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# Corporate Responsibility Expectations in China: Advanced Business and Economics Students from Beijing

Lena Berger, Zinette Bergman, Jiaqi Zhang, Baocheng Liu, Klaus M. Leisinger and Manfred Max Bergman

Abstract: In this study, we examine the influence of culture and context on corporate responsibility expectations of future political and economic leaders in China. In contrast to implicit assumptions in the established literature, corporate responsibility is not universally shared and understood independently of context and culture. We explored corporate responsibility expectations of 80 advanced business and economics students from first-tier universities in Beijing. The data for this study consisted of essays written by the participants. Hermeneutic Content Analysis was used on the essays, which includes a combination of Content Configuration Analysis and Multidimensional Scaling. Our results revealed that, according to our respondents, corporations ought to be fully integrated into a meta-system that includes the state and society. Corporate success in terms of technological advancement, profits, and market share are thought possible through collective contributions by the state and society, which in turn expect considerable, systemic, and continuous contributions by corporations toward national socioeconomic development and prosperity. The responses seemed entirely independent of the business and economics literature to which the respondents are exposed. Furthermore, the respondents understood the interdependent and reciprocal relations within this meta-system with reference to the Chinese nation. Profit seeking or market share increase in their own right, or references to corporate responsibilities beyond national boundaries were mostly absent.

**Keywords:** corporate responsibility; culture; China; Hermeneutic Content Analysis; Content Configuration Analysis; collectivism

One heart, one soul, One mind, one goal

Extract from the national anthem of the People's Republic of China.

#### 1. Introduction

Studies on culture in the business and management literature have traditionally focused on statistical differences of survey responses on leadership, management, and work environments between nations or industry sectors. responsibility (CR) and expectations thereof have rarely been the focus of investigations from a culture-sensitive perspective, primarily due to the assumption that most conceptualizations of CR are based on seemingly universal notions of business ethics [1,2]. However, corporations are deeply embedded in the culture of communities and societies within which they operate, and the needs and expectations of these communities and societies are vital for the understanding of CR expectations. A context-sensitive and culture-relevant understanding of the relationship between business and society in different nations and cultures would sensitize our understanding of stakeholder positions when interacting and negotiating within and between cultures. This has been particularly important since the turn of the century, when massive geopolitical and economic power shifts have led to a renegotiation of business practices in a global market place in general, and with regard to developing economies' accelerating developmental trajectory and global ambitions in particular. In this sense, China is particularly relevant, considering its trajectory and global development initiatives, for example the Silk Road Economic Belt or the Maritime Silk Road initiatives.

In this study, we investigated the CR expectations of business and economics students from first-tier universities in Beijing for the purposes of understanding the contextual and cultural dimensions of what is expected from corporations. The perspectives of the research participants are particularly significant because they are the beneficiaries of China's rapid development and because they are faced with some of the negative consequences of socioeconomic change. As advanced business and economics students of elite academic institutions, they represent a population of future political and business leaders and decision makers. As such, their perspectives provide insights not only into current expectations but also the influence they may have on future business-society relations in China. In this article, we are pursuing two aims: to systematize the influence of context and culture on CR expectations of business and economics students from Beijing, and to illustrate how such a context-sensitive and culture-relevant approach to CR can be of value to the understanding of business-society relations in China.

# 2. Theoretical Background

Cross-cultural studies have primarily focused on contrasting and systematizing cultural patterns between nations or how managers or employees relate to others [3–6]. In its most simplified form, cultural differences can be explained as the extent to which cooperation and competition, for example, are emphasized [7]. Culture shapes

and is shaped by shared beliefs, attitudes, norms, values, and behaviors, resulting in systemic variations in economic, political, social, and cultural systems [5].

Culture and globalization: While cultural studies have identified a multitude of different cultural dimensions and their relations to social and economic structures, one of the most decisive and mutually agreed value dimension pertains to individualism vs. collectivism. In collectivistic societies such as China, the interests of the collective is given priority over the interests of the individual. In contrast, in individualistic societies, the reference entity tends to be the individual. Somewhat simplistically stated, in the latter, wellbeing is dependent on the protection and expression of individual rights, while, in the former, the collective's wellbeing is the main objective of all of its members. Due to individualization, globalization, and Westernization, some argue that cultural dimensions, such as cooperation vs. competition or individualism vs. collectivism, no longer describe modern societies adequately [8]. Tomlinson [9] (p. 269) argues that "before the era of globalization, there existed local, autonomous, distinct and well-defined, robust and culturally sustaining connections between geographical place and cultural experience." Ostensibly, this is no longer the case because we live in a highly interconnected and interdependent world, characterized by the daily, worldwide exchange of capital, goods, services, and information [10]. This has led some theorists to argue that cultural identity has lost its local roots as it became a product of globalization [9,11]. Accordingly,

cultural experience is in various ways 'lifted out' of its traditional 'anchoring' in particular localities [leading to] a transformation in our routine pattern of cultural existence which brings globalized influences, forces, experiences and outlooks into the core of our locally situated lifeworld. [9] (p. 273)

Based on this, theories on the globalization of culture tend to conclude that globalization homogenizes or fractures culture.

