database[7]. At the same time, more than 30,000 people[8] participate in GRI's communications network and mult-istakeholder work groups around the planet. In terms of stakeholder members in the network, more than 600 organizations from over 60 countries take part, mostly companies, NGOs, labor unions and accounting associations[9].

Revision, improvement and efficiency

This research adds the analysis of a new process on GRI standardization cycle. It shows how once GRI was first implemented by early adopters, the process to expand and acquire adoption and legitimation among multinational corporations and businesses was a hard process that still generated an import and competition of GRI with other emerging sustainability reporting guidelines and CSR standards. This process of revision and improvement framed an advanced competition-collaboration dynamic between GRI and other global CSR multi-industry standards, mostly the UN Global Compact.

In 2002, companies adopted GRI as a major provider of sustainability reporting guidelines, but it was not the only one offering these. GRI was competing with other reporting and principle-based standards, mostly with the UNGC's ''Communication on Progress'' (COP) and the ISO 26000 frameworks. Companies often used the GRI's guidelines in conjunction with other standards.

Since the completion of the initial implementation and diffusion stages, GRI has applied a guideline review and improvement process. The guidelines were revised with the aim of improving them, furthering their impact and enhancing their efficiency. This process is based on the need to improve the guidelines' effectiveness and quality and to better integrate the demands and needs of the companies and different stakeholders within the reporting framework.

Our analysis of this stage demonstrates that a parallel process occurred based on the convergence of global CSR standards to improve sustainability reporting. From its early stages, the GRI Secretariat had been in favor of creating a collaborative dynamic with its competitors. This strategy allowed GRI to consolidate itself as the leader in sustainability reporting. At the same time, GRI improved its impact and legitimacy through collaboration. Focusing specifically on the GRI guidelines, the organization has optimized its inefficiencies in response to demands from end users, especially companies. This virtuous circle has allowed GRI to better its impact, improve its efficiency and attract new users. GRI has thus established strategic partnerships with the OECD, UNEP and the UNGC. GRI has also adopted collaborative synergies with the International Finance Corporation, ISO 26000, the United Nations Conference on Trade and Development, and the Earth Charter Initiative, adopting a convergent dynamic.

However, GRI is currently facing its greatest challenge, namely, the development of its Integrated Reporting Project, which includes financial and sustainability reporting in a single business reporting model.

Convergent dynamic: GRI and UNGC

GRI and UNGC are two of the most widely accepted and adopted standards among companies (Jamali, 2010). In this respect, UNGC has assumed a leadership position in promoting the business community's commitment to ten human rights, labor standards, environmental and anti-corruption principles. By the same token, GRI's guidelines on preparing sustainability reports provide a means to extend and communicate corporate performance regarding these principles. Both initiatives base themselves on the same international documents, especially the United Nations' Universal Declaration of Human Rights.

Since the creation of both standards, they have actively competed with each other, thus furthering their development, spread and implementation. This competitiveness has created a positive coexistence framework and led to the establishment of a complementary and collaborative logic between them, improving their respective inefficiencies and moving forward on the shared development of a common sustainability reporting standard based around the GRI guidelines.

The two initiatives emerged almost simultaneously between 1998 and 1999. During the first stage, due to the impact of the UN General Secretary's creation of the UNGC, GRI's creators reached out to the latter to inform them about the second generation of GRI guidelines launched in 2002. After only two years' existence, GRI succeeded in becoming one of the social responsibility instruments mentioned in the final implementation plan drafted at the United Nations Conference for Social Development held in Johannesburg in August 2002. Concretely, GRI was the only non-governmental initiative included along with the UNGC.

This process strengthened GRI and at the same time consolidated its relation and convergence, bringing both secretariats closer within a framework of trust. Both standards shared common premises: the international principles on which they are based and a commitment to become tools to transform corporate activity.

In this sense, the revision process has consolidated this competition-collaboration dynamic, and the two have increasingly developed a more formal collaboration structure. GRI counted on the UN Global Compact's sponsorship from the outset as one of the standards that would complement the UNGC. In December 2001 the two standards announced their first collaboration agreement, which articulated the link between the UNGC's nine principles and the GRI's guidelines. Since then, this agreement has advanced through different integration frameworks.

