

**KATALIN ÁSVÁNYI**

**COMPETING FOR CORPORATE SUPPORT:  
THE CLASSICAL MUSIC CASE**

**DEPARTMENT OF ENVIRONMENTAL ECONOMICS AND  
TECHNOLOGY**

SUPERVISOR:

**PH.D. SÁNDOR KEREKES**

PROFESSOR

DOCTOR OF MTA

© Katalin Ásványi

**CORVINUS UNIVERSITY OF BUDAPEST**

**Doctoral School in Business Administration**

**COMPETING FOR CORPORATE SUPPORT:  
THE CLASSICAL MUSIC CASE**

**Ph.D. thesis**

**Katalin Ásványi**

**Budapest, 2013.**



# Table of Contents

List of Figures and Tables.....	7
Acknowledgements .....	9
INTRODUCTION .....	12
Research objective and research questions .....	13
The structure of the thesis .....	15
The practical and scientific significance of the research .....	17
CHAPTER I: DESCRIPTION OF THE CSR DIMENSIONS .....	19
I. 1.Profit dimension: CSR at the service of profit.....	22
I. 1.1. The minimalist approach to CSR.....	22
I. 1.2. Integration into business management.....	23
I. 1.3. Strategic CSR concept .....	25
I. 2. The dimension of volunteering – CSR on a voluntary basis .....	27
I. 2.1. Emergence of the ethical guidelines .....	27
I. 2.2. The emphasis on volunteering .....	28
I. 3. The marketing dimension– CSR from a marketing perspective.....	30
I. 4. The stakeholder dimension – CSR with an eye to the stakeholders .....	33
I. 4.1. Responsibility to society .....	33
I. 4.2. A social performance középpontba kerülése .....	35
I. 4.3. Emergence of the commitment toCSR .....	39
I. 4.4. Stakeholder theories.....	41
I. 4.5. Stakeholder value creation.....	44
I. 5. Synthesised CSR definition .....	47
CHAPTER II. INTERPRETATION OF CORPORATE PHILANTHROPY AND EXPLORATION OF ITS DRIVERS.....	49
II. 1. The definition of corporate philanthropy and its interpretative frame .....	50
II. 1.1. Four types of corporate philanthropy .....	51
II. 1.2. Seven levels of corporate philanthropy .....	54
II. 2. The definition and objectives of sponsorship.....	56
II. 3. The relationship of sponsorship, corporate philanthropy and CSR.....	58
II. 4. Categorization of corporate philanthropy based on motivations.....	62
II. 4.1. The classification of Burlingame and Frishkoff.....	63
II. 4.2. Saiia’s classification.....	64
II. 4.3. The interpretation of Young and Burlingame .....	66

II. 4.4. The model of Moir and Taffler .....	67
II. 4.5. Additional motivational factors of donation .....	70
II. 5. Supporting the arts by companies .....	71
II. 5.1. Motivational factors of art sponsorship .....	71
II. 5.2. Drivers behind the art support.....	73
II. 6. Typing of companies through the systematic classification of the motivation factors ...	76
<b>CHAPTER III. REVIEW OF PREVIOUS EMPIRICAL RESEARCH ON THE CSR</b>	
<b>TOPIC .....</b>	<b>78</b>
III. 1. Comparison based on primary research indicators .....	79
III. 2. Questionnaire-based quantitative research .....	81
III. 3. Qualitative research based on in-depth interviews .....	83
III. 4. Primary research comprising both quantitative and qualitative components .....	85
III. 5. Conclusions based on the domestic CSR researches .....	86
<b>CHAPTER IV. PRESENTATION OF THE EMPIRICAL RESEARCH .....</b>	<b>88</b>
IV. 1. Formulation and rationale of the hypotheses.....	88
IV. 2. Specification of the research steps and objective .....	97
IV. 2.1. Preliminary description of the methodology .....	98
IV. 2.2. Sample identification.....	99
IV. 3. Description of the research methods .....	101
IV. 3.1. Presentation of the characteristics of document analysis .....	101
IV. 3.2. Presentation of the characteristics of the in-depth interview.....	103
IV. 3.3. Presentation of the characteristics of the Q methodology .....	107
<b>CHAPTER V. EVALUATION OF RESEARCH RESULTS .....</b>	<b>110</b>
V. 1. The results of the document analysis.....	110
V. 2. The results of the in-depth interview .....	117
V. 3. The results of Q-methodology .....	129
V. 3.1. Corporate results of the Q methodology .....	130
V. 3.2. Q methodology results in the category of musicians .....	136
V. 3.3. Conclusion and prognosis based on a comparison with the Q methodology research results.....	142
V. 4. Combination of the empirical research results .....	145
<b>SUMMARY .....</b>	<b>150</b>
<b>LIST OF REFERENCES .....</b>	<b>155</b>
Publications of the author (co-author) in the field .....	174
<b>ANNEXES .....</b>	<b>178</b>

## List of Figures and Tables

### List of Figures

- Figure 1: The structure of the thesis (p.16.)
- Figure 2: Similarities between PR and CSR process (p.31.)
- Figure 3: The “three concentric circles” approach (p.34.)
- Figure 4: The corporate social performance model (p.36.)
- Figure 5: The pyramid of corporate social responsibility (p.39.)
- Figure 6: Three approaches of stakeholder theories (p.41.)
- Figure 7: Corporate stakeholders (p.44.)
- Figure 8: The pyramid of UNIDO (p.45.)
- Figure 9: Types of corporate responsibility (p.46.)
- Figure 10: CSR dimensions (p.47.)
- Figure 11: Four types of corporate philanthropy (p.52.)
- Figure 12: Seven levels of corporate consciousness (p.55.)
- Figure 13: The relationship of sponsorship, corporate philanthropy and CSR (p.62.)
- Figure 14: Corporate categorization based on philanthropy (p.65.)
- Figure 15: Integrative framework of corporate philanthropy based on the model of Young and Burlingame (p.68.)
- Figure 16: Motivational factors of corporate philanthropy based on the complex model of Moir (p.70.)
- Figure 17: Company classification by the motives of the donations (p.77.)
- Figure 18: The differences between the corporate factors (p.135.)
- Figure 19: The determinants of the factors disagreements in the case of musicians (p.141.)

## **List of Tables**

Table 1:	The dimensions and the codes applied in the code system (p.21.)
Table 2:	Reconciliation of research questions and hypotheses (p.89.)
Table 3:	The aims and benefits of CSR activities for the arts to corporate, arts organizations and corporate stakeholders (p.93.)
Table 4:	Corporate classification by the reconciliation of aims and benefits (p.96.)
Table 5:	The sample of the corporates (p.100.)
Table 6:	The sample of people from classical music providers (p.101.)
Table 7:	The Q-sort (p.109.)
Table 8:	Examination of the industry-dependence of the analyzed companies (p.114.)
Table 9:	The factormatrix of corporate professionals (p.131.)
Table 10:	The factormatrix of musicians (p.137.)
Table 11:	Summary of the thesis results (p.148-149.)