An alternative variant of this view is that cultural variations disappear due to cultural imperialism. According to Kellner [12] (p. 23), Western cultural imperialism has emerged through "strengthening the dominance of a world capitalist economic system, supplanting the primacy of the nation state by transnational corporations and organizations, and eroding local cultures and traditions through a global culture." Economic globalization from this point of view has its origins in Western capitalism that nurtures Western and individualistic values [10]. Globalization ostensibly fosters standardization whereby exposure to global markets and mass media enhance acculturation and homogenization of value systems, lifestyles, and consumption. Zang and Shavitt [13] identified the influence of Western mass media, especially via advertising, on shaping Chinese cultural values. According to them, Chinese Generation X

is partly the product of Chinese modernization and global marketing. These young adults live in the cities in which there are growing numbers of international contacts, networks, and organizations (Hermans and Kempen 1998). Geographically, most of these cities are located along the east coast of China, such as Beijing, Shanghai, Guangzhou, Dalian, Qingdao, Nanjing, Wuhan, Xiamen, and Shenzhen. ... [The] geographic, economic, and educational characteristics of the Chinese X-Generation put them in a position to be more influenced by Chinese modernization and provide more opportunities for exposure to other In addition, an extensive exposure to mass media and advertising accounts for the Chinese X-Generation's cultural adaption. . . . In general, these young urban adults were found to be more receptive to advertising communication and to welcome Western values and ideals . . . As such, these young urban adults represent the context in which cultural change is likely to be the most rapid and have the greatest long-term impact. In other words, the Chinese X-Generation exists not only as a profitable market, but also as a force that determines the cultural orientation of China's future (China; X-Gen Study 1996). (pp. 23–24)

In line with globalization theories, which tend to focus on the hegemonic influence of individualistic, Western consumer lifestyles on local cultures, their results suggest that Western-style advertisements encourage an adoption of Western value sets, especially among Generation X.

In contrast to cultural homogenization, other scholars emphasize the fracturing nature of globalization. Instead of a Western-based monoculture, they propose that globalization is appropriated differently by different groups and cultures, thereby increasing the opportunity for new forms of hybrid syntheses, variety, and diversity [12]. According to Xue [11] (p. 112), "American food, music and films are available all over China. These American commodities are becoming Chinese favorites and consumption of American commodities has been an authentic and everyday practice. Thus, the term cultural imperialism is out of date and is problematic because it can't explain what is happening in this society and interpret the cultural meaning at a micro level."

Accordingly, Western cultural influences are only partially appropriated. They are interpreted in new, hybrid forms, and embellished in a novel, yet thoroughly Chinese interpretation.

Context: While culture is indeed an important behavioral predisposition, the immediate context, including socioeconomic, political, or relevant person-specific events, for example, may subdue, qualify, neutralize or even aggravate the effects of culture. There exist many contextual factors that may influence CR expectations of advanced business and economics students in China. Here, we will briefly cover two:

the influence of China's current political landscape, especially the institutionalization of corporations by the Communist Party (CP), and the influence of exposure to the mostly Western, mainstream CR literature.

Especially since the late 1970s under Deng Xiaoping, the CP has transformed Chinese society through massive economic reforms, increasing the quality of life for Chinese people in unprecedented ways. The Chinese leadership under the Hu-Wen administration has made several policy adjustments in 2005 to further reform the economy, for example, by building the Harmonious Society as one of the primary long-term goals [14]. To ensure the collective welfare of its citizenry, the CP has implemented progressive CR legislation to help guide the actions of public and private corporations. Some of these include the Guide on Listed Companies' Social Responsibility, the Guide on Environmental Information Disclosure for Listed Companies, or the Guide Opinion on the Social Responsibility Implementation for the State-Owned Enterprises Controlled by the Central Government, which set out the guidelines for how state-owned enterprises should engage in CR, and Article 5 of the 2006 Chinese Company Law, which states that "[i]n the course of doing business, a company must comply with laws and administrative regulations, conform to social morality and business ethics, act in good faith, subject itself to the government and the public supervision, and undertake social responsibility" [14] (p. 71). The stance taken by the CP and the associated legislative policies shows that, in relation to large corporations, there are well-defined expectations fundamental to the Chinese context, which are neither accounted for by cultural dimensions nor by globalization. While some of our respondents may not be familiar with legislative policies that define the responsibilities of large corporations in modern China, they may nevertheless contribute to the contextual environment that influences how elites reflect on the responsibilities of corporations.