In 2003, UNGC and GRI announced a significant agreement. The latter's objective was to share outreach efforts, pilot programs, performance models, and technical activities to increase corporate involvement in sustainable development[10]. The main dimension of this collaboration was based on sharing sustainability reporting. The standards aimed to embed the UNGC's principles into day-to-day business operations while measuring and reporting performance through the GRI framework.

In October 2006, they publicly announced the creation of the ''UNGC-GRI Value Platform on Sustainability'' as an example of their growing alliance. The platform's main aim was the integration of the reporting guidelines. The GRI's guidelines provide reporters with principles, disclosures regarding their management approaches, and performance indicators to enhance the quality of their UNGC Communications on Progress. The two standards also published the report *Making the Connection: The GRI Guidelines and the UNGC Communication on Progress*. The latter provides a clear roadmap for corporate sustainability, using the GRI's reporting principles and best practice indicators to report effectively on CSR actions.

In May 2010, at the GRI Amsterdam Global Conference on Sustainability and Transparency, GRI and UNGC signed a Memorandum of Understanding (MOU). The aim of this agreement was to integrate the Global Compact's ten principles and issue areas into the next iteration of the GRI's guidelines. This alliance represented a major milestone in the two standards' process of collaboration and integration to focus on their respective and complementary strengths. The dimensions of this alliance include:

1. GRI guidelines integrating the UNGC principles as a central strategy;
2. UNGC publicly promoting and adopting the GRI's guidelines as the recommended reporting standard to communicate progress;
3. using a common language that helps companies to simplify their reporting;
4. UNGC offering guidance on the use of GRI by introducing progressive differentiating levels and detailing specific expected report content at each level, including for specific industry sectors; and
5. both standards collaborating on local outreach and training initiatives to increase the quantity and quality of reporting, with a special focus on less developed markets and SMEs.

This competition-collaboration dynamic between GRI and UNGC has moved towards a convergence framework in which all the stakeholders have accepted the GRI's reporting guidelines as the homogenous and shared benchmark accepted by UNGC, ISO 26000 and a broad number of multinational corporations and businesses. GRI has thus replaced the multiplicity of reporting guidelines and become a shared framework, with a unified language and sharing practices and platforms based around the GRI guidelines.

GRI and ISO 26000

A similar convergence process has occurred between GRI and ISO 26000, although this convergence process is not as advanced as the previous case. In 2010 the International Standards Organization (ISO) published ISO 26000, a comprehensive set of guidelines focused on CSR principles, after a long design process lasting eight years. GRI actively collaborated with the ISO's Social Responsibility Working Group, which was responsible for the development of the guidelines from 2004 to 2009. The group worked with GRI to avoid inconsistencies and duplication between GRI's guidelines and ISO 26000. ISO also did the same with the UNGC and ILO. ISO 26000 and GRI initiated a competition-collaboration dynamic that has since led to a convergence framework between both initiatives. Basically, both standards aim to overlap the six GRI categories and the seven core social responsibility subjects in ISO 26000, generating a synergy between both standards.

This collaboration became effective in 2011 when GRI launched a report entitled ''GRI and ISO 26000: how to use the GRI Guidelines in conjunction with ISO 26000''. The report helps businesses understand what aspects and indicators are related to ISO 26000 clauses. ISO provides a structure for companies to organize their activities, which can then be measured and presented in the companies' reports. GRI's guidelines became the best to support organizations interested in reporting on the topics covered by ISO 26000.

This competition-collaboration dynamic was also established between the three standards: GRI, ISO 26000 and UNGC. In November 2006, ISO 26000 and UNGC signed a MOU with the objective of establishing a cooperation framework to ensure that the ISO 26000 standard was consistent with the UNGC's ten principles. Once ISO 26000 was released in 2010, both standards published a report entitled ''An introduction to linkages between UN Global Compact principles and ISO 26000 core subjects''. This report provides a complete overview of the key linkages between the UNGC's ten principles and the core CSR subjects defined by ISO 26000 (human rights, labor practices, environmental concerns, fair operating practices, consumer issues and community involvement). The objective in the future is to align the different areas of activity, creating a clearer consistency between both standards.

Findings and outcomes

The convergence dynamic among the three CSR standards reveals the emergence of a ''meta-standardization process'' created out of this competitive-collaboration dynamic between the three CSR standards. Reinicke *et al.* (2012) previously analyzed this type of ''meta-standardization process'' in the coffee industry, where CSR standards had also adopted a meta-standardization process, but based on the market logic.