## Acknowledgements

I would like to thank my interviewees that they expend their time and energy on meetings and were available to meet me personally just as gave me further information via email.

Thank to those corporate professionals the help who participated in my research and fill the Q-methodology survey via email.

I am beholden to my professional and amateur musician friends, despite the theme and thesis which were unknown by them, they found time for me, so I could examine the CSR concerning classical music not just from the corporates' side but the side of the primary stakeholders.

Thank to my ex-supervisor, *Ilona Papp, Ph.D.*, that she saw more in me and supported my participation in the Ph.D. program and continuously saw through my professional development.

Here I would like to take this opportunity to thank my supervisor, **Sándor Kerekes, Ph.D.** whose advice and guidance proved indispensable in the thinking and writing period of my research topic. I thank him that beyond the professional support he always stood by me and encouraged me humanly too.

*Ágnes Zsóka* was the one, who familiarized me the Q-methodology and introduced to its mysteries in pursuance of a joint research. Thank her that she always helped and encouraged me.

I would liket to thank to *my colleagues in university* and my Ph.D. partners that I could always count on them.

I am grateful to *Zsuzsanna Marjainé Szerényi* and *István Tózsza* that they gave me the chance to teach and participate the work of both departments, because it gave me a lot of experience.

Thank to *Hajnalka Csáfor* and *György Pataki* that they helped my work with constuctive criticism in their reviews of my dissertation draft.

I am grateful to *the students*, who confirmed me by their thirst of knowledge in every semester that it is worth dealing with this topic.

Thank to **my Parents** that they supported me spiritually and financially in the last few years, so I could spare all my time alone the reasearch and the teaching. I owe them and **my Sister** that the classical music still acts an important role in my life.

Last but not least, I thank to **my Husband**, whose love helped me to be able to get till now, I could not do it without him.

*“Business and culture are dependent on each other:  
they are able to create a richer society only together.”*  
(Summa Artium)

## INTRODUCTION

Culture and in particular *classical music could never exist without support anywhere*. Until the beginning of the 20th century, artists, musicians, had been sponsored mainly by the aristocracy, whose loss of power, however, has led to a change. Although many musicians have managed to look after themselves and earn a living, but culture targeting the masses and classical concerts still needed support. The state has contributed considerable sums to providing the population adequate musical grounding and access to music-related opportunities. But finding new sponsors has nevertheless remained a key issue also in the 20th and 21st century, as value-creating culture is rather expensive. But who could be the supporters of classical music in our days? This is where large companies come into the picture. It is important to interconnect the economy and the arts, i.e. two areas which are apparently far apart, but actually interact with one another. The arts, classical music included, need sponsors, but they can give their supporters inspiration and new ideas in return. Classical music mediates value from which people can draw strength for everyday life.

This research of CSR targeting classical music was motivated partly by my *personal interest*. Classical music has been part of my life since elementary school: I studied at a school specialised in vocal and musical education and started to learn how to play the violin at the age of 8, and that has given me lots of inspiration, strength and experience. I had good results at violin contests; I joined an orchestra and sang in a choir. My university years have reinforced my love for music, and in 2006 I became a founding member of Budapesti Egyetemi Zenekar (Budapest University Orchestra) where I have kept playing to this day. Under the Service Management programme of Corvinus University of Budapest, I had the opportunity to write my thesis on the financing of Hungarian professional symphonic orchestras, for which I would like to thank *Ilona Papp, Ph.D.* While writing that thesis, I realised that there were lots of problems and unresolved issues in the field of classical music, and I decided to focus my PhD research and thesis on the same issue. It was during my PhD studies that I met my thesis supervisor, *Professor Sándor Kerekes, PhD*, who introduced me in more detail to the concept and relevance of corporate social responsibility and the often-debated issues whether CSR is a marketing device or an altruistic endeavour in the first place, and whether “genuine CSR activity” had to be associated with the core activity of the

company. While pondering these issues, I have decided to focus on what is probably the most disputed segment of CSR, i.e. corporate responsibility in an area which may not be related to the mission of the company at first sight – such as classical music –, but nevertheless generates commitment on its part.

Overall, these ideas have been launched on the road to deal with CSR activities concerning classical music in my thesis work and to find the answers to the most important question in the literature:

*“What is a company responsible for in an area that is not directly linked to its core activity, and how does it fulfil that responsibility?”*

In the practical part of the thesis, in the empirical research I look for an answer to:

*“Why does the corporate sector support classical music and how does it pursue its CSR activity targeting classical music?”*

## **Research objective and research questions**

The objective of the thesis is to expose, analyse and assess the CSR activities of domestic companies in fields which are not directly related to their core activity; in my case, that field is classical music.

I am aware of the fact that mapping the total Hungarian cultural corporate social responsibility field would require sophisticated and protracted research pointing beyond the scope of a doctoral thesis, so I limit the scope of the research at several points. I focus exclusively on the CSR actions of domestic companies, in certain industries. Moreover, within the domestic cultural supply, I treat only CSR activities targeting classical music.

The main research question of my thesis is the following: *“What is a company responsible for in an area that is not directly linked to its core activity, and how does it fulfil that responsibility?”* or, projected to a specific field: *“Why does the corporate sector support classical music and how does it pursue its CSR activity targeting classical music?”*. I use the word “why” in two senses: firstly, it refers to the objective and secondly to the underlying motivations of such actions. I also interpret this question as the following “What goal does the company pursue by assuming responsibility for the given area?”, and I also look for an answer to “How, and with what means do companies carry out their responsible activity in the given field?” and “What factors differentiate the companies in terms of their actual choice of fields not directly related to

their main activity?”, i.e. in my case, what is the distinctive feature of companies supporting classical music.

To ensure that the research do not provide only a general approach, but the answers to the questions show really a complete picture about the motivations and the results, so the main research question is decomposed to further sub-questions, which are formulated particularly to CSR activities concerning classical music.

- *What is the goal of the company's CSR activity targeting classical music?*

What is the aim of the company by doing CSR actions targeting classical music? Does it articulate its goals, and if so, what are the most common targets of responsibility activities concerning classical music?

- *What type of CSR activity targeting classical music do the companies pursue?*

What tools are used in responsibility targeting classical music? How could these tools be classified? What further options are available to companies to expand the CSR actions in the field of classical music?

- *What business and social benefits does CSR targeting classical music generate for the company?*

If the aim of the responsibility is philanthropic, there should be social benefit behind it. If the responsibility is more strategic, the corporate focuses on its own benefits instead of social interests.

- *How does the company evaluate and monitor the results of its CSR activities in classical music?*

It is important to know, that what are the questions of the responsibility the corporate evaluates. Which elements are measured and which of them are not? If the responsibility is strategic, what are the aspects that matter the most in the assessment?

The comparison of the aims, benefits and results shows at what extent the corporate's objective was realized. What are the elements that have been fulfilled as expected, what are those one that failed, and are there any results of the corporate, which were unexpected?