Parallel to these developments are educational effects on our respondents: According to Doh and Tashman [15], CR and sustainability have gained attention among business schools worldwide as these concepts were integrated into curricula in an attempt to overcome a disconnect between CR and core business practices. While CR theories have traditionally differentiated between the economic responsibilities of large corporations, such as production and value creation, and other, non-economic responsibilities, including legal, ethical, philanthropic, and social responsibilities [16–19], contemporary applications transcend this bifurcation. This is encapsulated in approaches such as the three pillar model of corporate sustainability, which connects economic, social, and environmental components to business practice (e.g., [20]). While traditional business ethics have been widespread in the business, management, and economics literature for several decades, others, such as concepts associated with sustainable development, are new to academia. Our respondents have been exposed to the mainstream literature on CR based on

the diffusion of the mostly Western or Western-influenced literature on business ethics in Chinese business and management programs. Despite exposure, however, we do not expect that academic CR concepts have influenced our respondents' expectations, given the superficiality with which business ethics are covered in competitive business and economic programs and the powerful socialization the respondents experience from continuous exposure to their powerful national culture.

Thus, while we anticipated some superficial reference to Western CR and sustainability, we nevertheless expected that our respondents would reflect on the responsibilities of large corporations in ways that harmonize with socioeconomic reforms of the recent past and contemporary global ambitions of China.

#### 3. Methods

Eighty advanced business and economics students from first-tier universities in Beijing were invited to write a short position paper about the responsibilities of large corporations in China. Specifically, our respondents provided written responses to questions, posed in Mandarin, on responsibilities of large corporations and why corporations held such responsibilities. The thus produced essays, initially written in Mandarin, were translated into English for analysis. Data was analyzed using Hermeneutic Content Analysis (HCA) [21]. HCA is a three-step mixed methods approach, which combines Content Configuration Analysis (CCA) [22,23] and Multidimensional Scaling (MDS). CCA is a qualitative method of analysis, which can be applied to all non-numeric data, including written, visual, and audio data. As a method of analysis, CCA has been used in a variety of fields, such as business, economics, philanthropy studies, public health, education, media studies, mobility studies, and sustainability studies. MDS is a quantitative dimensional analytic technique used to visualize the relationship between objects in multidimensional geometric space based on how these objects systematically co-occur. In our research, we have used MDS to analyze the perspectives of various stakeholders in relations to ethics, business practices, organizational theory, CR, and culture.

#### 4. Results

4.1. Results 1, HCA Step 1—CCA: Thematic Dimensionality of the Perspectives of Beijing Students on the Responsibilities of Large Corporations

In the first step of HCA, an exploratory, inductive analysis was conducted to identify all responsibilities mentioned in the essays, and to sort and classify these into thematic structures. From this analysis, we identified 19 themes, that could be subsumed into four dimensions: business operations, economics responsibilities, social responsibilities, and environmental responsibilities (Table 1, p. 23).

The predominance of themes associated with business and economics, i.e., business practices and economic responsibilities, is unsurprising given the nature of the essay questions on the role of corporations and the academic subject area of the respondents. Of interest is that we can identify the three dimensions of sustainability—economic, social, and environmental spheres, and a fourth, namely business operations, a theme associated with responsibilities that are clearly dissociated from economic responsibilities. Interesting also is that, although present, the environment is by far the least developed thematic dimension. Finally, it is also worth noting that references to ethics and philanthropy were mostly absent among our 80 respondents, which is interesting, considering how central the concepts of ethics and philanthropy are in the academic literature on CR. Accordingly, the results of CCA provided us with an overview of the different thematic dimensions of responsibilities evident in our data. In the next step, we explored how the themes identified in the essays relate to each other based on MDS modeling.

**Table 1.** Thematic dimensions of the responsibilities of large corporations.

# **Business Operations**

- Employment
- Employees
- Corporate Relationships
- Ethics
- Sustainable Development
- Innovation
- Role Modelling

# **Economic Responsibilities**

- Profits & Shareholders
- Corporate Development
- Create Value
- Tax
- Economy
- National Governance

# Social Responsibilities

- Social Development & Stability
- Social Responsibility
- Social Hot Spots
- Philanthropy
- Give to Society

# **Environmental Responsibilities**

Environment

4.2. Results 2, HCA Step 2—MDS: Mapping the Thematic Dimensionality of Corporate Responsibility Expectations among Advanced Business and Economics Students in Beijing

To explore contextual and cultural influences on corporate responsibility expectations, we modeled an underlying structure of the themes identified in the previous step, based on the co-occurrences of themes within each essay. We did this by plotting the themes from the qualitative analysis using MDS. Figure 1 (p. 25) shows a detailed representation of the resulting MDS map.