The outcomes regarding the development of interaction dynamics between CSR multi-industry standards allow us to further our knowledge about the complementary process between them. The aim of this process is to define common performance practices and a common and consensual language between the different stakeholders who base their relation on international principles and transforming corporate practices for society's sake more than on market competitiveness (Gilbert *et al.*, 2011). It is important we analyze how global multi-industry CSR standards have emerged as a set of multiple and diverse standards, mostly multi-stakeholder in nature and promoted by NGOs, labor organizations and international agencies. Their engagement with business networks has become a key element of the first phase in standard-setting.

Following this study, we see a process of convergence and incardination which can be analyzed in different stages. The early stage of this convergence is based on the mutual recognition and acceptance of globally scoped multi-industry CSR standards, partly promoted to fill different unregulated gaps in CSR. The second stage goes beyond the acceptance of standards and seeks to instill competitive dynamics, searching for the best strategies to improve the efficiency of each standard and practice. When each standard tried to find its own space and legitimacy in the CSR governance constellation, they created common linkages to implement joint best practices. For this they accepted one of the standards as the best positioned to become the common and homogenous framework and benchmark that the others accepted as the most advanced efficient and broadly used by corporations and businesses. This was based on the development of a common language and a common framework and benchmark to be applied by companies. The third stage shows the development of shared value-creation platforms, such as the MOU signed between GRI and UNGC. The objective was to create a new framework of mutual cogeneration of good practice regulations and promotional frameworks. Figure 2 illustrates these stages and the interplay among the three CSR multi-industry standards and their competition-collaboration dynamic and convergence in the emergence of governance for CSR.

That notwithstanding, the results of our research indicate that, in the sphere of global scoped multi-industry CSR standards, this convergence acquires dimensions which go well beyond market logic, taking on political aspects linked to the collaborative governance dynamic these standards represent (Rasche, 2010; Zadek, 2006). This is based on the mere fact of being based on international principles and their representativeness with respect to international forums such as the United Nations.

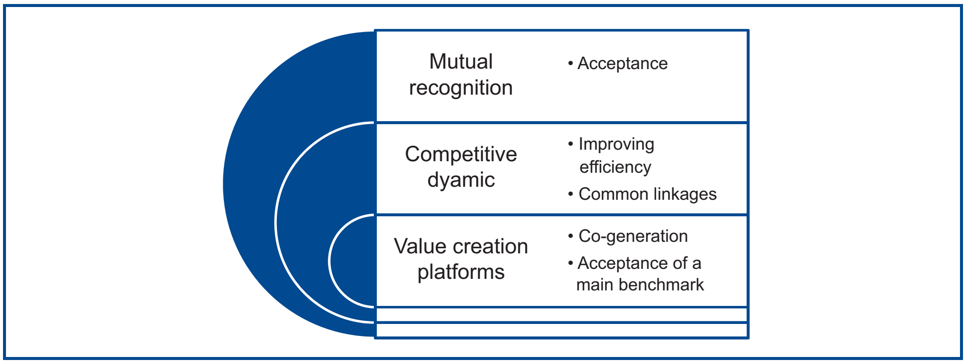
As a result, the complementary convergence of these three standards has become an incipient space to politically coordinate reporting practices, thus revealing the more political nature of CSR standardization processes (Scherer and Palazzo, 2011; van Oosterhout, 2010), as a corporate self-regulation emerging sphere.

Our findings show the emergence of this meta-organization between GRI, UNGC and ISO 26000. Djelic and Sahlin-Andersson (2006b) describe this regulatory meta-organization as a ''community of interest'' striving to push the transnational establishment, implementation and monitorization of standards and practices. This community forces a culture of cooperation and convergence between standards, practices and processes. Corporate sustainability and responsibility was first pushed by market dynamics, but it is now moving towards a redefinition of the governance rules of the game by businesses transforming the way corporations and companies manage their roles in society.