- *To what extent does the industry concerned influence the decision of the companies in favour of classical music?*

What industries are most committed to the field of classical music? Could the industry determine that a company is responsible for classical music or not?

For an industry, what are the factors that determining the direction it should do its CSR activities ? And what are these factors in the case of CSR targeting classical music?

## **The structure of the thesis**

The structure of the thesis is the following (Figure 1).

In the *introduction*, I present the professional and personal reasons for the thesis topic selection, formulate research questions and present the scientific and practical significance of the research. In my thesis I deal with the following research question: “*What is a company responsible for in an area that is not directly linked to its core activity, and how does it fulfil that responsibility?*” , in my particular case: “*Why does the corporate sector support classical music and how does it pursue its CSR activity targeting classical music?*” by analyzing these actions and exploring the possibilities.

In *chapter one* the international and national literature of CSR theoretical approaches are generally questioned- without lack of completeness - and all its aspects are reviewed, from which in my thesis only the truly relevant and encompassing models concerning my topic are presented. In this chapter the elements of the corporate social responsibility are reviewed in order to define CSR of the 21st century, today that could play an important role in certain areas, such as classical music.

In *chapter two* the basic models of corporate philanthropy are presented in order to understand better CSR activities that are less or not related at all to the companies’ mission. The possible forms and motivations of donation are discussed in detail, as well as the relationship of sponsorship, CSR and corporate philanthropy is shown in my own interpretation. To prepare the practical part of my thesis the most important factors in the background of CSR activities for the arts are explored. In the last subsection the motivational factors of CSR and CSR for the arts are conducted, and the interpretaton framework of my research is identified, CSR targeting classical music is in the focus in the empirical research.

After presenting the theoretical framework, in the *chapter three*, the national research in the field of CSR and their results are summarized and systematized, inspired from the lessons of the previous two chapters. The national studies relate to the CSR generally , so they can help to refine the research questions, and to choose the best method.

International researches also concern to CSR activities for the arts, so these are presented when the hypotheses are formulated in order, to confirm them.

In the *chapter four* the hypotheses of the thesis and the research plan could be found, in which the methodological questions and details of the research are presented built on the interpretation framework. The empirical research is carried out in several steps. *Deep interview* is used to explore the commitments to classical music and their drivers, which is completed with the application of *Q-methodology* to obtain a more accurate picture of the companies' motivations, objectives and realized benefits. In order to answer the research questions more precisely, not only corporate professionals, but also classical music providers are asked, by comparing the opinion of the two sides, more useful results could be served to both of them. Beside the use of qualitative methods, quantifiable results also can be served with the help of Q-methodology. To explore the CSR activities targeting classical music and to detect the role of the industries further qualitative method is also used, such as the *document analysis*, as it provides possibility to search the role of industries in the supported area and the concrete actions.

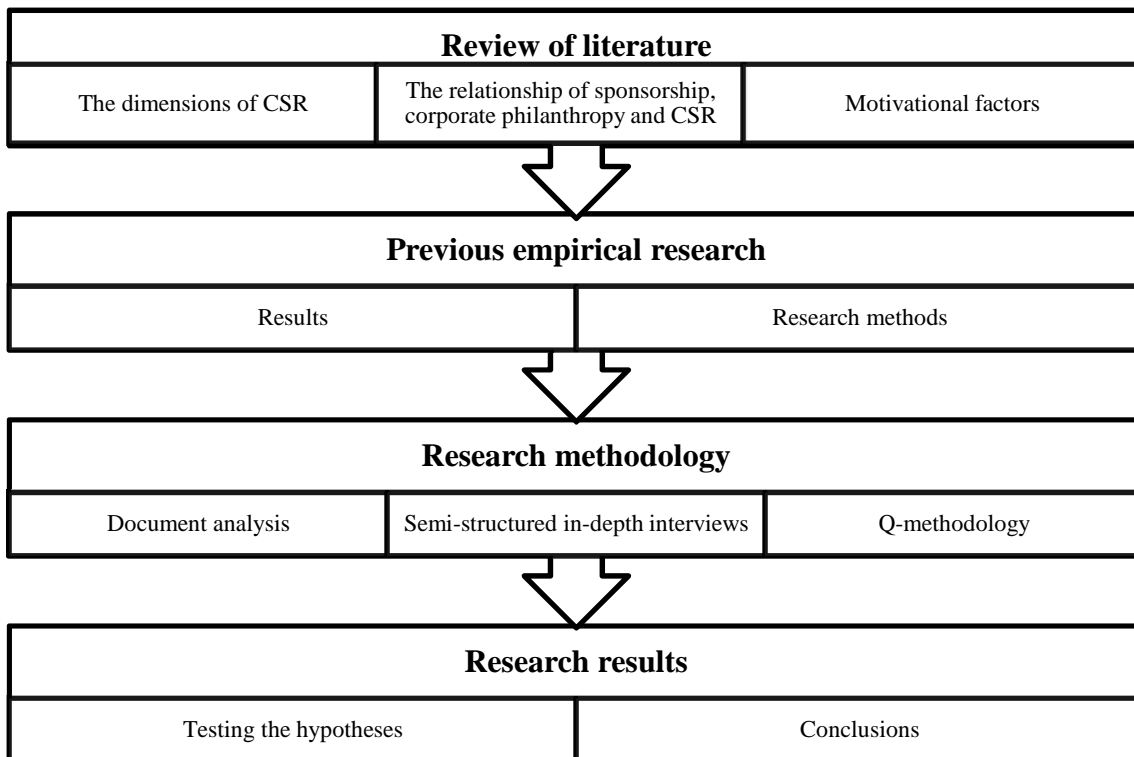


Figure 1: The structure of the thesis

Source: Author's compilation



In *chapter five*, the research methodologies are shown separately, I describe what can be achieved and at what extent hypothesis can be proved. Based on these results the conclusions are drawn.

In the *summary* the problems of the generalisability, validity and reliability are clarified with the connection of the thesis, the main results of the thesis are presented and future research directions are determined.

The last objective of the thesis can be formulated in two points. First, to re-interpretate CSR by the interpretation and evaluation of responsibility areas not directly linked to the company's main activity, i.e. the so-called philanthropic CSR can operate in a strategic way, but not sure if this is its role. On the other hand, to contribute to the companies' commitment to classical music by the exploration of CSR activities concerning classical music, their underlying motivations and results.

Figure 1. shows the structure of the thesis.

### **The practical and scientific significance of the research**

Corporate social responsibility has been the object of research studies by a lot of authors and is still researched today. The empirical results continually serve more and more information about the concept and provide a deeper understanding of its practical range. During studying the literature, however, I found that the researchers always analyse the company's whole responsibility activities or concentrate on a bigger part of it. Therefore, I choose a slice of responsibility activities such as CSR targeting classical music, which is highly controversial, and many people do not even consider it as the part of the "real CSR".