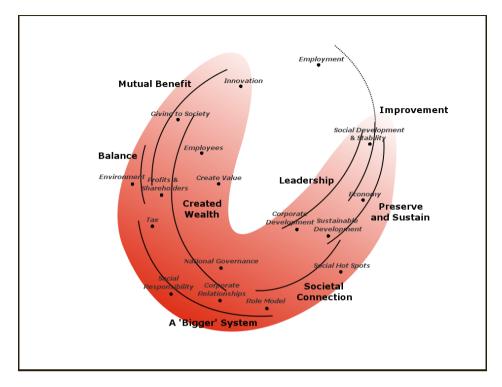
Figure 1 can be interpreted as a collective mental map, reflecting the CR expectations of our 80 respondents. The layout of the themes—represented by the distances between the points in the diagram—are indicative of how often themes co-occur. Themes in close proximity tend to co-occur frequently, while themes further apart co-occur rarely. The closer the themes are to each other, the more frequently they are associated with each other in the essays. For example, the theme labeled 'innovation' is close to 'giving to society' and 'employment', implying that when respondents refer to industrial or business innovation as a form of corporate responsibility, they associate it with creating employment and contributing to Chinese society. The opposite is true for the themes 'innovation' and 'role model', since they are at opposite ends of the map. The distance between the two points implies that ideas subsumed under the theme 'innovation' are least likely to co-occur with ideas subsumed under the theme 'role model'. In other words, our respondents tend to think of the responsibility of being innovative and inventive as something that is in opposition to conforming to corporate role expectations. Finally, we can see from the scatter of the themes that there are no clear, separated clusters, illustrating the high interconnectedness of the themes identified by CCA.



**Figure 1.** Multidimensional Scaling (MDS) output of the thematic dimensions of corporate responsibility expectations.

# 4.3. Results 3, HCA Step 3: Connecting CR Expectations to Corporate Roles

Next, we analyzed the associations between themes. According to the MDS output, we are able to identify corporate roles that describe the main CR expectation dimensions. These corporate roles are indicative of an underlying understanding of the responsibilities of corporations. Corporate roles as presented here are not distinct or mutually exclusive. They represent the connections between themes. Figure 2 (p. 26) provides a visual representation of the layout of eight corporate roles. They are loosely structured in the shape of a horseshoe, formed by a base at the bottom with two arms extending outward on each side. In the following section, we first examine the various corporate roles individually before we interpret the overall structure. Our interpretation of the MDS map is assisted by referring to the relevant raw data, which helps in interpreting the relations between the individual themes and associated corporate roles, as shown by the MDS map.



**Figure 2.** MDS output of the thematic dimensions of corporate responsibility expectations, the horseshoe (red), and the corporate roles (black).

#### 4.3.1. Foundations of CR

# A 'Bigger' System

At the bottom of the horseshoe are four interrelated themes that make up the base of the horseshoe, namely Tax, Corporate Relationships, Social Responsibility, and National Governance. These four themes, labelled A 'Bigger' System suggest that corporate roles are defined and located within Chinese society. Responsibilities in this part of the horseshoe connect three major actors—the state, society, and the business sector. Corporations are viewed as an integral part of this larger, interdependent meta-system, that includes the government and society. Responsibility is associated with the size of the corporation: the larger the corporation, the larger its responsibility toward the government and society. This includes, for example, that large corporations have a responsibility to ensure the proper functioning of the nation, such as to uphold and advance this meta-system. Corporations can do this by paying taxes, generating wealth for the nation, closely collaborating with government, and

fulfilling their role as one of the primary economic actors in the market economy. Here are some examples from the essays that illustrate this point:

A large corporation should make use of its size, resources and capital to undertake social responsibility on the premise of maintaining its self-interest. Besides, corporations should provide technology and capital to support upstream and downstream firms. Finally, corporations' actions should be in line with government policy; donate when natural catastrophe occurs. Corporations are the basic element of modern commercial society. Large corporations have more advantages and privilege (such as monopolization, centralization, favorable policy) to support their development. Hence, large corporations should fulfill their obligations and social responsibility while enjoying their rights. Doing such things also can help the corporation to avoid some unknown risks that could harm their reputation. (39-1&2)

Create profit for the State. As the main body of the nation's economy, large corporations make contributions to the State through creating profit. Large corporations are the organic component of the whole society rather than an entity that is isolated from society. Hence, the Old Saying "With great power comes great responsibility", after reaching a certain scale, corporations must take on some social responsibilities. From a corporation's perspective, these responsibilities help to support the long-term development of the corporation. From the nation's perspective, if large corporations refuse to undertake these responsibilities, it will create instability in the nation. If large corporations do not take the environment into consideration, declare bankruptcy whenever they want, cut down the staff as they want, only care about their profit, it will bring disorder to the society. (33-1&2)

Large corporations control the most state resources. Size is proportional to responsibility. (7-2)

Similar to the base of a horseshoe, this corporate role lays out the foundation upon which CR expectations are built. In this way, corporations are viewed as one of three cornerstones of Chinese society. They stand in dutiful relation to the state and society within this interdependent meta-system, continuously making and repaying debts. CR expectations are grounded in the central position corporations occupy, and the CR goals and aspirations of the nation are built onto this foundation.