Conclusion and further research

This section aims to synthesize the outcomes of our research by highlighting distinctive aspects of analytical framework proposed to study CSR accountability standards, including our analysis framework and matrix, and the analysis of the case study and the growing

Figure 2 Competition-collaboration dynamic: CSR standards convergence stages



convergence between global scope CSR multi-industry standards. Empirically, the CSR standards matrix shows how the CSR infrastructure (Waddock, 2008) is characterized by a high degree of diversity and complexity. Our matrix further reveals how there are many standards from different sectors and industries. Despite the fact that the most important and well-known standards are global in scope, most standards focus on a specific sector or industry. Our matrix also shows how different platforms and networks promote these standards and that many involve their stakeholders in the decision-making process.

We also demonstrate how the complex set of CSR standards that has emerged in CSR governance is characterized by intense linkages. Throughout the development of CSR accountability standards, companies have acted in collaboration with their stakeholders (civil society, socially responsible investors, consumers, workers and unions, communities, environmental NGOs, international organizations and national public agencies) to design, set and implement social and environmental steering and governance initiatives. Stakeholders have also participated in problem-solving and they support the enforcement of global corporate accountability. But the different global CSR accountability standards have also established this activity and cooperation among them. They are now attempting to generate initiatives to guarantee their effectiveness and ongoing improvement.

This paper describes the emergence of a meta-standardization (meta-organization process) (Djelic and Sahlin-Andersson, 2006a) among standards by looking at the convergence logic adopted by GRI, UNGC and ISO 26000. GRI and UNGC represent a new type of standard-setting institutionalization, different from state-based organizations and from market-based standards. They were designed and launched as learning networks (Ruggie, 2001), and both aim to promote progressive, corporate institutional change by suggesting new rules, norms and practices for multinational corporations and businesses. The aim of both is to encourage multi-stakeholder dialogue. This also led to ISO 26000 adopting these principles. A key driving factor behind the global scope of CSR multi-industry standards is the learning process and competition-collaboration dynamic, gaining in strength through the institutionalization process. As a result, GRI, UNGC and ISO 26000 are deeply implied in the changing nature of transnational governance regulation and the emergence of new, hybrid global governance organizations.

Our research is based on the current discussion on CSR governance which is attempting to establish a direct link to the transformation of global sustainability governance and the role of businesses and private actors in the emergence of transnational standardization processes (Jordana and Levi-Faur, 2004). Our research demonstrates how CSR governance is a global sphere which has generated ample standard-setting processes based on cycles. The competition-cooperation dynamic adopted by global scope multi-industry standards reveals the convergence process which is leading to a meta-standardization framework. Through the latter, the standards have adopted common practices and rules in sustainability reporting. The meta-standardization is emerging with the development of shared practices, a common language and the launch of value platforms that the three CSR standards have adopted. This convergence strategy is an ongoing process which establishes a cooperation dynamic among the most accepted, adopted and implemented CSR standards around the world. These standards include UNGC and GRI. The weight of these global CSR multi-industry standards gives this convergence process between CSR standards legitimacy and influence.

Further research is needed to focus on the role of agency and different stakeholders on the meta-standardization process. Other research has to focus on the institutional logic and the multi-level analysis of the convergence between CSR standards and the self-regulation advanced process. In this respect, this research serves to demonstrate the leading innovative role adopted by private actors (mostly companies) in developing private standard-setting for global governance (Held and McGrew, 2002). This innovative competition-collaboration dynamic among CSR standards focuses on the impact of social and environmental self-regulation on businesses and the innovation offsets derived from CSR standards that have improved corporate sustainability performance. Our research based this study on Porter and Kramer's (2011) shared value implications for regulators and standards. In this respect, we have seen over the last few years how the most advanced CSR standards have furthered their shared value creation and set goals to stimulate innovation.

Our study also aims to serve to broaden the literature's traditional approach to CSR governance. First, we provide a political approach to the study of CSR standard-setting, and second we attempt to add clarity to the multiplicity and complex architecture and the variety of CSR standards, proposing a taxonomy and classification and understanding the dynamics adopted by the most popular standards across companies and industries – i.e. GRI, UNGC and ISO 26000. We frame most of the arguments presented here within an empirical descriptive approach that has to be improved in future theoretical research.

Finally, we propose that further research is needed on the theoretical development of the CSR governance concept, embedding trans-disciplinary literature and carrying out more advanced research to determine the rules applied to order corporate conduct, civil society organizations and other corporate stakeholders on the global scale, creating an advanced rule-making corporate and private regulatory institutionalization based on the development of a dynamic standardization process.