The basic idea of the thesis was to explore such responsibility activities that are not clearly linked to a company's core mission, and to analyse those companies which carry out such actions and to examine the question why, with what efficiency and what effectively they do such a commitment.

The topic of corporate social responsibility is not that new, however, based on this research, there will be the chance to contribute to the better theoretical understanding of CSR, because the work focuses on factors, which are highly controversial, and CSR concerning culture, also within classical music has been not yet well investigated in detail.

Finally, the *scientific* newness of supporting these areas can not be negligible as to interpret - such as classical music itself - as CSR activities. The majority of CSR

activities in these areas like classical music is treated as sponsorship, so many people do not even consider them real CSR, but the appearance of strategic CSR is not irrelevant either, which is detailed later in the thesis.

In addition to the scientific importance we should not forget the *practical significance* of the research neither. The examination of the effectiveness of CSR targeting classical music and the evaluation of the results are also interesting for corporate professionals. CSR concerning classical music could be planned easier by knowing the results that may increase the range of this type of action. In practice, other options of support for classical music are neglected next to sponsorship in CSR decisions, despite the fact that this can have a major strategic significance. Due to the research it is possible to improve the assessment of CSR activities targeting classical music, and I will be able to give practical advice on the implementation of these actions, so commitment to other similar areas could become more accepted, I hope.

The *social-welfare significance* of the research is to understand better companies' actions that are not directly linked to its mission and to get to know domestic companies' responsibility activities concerning classical music and their commitment. Hereby the classical music providers could be more active, they could submit more successful applications to the companies. The research could serve an important starting point for the state, whereas it is supposed to facilitate the support for classical music and to enhance CSR activities in which the knowledge of companies' commitment is an essential condition.

# **CHAPTER I:**

## **DESCRIPTION OF THE CSR DIMENSIONS**

Despite its short history, the term Corporate Social Responsibility (CSR) is widely used in the literature. It has appeared with the development of the corporate sector, and its theoretical background has been built up to a large extent by the relevant business literature. Corporate social responsibility is interpreted in many ways: some associate it with legal liability and obligations, for others it means socially responsible conduct in the ethical sense or they equate it with the concept of charity; some link it to social awareness, many consider it a synonym of lawfulness in the context of compliance and validity and others regard it as some kind of fiduciary obligation of businessmen [Votaw, 1972].

The idea of CSR has originally been expressed from “outside” the business world. Under the impact of the problems of globalisation, multinational companies, environmental pollution and social inequalities, the companies had to alter their operation strategy and review their social role [Chikán, 2008].

Many have treated the interpretation of CSR and processed its literature, and three approaches prevail [Dahlsrud, 2008]. Those in the first group target the better understanding of CSR *through the analysis of its various definitions*. Carroll [1999] collected the academic definitions, whereas Moir [2001] has already extended his analysis to corporate ones. Some authors [Joyner, Payne, 2002; Carter, Jennings, 2004] have studied the available definitions in an attempt to interpret the notion of responsibility along the line of its historical development.

Authors in the second group have attempted to formulate a standard definition through *in-depth interviews* with company managers. Azer [2001] as well as Johnston and Beatson [2005] have come up against similar problems during their analysis: the respondents found it difficult to express what corporate social responsibility meant for them.

Authors in the third group [Van Marrewijk, 2003; Matten, Crane, 2005], on the other hand, have approached the CSR issue from the side of *philosophy*, highlighting its social contribution aspect.

I have processed the CSR literature with the technique of content analysis on the basis of the article of Dahlsrud [2008]. As a first step, I will now review the most frequent and most common concepts (62) fitting my present line of thought best, and then I will define *four dimensions* based on my coding system in order to classify them. I will use the relevant international and domestic technical literature to present the differences between the various CSR concepts, to sum up the most important approaches and the various points of view, and to concentrate them in a unified system along the dimensions I define.

To identify the definitions, I relied mostly on scientific articles and books, and I did my best to get to the original sources. Many expressions are being used for CSR, but I limited the scope of my research to the definitions comprising the term “*corporate social responsibility*”. Finally, I applied a total of 62 definitions originating from 60 authors and covering the period from 1953 to 2011.

In the absence of a predefined code system, I chose the method of “*emergent coding*” which generates codes from the data and creates the coding system on that basis [Stemler, Bebell, 1999]. The analysis revealed that several definitions emphasised the same aspects of responsibility; I put these in the same dimension. I identified four dimensions, and labelled them so as to suggest the contents of the definitions they included. (Table 1)

Table 1: The dimensions and the codes applied in the code system

Name of the CSR dimensions	Codes warranting classification in a given dimension	Examples of codes warranting classification in a dimension
<b><i>Profit</i></b>	<i>minimalist</i>	profit generation economic gains mission
	<i>integration</i>	integration into business management build into business activity
	<i>strategy</i>	competitiveness profit or loss strategic CSR
<b><i>Volunteering</i></b>	<i>ethical conduct</i>	beyond business interests needs of society proportionately with social power
	<i>voluntary attitude</i>	voluntary assumption of obligation social sensitivity self-motivation
<b><i>Marketing</i></b>	<i>marketing</i>	PR communication
<b><i>Stakeholder</i></b>	<i>society</i>	social power society overall
	<i>social performance</i>	social performance socially responsible organisational performance CSP model upgraded CSP model CSR pyramid triple bottom line
	<i>commitment</i>	commitment to responsibility
	<i>shareholders and stakeholders</i>	for the shareholders to the benefit of society interests of the shareholders and of society normative and instrumental stakeholder orientation stakeholders
	<i>value creation</i>	value creation for stakeholders value-based responsibility

Source: Author's compilation

## **I. 1. Profit dimension: CSR at the service of profit**

The term Corporate Social Responsibility and its origin are unclear. Windsor [2001] associates the term with the 1920s, when company managers had already spoken of responsibility and responsibility-driven actions. Post [2003] and Turner [2006], on the other hand, date the emergence of the concept of CSR among managers to the 1930s.

Scientifically reliable sources suggest and Carroll [1999] confirms that Howard Bowen was the “Father of Corporate Social Responsibility”, inaugurating the modern period of CSR literature. In the light of that approach, I regard as the starting date of the concept of CSR Bowen’s book “Social Responsibility of the Businessman” published in 1953.

I collected in the profit dimension the definitions suggesting that the companies mainly used the CSR to raise their profits; to generate profit for the business sector. I assigned to this definition the concepts comprising the following codes: minimalist, integration, strategy. I will show in detail in the following subsections in what way each code refers to profit and why a specific definition has been assigned to this dimension.

### **I. 1.1. The minimalist approach to CSR**

The definitions released from the 1950s to the end of the 1970s interpret social responsibility in the most minimalistic way possible, that is, CSR is essentially meant to promote profit increase, as is supported by the ideas of the following authors.

The book of Peter Drucker [1954] considers CSR and in particular the concept of public responsibility one of the eight key activities necessary for promoting the goals of the company. In his opinion, the primary responsibility of the management lies in *profit generation* for the benefit of society [Joyner, Payne, 2002].