#### 4.3.2. CR Means

The connections and interrelations of themes on the left side of the horseshoe may be understood by three corporate roles, namely Balance, Created Wealth, and Mutual Benefit.

#### Balance

Balance subsumes fives themes: Employees, Environment, Create Value, Profits, and Shareholders. These themes connect with each other to make up a corporate role that centers around balancing different outcomes. Essentially, it encapsulates the idea that the role of corporations should include but not be limited to the maximization of profit. Rather, it should be extended to also include the interest of other stakeholders, as well as concerns for the environment. In other words, to engage responsibly in ways which balance the generation of profits while avoiding harm. Here are some examples that illustrate this corporate role:

The responsibility of large corporations means that the activities of corporations should follow the development of people, nature, and society. In other words, the corporation should not blindly pursue self-benefit through damage to society and the natural environment. (12-1)

First, internal responsibilities: responsibility for shareholder profit, for employees, and for management. Second, external responsibilities: responsibility for society, for the environment, for the community, for clients, and for the welfare of society as a whole. (9-1)

Their development also leads to many negative influences, such as pollution. They need to pay for these damages to the environment and society. (64-2)

#### Created Wealth

Created Wealth includes the themes Giving to Society, Employees, Environment, Create Value, Profits and Shareholders, Tax, and Corporate Relationships. It is based on the notion that corporations ought to share the wealth they create with those who helped to create it. This responsibility set connects to employees on the one hand, because of their direct participation in wealth generation, but also to a more general, societal entity. Accordingly, corporations have the responsibility to share accumulated wealth in order to ensure the wellbeing of the country and its citizenry, and to actively participate in, provide for, and improve society. This is because wealth and success of corporations are often portrayed as the consequence of years of societal support that allowed corporations to use significant social resources to achieve growth and success. Here, resources refer to financial resources, human resources,

communal facilities, government assistance, subsidies, tax relief, infrastructure development, etc. Given the advantages and resultant success of corporations, they now have an obligation to return this wealth to the societal stakeholders who enabled it. Here are some examples:

The profit corporations generate come from people, so they should absolutely benefit people. Corporations will find it difficult to develop without the support of people and the nation; the corporation's main mission is to create value for its shareholders. Besides, if corporations lack the support from their employees, it will be hard for them to achieve sustainable development; the early stages of our reform strategy stated "to allow some people to get rich first, and later on the rich will drive our development forward for all, and then lastly we will achieve common prosperity". So, the nation gave corporations many privileges to support their development and that is why corporations should fulfil social responsibility, to return to society. (79-2)

The basic mission of a corporation is to make profit and most of it is created by employees, so corporations should share the profit with the employees in order to encourage them; large corporations should realize that with great power comes great responsibility. Otherwise, a corporation's development also depends on its surroundings, so corporations should make a contribution to society. (22-2)

Create value for shareholders; create benefit for society; provide a platform for employees to develop themselves. From the corporation's perspective, the purpose of a corporation is to make profit and create value for shareholders; meanwhile, the corporation is a member of society and has the responsibilities to make a contribution to its environment; to provide a growth platform for employees is also a reflection of a corporation's social responsibility. (38-1&2)

To create value, corporations occupy social and public resources, so it is their responsibility to pay back to the society. (6-2)

Create and share value with society. (42-1)

#### Mutual Benefit

This corporate role includes the themes of Innovation, Giving to Society, Employees, and the Environment. While the previous corporate role connected to the concept of wealth and who it should be shared with, the corporate role of Mutual Benefit provides the blueprint for how this wealth should be shared: by

creating mutual benefit for all. Similar to Created Wealth, a prominent justification for corporations to engage in mutually beneficial practices is that large corporations use considerable resources, from which arises the responsibility of giving back to society. Present also are key stakeholders, namely employees, the environment, as well as society as whole. This corporate role, however, lays down various strategies and examples for how benefits should be shared. These include improving staff benefits and providing a platform for growth for employees through educational and skill training. In this business role, technical innovation is seen not only as an important business strategy to further the development and market share of corporations, but it is also framed as a vital contribution toward a successful society by benefiting employees and contributing to the growing wealth of society. Technological advancements by corporations are seen as a public good, although it is initiated, developed, and implemented by corporations. The purpose of innovation, according to our respondents, is to increase the quality of life for all citizens by making life easier and more efficient, and by creating mutual benefit for all. Here are some examples:

Make a contribution to society, such as environmental protection or job security; focus on technical progress and cultural development. Large corporations are an important part of society and they should use their influence to benefit society. In conclusion, with great power comes great responsibility. (50-1&2)