Notes

1. We refer to corporate sustainability and responsibility as the new CSR.
2. Data were collected from different sources, mostly websites, reports and academic literature. Most sources of data and evidence are archival, documents and media (Yin, 1994). The analysis of CSR standard websites, reports, press releases and agreements served as the basis to identify the primary CSR accountability standards and elements. We then classified the information obtained in a database that included the following information about the different standards: their objectives, main functions and targets, guidelines and tools, membership, participants and stakeholders, progress and disclosure mechanisms, level of action (local, national, global), industry focus and type of organization or platform. We also classified CSR standards based on specific functions and practices: reporting, monitoring, knowledge management, risk management, certification and accreditation.
3. See www.ceres.org/ (accessed March 13, 2009).
4. See www.ceres.org/Page.aspx?pid = 415 (accessed March 13, 2009).
5. Some of the decade's most innovative social activists and leaders criticizing corporate responsibility have worked in CERES.
6. During this period, two projects emerged in the USA supported by an important group of businesses and the business community itself. These projects were the Public Environmental Reporting Initiative (PERI) and the Global Environmental Management Initiative (GEMI). Both competed with GRI. PERI offered guidelines on the development of voluntary corporate reports bearing in mind environmental indicators. GEMI was supported by the International Chamber of Commerce and offered an environmental self-evaluation program.
7. See http://database.globalreporting.org/ (accessed June 12, 2013).
8. See https://www.globalreporting.org/information/about-gri/Pages/default.aspx (accessed June 13, 2013).
9. See https://www.globalreporting.org/network/organizational-stakeholders/Pages/default.aspx (accessed June 13, 2013).
10. See www.unglobalcompact.org/NewsAndEvents/news_archives/2003_03_18.html (accessed June 13, 2013).

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Appendix: List of CSR accountability standards

Agriculture and fisheries:

- Forest Stewardship Council.
- Marine Stewardship Council.
- Common Code for the Coffee Community.
- Utz Kapeh.

- International Cocoa Initiative.
- Ethical Tea Partnership.
- The Better Sugarcane Initiative.
- The Roundtable on Sustainable Palm Oil.
- The Round Table on Sustainable Soy.

Manufactured products:

- Fair Labor Association.
- Worldwide Responsible Apparel Production.
- World Sporting Goods Federation Industry Model Code of Conduct.
- International Council of Toy Industries CARE Process.
- Electronics Industry Code of Conduct.
- Automotive Industry Action Group.

Services:

- Responsible Media Forum and CSR Media Forum.
- Logistics and Transportation Corporate Citizen Initiative.

Banking and financial sector:

- Equator Principles.
- UN Principles for Responsible Investment.
- UNEP Financial Initiative.

Retail sector:

- Business for Social Compliance Initiative.
- GoodWeave International.

Clothing sector:

- Fair Labour Association.
- Rugmark International.

Extractive sector:

- International Council on Mining and Metals.
- Voluntary Principles on Security and Human Rights.
- Council for Responsible Jewellery Practices.
- Initiative for Responsible Mining Assurance.
- Extractive Industries Transparency Initiative.

Cross-sector initiatives:

- UN Global Compact.
- UN Principles for Responsible Investment.
- UN Principles for Responsible Management Education.
- Global Reporting Initiative.
- Ethical Trading Initiative.
- Social Accountability 8000.
- ISO 26000.
- AA1000 Accountability Series.

Businesses initiatives:

- Caux Round Table.

Financial indices initiatives:

- Dow Jones Sustainability Indices.
- FTSE 4 Good.
- Domini Social Index.

(Source: based on Leipziger and Webb, 2007).

About the author

Laura Albareda is Assistant Professor of Sustainability Strategy at Deusto Business School (DBS) and Lead Researcher at the Deusto Global Center for Sustainable Business, Deusto Business School, University of Deusto (Spain). She was a Postdoctoral Fellow at the Boston College Carroll School of Management and a Visiting Researcher at the Boston College Center for Corporate Citizenship. From 2000 to 2008 she was a Research Fellow at the Institute for Social Innovation at ESADE and Assistant Lecturer in the Department of Social Sciences at ESADE Business School. Laura Albareda can be contacted at: laura.albareda@deusto.es