In the 1960s Davis [1960] also refers to the financial aspects of CSR, that is, he assesses the decisions of socially responsible companies based on the extent to which they allocate the possibilities offered by *economic gains* to the social responsibility objectives [Davis in Carroll, 1999].

The emphasis on the importance of profit generation is associated primarily with the name of Milton Friedman [1970]. He created the *minimalist approach to CSR, the business-centred approach*, rejecting the idea that the company should consider anything but its core mission. Corporate social responsibility is, in the opinion of Friedman, a sign of the principal-agent problem. He suggests that companies abuse their corporate resources by allocating them to CSR activities, whereas it would be much

more important to focus on value-adding internal projects or on giving the returns back to the shareholders. In Friedman's opinion, the managers use the CSR to promote their own career or to attain other personal goals and not for business purposes.

Since the CSR debates had been launched by Friedman's argument [1970], I gave the minimalist code representing the narrowest CSR interpretation to the period from 1953 to 1970.

### **I. 1.2. Integration into business management**

From the mid-1980s, the interpretation of corporate social responsibility in the profit dimension ascended to a new level, with integration into the everyday life of the company being brought into the focus besides the profit criterion. I gathered the concepts concerned under the code of *integration*.

In 1984, Peter Drucker, *the father of management theory*, stepping beyond the previous interpretational framework of the concept of CSR, said that the treatment of social problems needs to be converted into business options, that is, responsible action should take into consideration social as well as business interests [Drucker, 1984], i.e. integrate responsibility into the operation of the company.

Donaldson and Preston [1995] have also stressed that, over and beyond the minimalist concept of CSR, its *integration into business life* was also highly important. That is, it is not commendable for the company to think in the short run and show responsibility only if that favours profit generation: the responsible approach must permeate the whole company and will, in turn, boost the corporate profits.

Some authors [de la Cruz Deniz Deniz, Cabrera Suarez, 2005; Quazi, O'Brien, 2000] interpret CSR in the light of two main approaches. *In the narrow sense*, the first group represents the classical perspective, i.e. that the key function of the company is to supply products and services and to maximise its profits within the limits of the effective legal framework. In this sense, the emphasis is on the economic and legal responsibility of the company: it is to operate lawfully and to produce profit. *In a broader sense*, the second group represents the perspective of compliance with a more extensive set of requirements, including those of environmental protection, community development, energy saving and philanthropic donation. The company assumes responsibility and subjects itself to the principles of morality, accountability and of *integration* for a broader circle in the interest of the possible contributions and interventions [de la Cruz Deniz Deniz, Cabrera Suarez, 2005; Quazi, O'Brien, 2000].

The same authors also stress that for a company to be really responsible it should integrate that approach into its operation; instead of treating CSR as an external, ad hoc, component, it should strive to demonstrate responsible conduct also in its everyday life. According to the Green Paper of 2001 of the European Union, corporate social responsibility (CSR) is “a concept whereby companies integrate social and environmental concerns *in their operations* and in their interaction with their stakeholders on a voluntary basis” [EC, 2001, p.6.]. That is, the position and interpretation of the EU confirm that special emphasis should be given to the integration of CSR into the operation of the business, and on basing CSR activity on long-term co-operation schemes instead of ad hoc actions.

The European Commission DG Enterprise and Industry said that corporate social responsibility means, in the comprehensive sense, that the company *integrates* social and environmental considerations into its *business activity* and in interactions with stakeholders on a voluntary basis [Mandl, Dorr, 2007]. Besides responsible business action in the strict sense, this definition of the concept calls the attention also to responsible communication with the stakeholders.

“Corporations are not responsible for all the world’s problems, nor do they have the resources to solve them all. Each company can identify the particular set of societal problems that it is best equipped to help resolve and from which it can gain the greatest competitive benefit.” [Porter, Kramer, 2006, p. 14]. Porter and Kramer both support the idea that companies should pursue CSR activities that can be *integrated into their business strategy*, for they can only become successful and responsible entities that way. A company that is more responsible socially will also cope better in the market. According to Gergely Tóth, a company should demonstrate responsibility for that is good for its business results, and it should do that in areas that are beneficial also for its business results. [Tóth, 2007]

In the definitions under the *integration code*, reflecting the endeavour to integrate responsibility, the authors highlight the real importance of corporate responsibility. In their opinion, it is not enough for the company to be responsible, to support one field or another on an ad hoc basis: CSR activity will only be really successful if it is actually integrated into the operation of the company, if it permeates that, for that is also in the best interest of the company.



### **I. 1.3. Strategic CSR concept**

Now, in the 21st century, few challenge the positive correlation between social responsibility and competitiveness. According to the strategic approach, CSR creates shareholder value while also creating social value, generating a clear win-win situation, that is, CSR not only sets itself the objective of enhancing the profit of the company, but considers also the interests of society. However, neither of these two factors can operate without the other: responsible corporate conduct is indispensable for the long-term success of the company. Therefore, the definitions below have been assigned to the profit dimension, based on the strategy code.

In an effort to describe the strategic CSR and to catch its distinctive features, Lantos [2001] identifies three types: ethical, altruistic and strategic CSR. *Ethical CSR* means compliance with the economic and legal requirements, and avoidance of any negative measures that might cause harm to a stakeholder of the company, that is, the term refers to the morally or ethically expectable CSR activities [Simon et al. 1983]. *Altruistic CSR* or humanitarian, philanthropic CSR as it is also called means contribution to the public good. It comprises activities that are not prescribed ethically, but may be beneficial for the company. Altruistic CSR is a very noble and virtuous type of responsibility, scarce for the same reason as it lies outside the scope of the activity of the company [Smith, Quelch, 1993]. *Strategic CSR* is meant to fulfil welfare functions resulting in a win-win situation. The company focuses first and foremost on the nature and problems of strategic CSR, which is much more typical in practice than the altruistic CSR [Lantos, 2001]. That is, there exists, by all means, a CSR trend stressing that the company should concentrate on problem-solving under its CSR, and that can be implemented most efficiently on a strategic basis, ensuring that both the company and society should win thereby.

Swift and Zadek [2002] identified four levels of development within CSR, and the strategic approach appears already on the second one. The bottom level is characterised by *legal compliance*, i.e. the companies pursue their activity in compliance with the legislation. The level of the *first generation* is characterised by the philanthropic approach, short-term risk management, the short-term preservation of the prestige of the company and adherence to the industry standards [Kuhndt et al, 2004; Zadek, 2001]. CSR activity is planned on the basis of the cost-benefit analysis; it is examined to what extent responsible operation is advantageous/disadvantageous for the business results,

that is, strategic thinking is taking shape already at this level. A company striving to develop a new model of corporate governance, to ensure product and process innovation and to operate under the sign of sustainability represents the *second generation* approach. Their strategy also promotes long-term responsibility which they expect to yield successes in the future. A company adopting the *third generation* CSR approach establishes close contacts with its stakeholders; it operates in a CSR oriented public policy environment and trusts the strength of responsibility assumption that might offer a solution for the treatment of poverty and environmental decay [Swift, Zadek, 2001]. The strategic CSR and the treatment of the problems figures at the highest level also in the authors' definition of the levels of responsibility, confirming the rationale of strategic responsibility.