A large corporation can improve its products and services to increase the welfare of the public; promote society's level of technical innovation in order to escalate social efficiency. Large corporations are members of society, it is their duty to undertake social responsibility; large corporations are technologically advanced which could build a creative environment to promote the level of technology in society as a whole. (52-1&2)

Make a contribution to society, such as environmental protection, public welfare, employee development, and so on. (20-1)

Large corporations occupy a significant proportion of high-quality social resources, so it is their duty to give back to society; large corporations also gathered highly qualified people, they have the capability to advance technical research and development which can benefit both society and the corporations themselves. (32-2)

The three corporate roles presented here reflect strong collectivistic ties wherein corporations occupy a central position within a larger, interdependent collective

meta-system, which includes the business sector, communities, society as a whole, the state, and the environment. According to these corporate roles, corporations ought to align their goals, objectives, skills, and resources toward the greater good of the collective. Such an alignment will reconfirm the commitment of the other components of the meta-system to contribute resources toward the success and wellbeing of the corporation. The CR expectations upon which these corporate roles are based provide the blueprint for how CR goals and ideals can and should be achieved—the means to an end. Accordingly, when corporations aspire toward balanced outcomes, share the created wealth with those who have helped to create it, and leverage their skills and resources to bring mutual benefit to all, then CR goals are realized.

#### 4.3.3. CR Ends

On the right side of the horseshoe, there are four corporate roles, namely Societal Connection, Leadership, Preserve and Sustain, and Improvement.

#### Societal Connection

This corporate role includes the themes Role Model, Corporate Development, Social Hot Spots, and Sustainable Development. It is built on expectations for corporations to foster their societal connection by integrating themselves into local communities, participating in public activities, allowing the public to participate in corporate affairs, and helping the government to establish, maintain, and increase social security systems. One way they can do this is by focusing on so-called hot spots in Chinese society. In our data, hot spots refer to sensitive societal issues or trigger points, which need special care to ensure public stability and societal welfare. CR expectations in relation to these hot spots include, for example, helping vulnerable social groups and the poor, investing into local communities and social needs, and improving the quality of life for citizens. It is understood that taking on social responsibilities will create more value for large corporations since these close societal ties will be beneficial in shaping their public image and developing a good reputation. Embedded in this corporate role is the notion of a reciprocal relationship between corporations and society. On the one hand, engagement in societal issues ensures the reputation and legitimacy of the corporation in society and, as a consequence, positively impacts corporate development. On the other hand, it creates a role model for society, which fosters responsible behavior among other societal actors. Here are some excerpts illustrating these points:

Large corporations should play a positive role in social affairs through integrating themselves into their local community and donating to charity organizations in the region. (69-1)

Pay more attention to the disadvantaged; help the government to establish a social welfare system, to ensure a wider coverage and a larger number of benefited people. . . . The reputation of large corporations can be effective in creating a large range of social benefits; their social image can cause other members in society to take on social responsibility thus creating a social sense to promote social development in all aspects of society. (8-1&2)

Responsible companies are accepted by the employees, clients, and society. Taking on responsibilities will promote their development, improve their productivity, and increase their profits. (9-2)

Build an organization which the public can join and supervise. (60-1)

Companies can be examples in many aspects, such as showing integrity, charity, and caring for the retired. (7-1)

... even spread a new culture or positive energy to society as a whole. ... Finally, through fulfilling its responsibilities, the company will transfer this positive mental power to society as a whole. (10-1&2)

# Leadership

Leadership as a corporate role includes the themes Corporate Development, Social Hot Spots, Sustainable Development, Economy, and Social Development and Stability. It captures the idea that corporations should take on a leading role in the development of industry, as well as in economic and social development, given their central, powerful, and privileged position in China. In this way, decision-making processes and business activities should aim to develop a corporate culture, which cultivates socioeconomic development. Providing quality products and services, for example, fosters the development of the company and the economy at large, which supports the socioeconomic development of society. Connected to this are the notions of leadership versus competition. Even though market competition is mentioned as being part of corporate strategy, there emerges in the data a distinct expectation of leadership and cooperation. Fulfilling responsibilities as leaders of industry simultaneously promotes the continual development of these corporations while also improving society and the economy as a whole:

Therefore, besides economic benefit, large corporations should also consider social benefit while making decisions. (14-1)

Provide quality products and services to support the development of society and the economy. (44-1)

When large corporations fulfil their responsibility, it can help to develop a corporate culture that supports its sustainable development. (68-2)

Large corporations play a primary position in the market economy of a socialist country, so they should undertake the responsibility of economic development. Besides, state-owned enterprises should preserve and increase the value of state-owned assets and accelerate economic restructuring. (75-1)