Heslin and Ochoa [2008] distinguish seven *strategic CSR* principles: cultivate needed talent, develop new markets, protect labour welfare, reduce the environmental footprint, profit from by-products, involve customers and green the supply chain. These principles do not represent a list of best practices, but the diving planks, points of departure, of organisational initiatives, introducing potential pathways of strategic responsibility conducive to the creation of added value and to self-subsistence, i.e. the directions where CSR can be realised at the strategic level.

That is, the 21st century approach preserves one of the crucial components of CSR, i.e. contribution to profit increase, but in a more differentiated way, and instead of exclusiveness, the concept implies mutual benefits for society and for the business sector.

The codes I selected for the *profit dimension* suggest that the concept of responsibility underwent a certain development. Whereas according to the definitions under the *minimalist code*, CSR is meant to serve exclusively the purpose of profit generation, under the concepts suggesting *integration*, the authors already step one level higher and see the opportunity for profit generation in the integration of CSR. As for the expressions of responsibility with a *strategy* connotation, they do not only emphasise the corporate benefits, but consider it imperative to take into account profit as the primary criterion.

## **I. 2. The dimension of volunteering – CSR on a voluntary basis**

The definitions assigned to the dimension of *volunteering* stress the aspect that the company is not responsible because that is compulsory, or society expects it to be that, but it is driven by an internal motivation to choose ethical conduct and to choose the path of responsible operation on a voluntary basis.

### **I. 2.1. Emergence of the ethical guidelines**

A new approach appeared in the 1960s and 1970s that put the emphasis on the integration of the principles of ethics, on ethical conduct in connection with the responsibility issue, that is, to be responsible without infringing on the interests of others, and to focus on ethical activity.

In the interpretation of Davis [1960], social responsibility means that the companies should look at least partly beyond their business or technical interests. This is the expression of a *new aspect* for the companies: however important the business interests and profit acquisition efforts of the company, they do not represent the only and the best approach to enhancing the effectiveness of the company.

In the arguments of Eels and Walton [1974], CSR refers to the needs and objectives of society and hence they point beyond the corporate business' economic interests. In their approach, CSR is a concept that lets the companies operate efficiently in a free society, and CSR is in genuine contact with business life through the support it provides to society. The authors highlight the problems arising when the company casts a shadow on society, so to say, and disregards the *ethical principles* that should govern the relationship between company and society. This wording makes the significance of the ethical direction and the need to take such considerations into account quite obvious.

Davis formulated the Iron Law of Responsibility in 1973, stating that the social responsibility of businessmen should be proportionate with their social power [Davis, 1973], that is, companies should be directed along certain *ethical principles*, and operated in consideration of the interests and needs of society.

From the 1960s on the concept of CSR has already shed light on the fact that the company does not exist in itself, it is part of the social regime and should operate accordingly, that is, according to ethical principles representing the voluntary choice of the company.

### I. 2.2. The emphasis on volunteering

The attitude of the companies to responsible operation is reflected most by the strength of their commitment. It reveals whether the company regards its responsibility activities as an obligation, a voluntary activity or a commitment. Bowen [1953] interprets corporate responsibility as a *social obligation* to convince politics, take decisions and implement activities that are desirable for the social objectives and values. The minimalist definitions of CSR considered responsibility an obligation, that is, a compulsory task that was not to stand in the way of profit generation.

In the sixties, a new term, the concept of *volunteering* appeared next to the concept of obligation, highlighting another important aspect of corporate social responsibility.

Walton [1967] is of the opinion that *a certain degree of volunteering* as opposed to the coercion [Walton in Carroll, 1999] to promote the course of business is crucial for responsibility. In his book entitled Corporate Social Responsibilities he stresses that the companies should acknowledge and accept *voluntarily* that they have other responsibilities besides the consolidation of their own power.

Eilbert and Parket [1973] equated CSR with “*being a good neighbour*”, meaning that the company must not do things to harm its “neighbours” or, in other words, it should *voluntarily assume responsibility* for solving the “neighbours” problems. Thus their interpretation also underlines that CSR essentially means voluntary social responsibility.

Wallich has also extended the concept of responsibility to the issue of *volunteering versus coercion*, that is, efforts to attain a social objective defined by law do not fall into the category of corporate social responsibility activities. CSR must be an activity chosen and pursued by the company at its discretion [Wallich in Carroll, 1999]. Volunteering plays a priority role in this definition which extends the term from intra-company CSR to the surroundings of the company and its relationship with stakeholders.

According to the joint interpretation of Manne and Wallich [1972], the company must find a solution to *meet its obligations on a voluntary basis*, that is, responsibility should be regarded not as a compulsory task, but as a voluntary activity.

Sethi [1975] interprets the social responsibility issue in a three-stage schema. The *social obligation* stage represents the response of the company to the legal and market constraints. *Social responsibility* symbolises a higher stage of corporate conduct, coinciding with the social norms, values and expectations. *Social responsiveness* is the

peak of the model; its importance does not lie in the response to social pressure, but on emphasising the long-term role of the company in a dynamic social system [Sethi, 1975]. As is revealed by Sethi's interpretation, considering CSR an obligation is but the first stage, and there is ample ground for development towards responsiveness and genuine social responsibility chosen on a voluntary basis.

Frederick [1987] developed a classification based on historical development that interprets the notion of responsibility in four categories. *CSR1* emerged in the 1960s and 1970s and meant that the company was to act responsibly, do good for the benefit of society through charity programmes and community development initiatives. The late 1970s and the 1980s were the period of *CSR2*, of responsive CSR. The companies replaced their offensive attitude with a defensive one. Carroll [1999] said this was the period that has enhanced the interest in the operationalisation of CSR; that's when the investigation of the correlation between CSR and financial performance started. The late-1980s have brought about another turn in the CSR literature (*CSR3*). The academic and business interpretations of CSR separated. In the academic sense, CSR meant the inclusion of the responsibility strategy into everyday operation, whereas the companies emphasised the role of volunteering instead of the regulations. *CSR4*, that is, the Cosmos, Science and Religion represent the direction regarded as the correct course of CSR by the various schools. Thus Frederick [1987] is of the opinion that the corporate idea of stressing the voluntary aspect of CSR has gathered strength from the 1980s on. Swanson [1995] was the first to realise that the obligation/volunteering dichotomy of CSR was not everything: their motives underlying decision-making were also worth investigating. Based on this line of thought, he identified three main types of corporate motivation:

- *utilitarian perspective*: the goal of the organisation is to promote its performance objectives;
- *negative duty approach*: the company sees the implementation of socially responsible initiatives as a constraint through which it can win the trust of the stakeholders;
- *positive duty approach*: the company is driven by self-motivation in deciding in favour of continuing with its CSR activities, irrespective of the relevant social pressure [Swanson in Maignan, Ralston, 2002].