### Preserve and Sustain

This corporate role includes the themes Sustainable Development, Economy, and Social Development and Stability and is based on the expectations that it is the responsibility of large corporations to promote a successful market economy and in doing so, preserve and sustain social stability. Some of these responsibilities include sustaining market order, stabilizing prices, maintaining sustainable levels of development and competitiveness, and steady social and economic development on a societal level. As a corporate role, it encapsulates the goal of sustainable development and connects to all levels of society. Because of the contribution corporations make, they can ensure that the national development of the economy, society, and industry, as well as their own are preserved and sustained. Here some examples:

Stabilize the social and economic order; promote economic development. Similar to bellwether, which can lead the flock of sheep to go forward, large corporations can play an important role during the process of economic development. On the other hand, large corporations have a deep impact on society, so they should make use of this influence to undertake social and economic responsibilities. In conclusion, with great power comes great responsibility. (40-1&2)

Large corporations play an important role in social development, the implementation of corporations' responsibility can ensure plenty of people's lives and then maintain social stability. (5-2)

China needs to develop sustainably despite a shortage of resources under such a large population. (60-2)

Promote the development of society and industry. These responsibilities are good for a corporation's long-term development. (49-1&2)

# Improvement

Improvement as a corporate role includes the themes Economy, Social Development and Stability, and Employment. This final corporate role extends the goals of preservation to the central role of corporations to ensure continued socioeconomic progress. The goal of maintaining China's developmental trajectory and ensuring its continued growth is seen as an integral responsibility of corporations because they possess the necessary resources and capabilities. Also, by pursing these responsibilities, corporations do not only enhance society and the economy but also benefit through the improvement of society and the economy. Corporations can do this by promoting the development of local industries and the economy, solving employment problems through job creation, and contributing to social progress. Here are some examples:

Large corporations should take on social responsibility and make contributions to support social progress; large corporations should pay attention to social benefit rather than only caring for their own interests; solve the employment problem. Because large corporations have enough resources to influence society, therefore, they should prioritize social responsibility. (47-1&2)

The nation and society provided a platform for corporations, so corporations ought to provide more job opportunities in return to society; every corporation has the responsibility to promote economic development. (78-2)

The social behaviors of corporations have significant influence on society's progress and lack thereof; only large corporations can undertake the responsibility of pushing the progress of society forward, in that way, the economy and society can become much better than before. (17-2)

Large corporations should comply with local law and provide more job opportunities, besides; they should accelerate economic development and increase social welfare. As an essential component of society, they should give back to accelerate the development of society and mankind in order to improve themselves. (66-1&2)

... the third responsibility is to solve the employment problem in order to maintain social stability; the fourth responsibility is to change people's lifestyles. Large corporations occupy a lot more social resources, so they should take on relevant social responsibilities; the corporation is one of the important powers to promote social progress. (16-1&2)

Most CR expectations reported by our respondents reflect different CR goals or ideals. In Societal Connection, for example, the goal of CR is to become responsible societal role models. By integrating into local communities and by helping the government to provide and maintain social security systems, taking care of vulnerable groups as well as addressing societal hot spots, they set an example

that others will follow. This connects to the strong Leadership role corporations are expected to embrace. As a CR ideal, corporations are expected to lead the development of technology, the economy, and society. Two further CR goals relate to preserving the success, which has been achieved thus far, and ensuring the continued socioeconomic progress of the nation. Where the previous corporate roles on the left side of the horseshoe laid out the means with which to reach the end, the corporate roles on the right side lay out the various responsibilities that capture this end, i.e., the goals of CR as it is or as it should be.

# 4.3.4. Making Connections

The themes at the base of the horseshoe form the foundation of CR expectations. They position corporations as central actors with responsibilities and obligations toward a much larger, interdependent meta-system. Accordingly, corporations do not only have responsibilities toward their senior managers, shareholders, customers, and employees, but also in relation to other stakeholders, including Chinese society and the state. CR expectations within this bigger system are defined by means and ends. On the one hand, the ends of CR include connections to society in that they not only build strong and trustworthy reputations, but that their actions set the benchmark for how others should behave; that they should lead by developing business practices and corporate cultures, which emphasize socioeconomic development of all sectors including the economy, society, and industry; that it is their task to ensure that this is part of a sustained effort; and that they realize their role in a continued improvement of the country's developmental trajectory. On the other hand, the means through which these CR ends can be achieved include, for example, that corporations are expected to balance profit generation with accounting for the impact they have on the environment and society; that the wealth which has been created should be shared not only with shareholders but also with employees and society more generally; and that this should be done through various initiatives and by leveraging innovative technology to benefit the environment and society.

#### 4.4. Results 4: Additional Findings

Two additional findings, both relating to public relations (PR), merit mentioning. Both illustrate how CR notions are uniquely developed, extended, and manifested in the Chinese context.