That is, according to Swanson [1995], instead of being driven by profit or coercion, a company adopting a positive attitude to the responsibility issue will be responsible and undertake the relevant advantages and disadvantages on a voluntary basis.

Houghton et al. [2009] examine the relationship of two approaches, those of *volunteering* and *compliance*. The first focuses externally on the first impact on the community, whereas the second considers internally the corporate regulations and its own expectations towards itself. They examine the relationship of the externally oriented corporate initiatives and the internally oriented employee choices affecting CSR activity and the prestige and role in the community of the company. The *internal image of CSR* symbolises legal and ethical compliance in the organisation: compliance with the legal provisions, employee training, written policies and procedures, work regulations and all reporting and accounting obligations. The *external image of CSR* is the result of charity donations, community development programmes, ecological and sustainability initiatives and other extra-organisational activities [Houghton et al., 2009]. Based on the external approach, CSR means initiatives undertaken by the company on a voluntary basis.

Let's highlight from the approaches to voluntary CSR the fact that corporate social responsibility activities are being organised *voluntarily*. This is not about compliance with some standard accepted and imposed by legislation. This is what shows to society that a company has realised the essence of CSR as extra service and set out on the path of social responsibility on a voluntary basis. Note, however, that voluntarism is not necessarily an indispensable component of social responsibility, since it is not a criterion that it should be implemented without any legal constraint [Angyal, 2009] but, as I interpret it, it is definitely a step forward relative to treating CSR as obligation [Bowen, 1953], and this is the reason why I find it important to treat it in a separate dimension (*Volunteering*).

### **I. 3. The marketing dimension– CSR from a marketing perspective**

From the mid-1980s, a brand new aspect of the interpretation of corporate social responsibility has entered the scene, namely the *marketing* approach to CSR, comprising the company's attitude to responsibility, i.e. whether it considers it no more than a means that might improve the image of the company from PR aspect, or intends to assume genuine responsibility for its operation, irrespective of the marketing and communication perspectives of CSR.

Bernays regarded *PR* as the practice of social responsibility [Stone, 2005]. Grunig and Hunt [1984] were the first in whose opinion responsibility gave the organisations a proper reason for designing their PR activity.

Clark [2000] represented the many common traits of the process of social responsibility and of PR in a unified system (Figure 2). The CSP model of Wood [1991] and the four-step model of Cutlip and Center [1978] are the core factors in the relationship of PR and the management of the social responsibility issues.

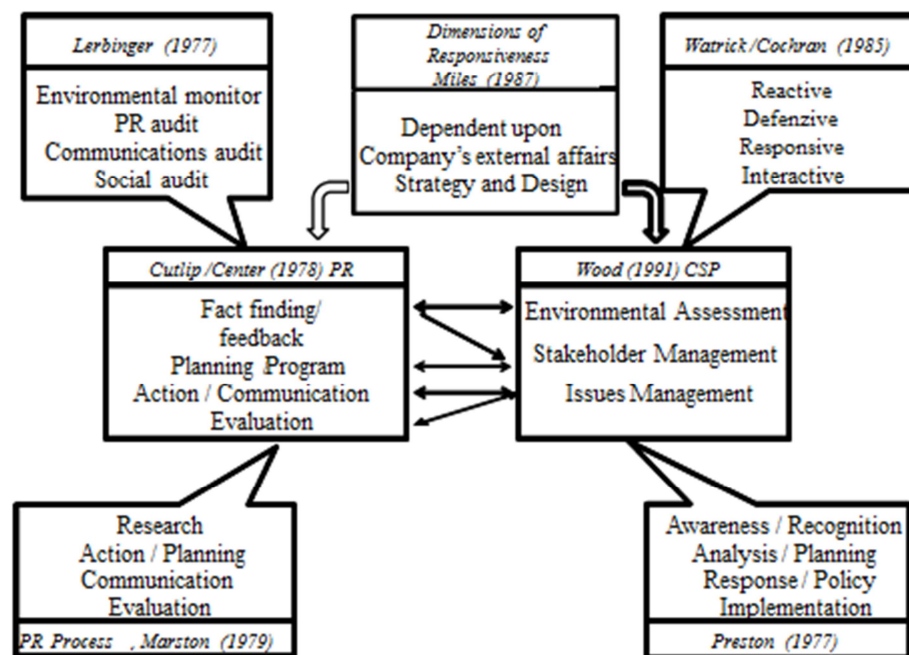


Figure 2: Similarities between PR and CSR process

Source: Clark, 2000

PR may represent an integrated CSR tool, providing for better communication and contacts with the stakeholders. The two activities are complementary, but not identical. CSR affects the purchasing habits of the consumers, and PR helps understand social responsibility. The company is to manage its PR and CSR units appropriately, and to boost efficiency through common work, learning and activities.

“*CSR = Public Relations*, that is, the purposeful organisation of the communication of the organisation; a bi-directional type of communication through which a relationship based on mutual benefits is established between the organisation and the social factors shaping its internal and external environment”. This is how Tamás Barát [2010] interprets the definition of CSR. In his opinion, CSR does not mean donation or

sponsorship, nor marketing and publicity: PR is equivalent to corporate social responsibility.

Others, however, think that *CSR is not a PR tool*, nor a factor enhancing competitiveness, or an additional source of business opportunities. Responsibility is a combination of all these factors, and it is conducive to the long-term success of the company. [MGYOSZ, 2009]

Gyulavári [2011] attributes the difficulty of defining the relationship between CSR and PR to the fact that responsibility affects many fields that are usually assigned to PR in the company, so it is inevitable to link these fields in practice.

Today, CSR is often part of the image-building activity of the companies, but its news value will gradually disappear with the spread of CSR activities and hence the role of the PR will fade out and only the socially useful activity will remain.

Corporate social responsibility as a part of organisational culture has four functions: an approach, a way of thinking, a conduct, an activity and communication [MÚOSZ, 2007]. In this sense, over and beyond the management approach, CSR not only means adherence to a principle and its application to the operation of the company, but CSR communication is also a decisive factor.

As expressed by the Hungarian PR Association, CSR “*is not a marketing tool*, but a management approach permeating the entire operation of the company concerned” [Szabóné, 2009]. CSR Services, on the other hand, define CSR as “*more than just communication: a novel business management conduct*” [Szabóné, 2009]. That is, the interpretations are not uniform: some keep aloof of the marketing approach to CSR, whereas others see it as its *raison d'être*. In my opinion, CSR activities must be communicated to the outside world in any case and, far from implying the extolment of the company and generating aversion on the side of the stakeholders, that will improve also the internal communication of the company.

Definitions in the marketing dimension furthermore show that the relationship of marketing and CSR should be treated in a positive, not a negative way, and the relevant positive yields should be asserted in the operation of the company.