#### **Public Relations**

In our data, we find a strikingly different notion of public relations (i.e., via a role model), which contradicts PR in the Western sense. PR in the sense of role modelling is characterized by strong reciprocity. Role modelling is not only concerned with

making the public aware of corporate actions and strategies and thus creating a positive public image but also with setting the benchmarks for how other societal actors should behave through exemplary corporate conduct. By constructively addressing or avoiding social hot spots, CR strategies ostensibly have the ability to develop and transmit positive social values, teach cooperation and consideration, and instill care for all members of society.

In this regard, it is also interesting to note that a more global perspective is almost entirely missing from our data. Except for a single reference to how Chinese corporations are expected to lead globally, any reference to international linkages or global expectations are absent. Instead, perspectives on CR tend to be nationalistic and inward looking, focusing on the role of CR within the meta-system bounded by the Chinese nation. Even environmental concerns are limited to the wellbeing of the Chinese citizenry, the health of the workforce, or the reduction of health costs for the state. As such, corporate roles in association with CR expectations conceptualize an interdependent meta-system bounded by a national system.

# Creating Value

Value creation is also developed in an interesting way. In our analysis, Create Value extends well beyond the notion of market share increase or profit generation. It is the most connected theme in the horseshoe, connecting in some way to nearly all of the corporate roles discussed in this paper. For our respondents, value creation transcends profit and market share; it is embedded in multiple layers of society. It is not only viewed in monetary or market terms relevant to the corporation, but also in terms of socioeconomic development, environmental sustainability, and mutual benefit. As such, creating value is not a corporate goal, but a societal and national one.

#### 5. Discussion and Conclusions

From systematizing the CR expectations of our respondents from Beijing, we were able to identify a variety of cultural and contextual characteristics embedded within their expectations of the role that corporations play or ought to play. We observed multiple, distinct references toward collectivism, where group membership, social relations, mutual benefit, and the contribution to the national wellbeing are or are expected to be constitutive of corporate behavior. However, this collectivism integrates in interesting ways the pursuit of technological innovation, efficiency, and profit. As size is associated with collective duty, the larger and more powerful the corporations, the more responsibility they are expected to assume, and the more support they are to expect from society and the state. Collectivistic values are also evident with reference to CR expectations that encourage cooperation, cohesion, and harmony, especially in relation to promoting and maintaining social stability. Corporations are an integral and interdependent part of a meta-system

that includes society, the state, and the environment, and our respondents equally viewed themselves and members of Chinese society as part of the meta-system with all its duties and privileges. Except for a few mentions of profits, shareholders, and competition, individualistic values such as self-reliance and personal gain are uncommon, as are expectations associated with globalization, competition, or Western consumer lifestyles. This is not to say that these are absent from the lives of our Beijing respondents. Rather, they do not seem to be prominent in relation to expectations they have of corporations. The one Western concept that was mentioned by our respondents again and again is the saying 'with great power comes great responsibility', made famous by the Marvel superhero character, Spiderman.

Beyond these cultural characteristics, there are various contextual elements that circumscribe the CR expectations of our sample. Perhaps the most important of these is the emphasis on the role corporations ought to play in relation to national governance. Not only are they expected to comply and cooperate with the state, but they are also expected to contribute to and further develop state resources, to help realize national long-term goals, foremost among them the socioeconomic development and prosperity of the Chinese nation. Corporations are also recognized as one of the primary actors through which social development can be achieved. Interestingly, these responsibilities and expectations are not imposed on corporations but are based on assumed reciprocal relations, where success, wealth, and stable growth of the corporation is achieved by collaborating with a socioeconomically developing nation, which, in turn, assists corporations to further achieve success, wealth, and stable growth. The nation is expected to help corporations to be or become successful, and the corporations in turn helps society to prosper.

Even though we expected our respondents from Beijing to touch on dimensions associated with Western conceptions of CR, particularly due to their exposure to the academic literature and their considerable ability to ingest and regurgitate large quantities of academic texts, there were no apparent or overt mentions of academic theories, constructs, or ideas. Instead, the emphasis rests on corporate success as part of socioeconomic development and vice versa. We also find, unsurprisingly, that CR expectations associated with the environment are underdeveloped, usually subordinated to societal needs or, if it appears in its own right, as a vehicle through which social goals can be achieved. In other words, improving the environment is valued not in itself but because it will benefit society or the employer by developing marketable technologies, improving public health, or strengthening the health or commitment of the workforce. Also, by connecting ideas of sociopolitical stability, for example, in the form of avoiding hot spots, with socioeconomic development and growth, this sustainability pillar is best understood within the contemporary Chinese context.

From the perspective of developed economies, business ethics is often presented normatively, as something that corporations ought to engage in—because it is the right thing to do. This is not the case in our data. Even though there were some mentions of responsibilities that seemed similar to Western notions of ethics, such as, "fairness", "transparency", and "honesty", we find these references deeply embedded in a meta-system of interdependence. Our respondents did not refer explicitly to business ethics because they formed an underlying basis of corporate responsibility expectations and are thus omnipresent.

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