## **I. 4. The stakeholder dimension – CSR with an eye to the stakeholders**

In the 50s, CSR assumed that companies were to focus on profit generation and hence the interests of the owners and the shareholders. Lewitt [1958] highlighted the dangers of responsibility in his CSR interpretation: government's job is not business and businesses' job is not government, that is, the business sector should not assume the tasks of the government but focus on its own function, i.e. produce profit for the *shareholders*. So, in this era, the role of the company was no more than to meet the expectations of its owners/shareholders, and to operate accordingly.

### **I. 4.1. Responsibility to society**

In 1960, Frederick already stresses that aspect of social responsibility according to which the economic and human resources ought to be used *for the benefit of society overall*, not to enforce the interests of certain persons and companies [Frederick, 1960], highlighting thereby that companies are integrated in society and therefore have certain responsibilities towards the latter. I collected the concepts comprising this approach under the *society code*.

In "Business and Society", Joseph McGuire [1963] argues that besides their economic and legal compliance obligations, companies have a certain responsibility also to *society*. This approach is bringing us ever closer to the contemporary CSR approach, namely that besides the shareholders, the company is responsible also for its environment, the citizens and their welfare. In the broader sense, CSR encompasses also the educational and political needs of society.

The US Committee for Economic Development [CED, 1971] took the concept of Friedman [1970] even further; according to its model, the company is to take into consideration other aspects also besides profit generation while pursuing its responsibility activities. Carroll [1999] saw the attitude to CSR endorsed by CED as a turning point that has altered the relationship of the companies and of society. According to CED [1971], the role of the company is to extend the issue of responsibility to *society overall*, to provide more extensive service to the promotion of the human values and to raise the standards of living.

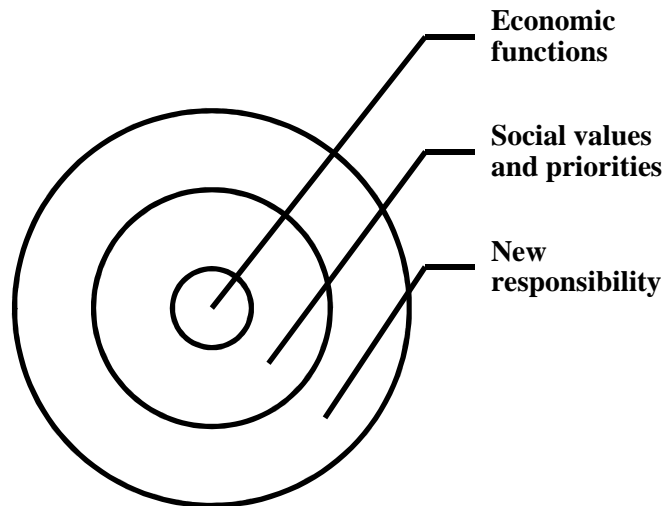


Figure 3: The “three concentric circles” approach

Source: CED, 1971

In 1971, CED applied a so-called “three concentric circles” approach as a Code of Ethics to represent CSR (Figure 3). The innermost circle represents the key economic functions: growth, products, jobs. The intermediate circle suggests that the economic functions are to be exercised with a view to the changes in *social values* and priorities. The external circle outlines newly emerging and still vague responsibilities that companies are to assume in the *development of their social environment* [CED, 1971]. This approach clearly stresses that attention should be paid to the interests of society, while also pointing at the development of the social environment as a broader target to be attained.

Johnson [1971] argues that companies should strike a balance between the various interests, taking their *shareholders as well as social interests* into consideration. The lexicological approach to corporate responsibility implies that the company has to treat the social issues, but only after the profitability objectives are met, that is, shareholders come first, society comes second.

Eells and Walton [1974] reconsidered the pros and cons raised in connection with CSR. Their conclusion is that the needs and goals of society point beyond the purely economic necessities. For a company to survive, it has to operate *as part of a free society* that operates efficiently. They extended the issue of social responsibility to the development and support of social order [Eells, Walton, 1974].

Garriga and Melé [2004] put the social approach into the centre and grouped the CSR theories according to the various aspects of social reality: economics, politics, social integration and ethics. Their approach as expressed by Parsons [1961] constitutes a

social system: adjustment to the environment (linked to the resources and to economy); target achievement (related to politics); social integration and exemplary conduct (associated with culture and values).

The assumption of the first group, that of the *instrumental theory*, is that the company is the instrument of creating welfare; it is a strategic device, and that is its only responsibility. In the footsteps of Friedman [1970], it only acknowledges the economic aspect of the relationship of the company and of society. It only accepts the support activities put at the service of *welfare creation*. Based on the economic objectives, there are three categories of the instrumental theory. The goal of the first one is to maximise owner value and it is conducive to short-term profit orientation. The second category is that of strategies to obtain a competitive edge, demanding long-term profit orientation. The third category is that of cause-related marketing.

The second group, that of the *political theory*, emphasises the *power of society* and in particular the relevance of the relationship with society and of responsibility in the field of politics. This shifts the company in the direction where it either accepts its social duties and rights, or takes part in some kind of social co-operation. The theory can be broken down into two groups: corporate constitutionalism or corporate citizenship.

The *integrative theory* says that the company should integrate the *social needs*, since its continuous operation, growth and very existence depend on society. It is to map the social needs to win the acknowledgement of society and earn prestige.

At the level of the *ethical theory*, the ethical values are integrated in the relationship of the company with society, and an ethical obligation of a company has higher priority than any other consideration. It is based on the principles that show the way to producing a good community.

In every group, the authors examine the role of society in the interpretation of CSR according to the given theory. Taking society and welfare creation into consideration are thus imperative for the effective operation of the company.

#### **I. 4.2. A social performance középpontba kerülése**

With the appearance of the performance-oriented approach, also assigned to the *stakeholder dimension*, under the *social performance code*, the CSR issue took a new turn again in the late 1970s. The first and also the most significant representative of this trend was Carroll.

Carroll's view represents the most reputable school in CSR literature. In "A three-dimensional conceptual model of corporate social performance", Carroll [1979] says that corporate social responsibility comprises the economic, legal, ethical and discretionary expectations of the stakeholders of the organisations at a given moment. Based on this definition, he designed the corporate social performance (CSP) model shown in Figure 4, in which he distinguished four types of CSR: economic, legal, ethical and discretionary. The three dimensions indicate that the company has to take into account three factors to produce adequate social performance: *the social responsibility categories, social issues involved, and social responsiveness*. As for the social issues, corporate responsibility may appear in the fields of consumerism, environment, discrimination, product safety, occupational safety and shareholders. Carroll classifies social responsiveness in four groups: reaction, when the company attempts to shed/deny responsibility; defense, when it takes but the minimally most necessary measures; accomodation, when it already takes progressive steps in order to solve the problems; and proaction, when the company behaves as a real problem-solver, an industry leader. The essence of the model is to show the options available to the company to enhance its social performance.

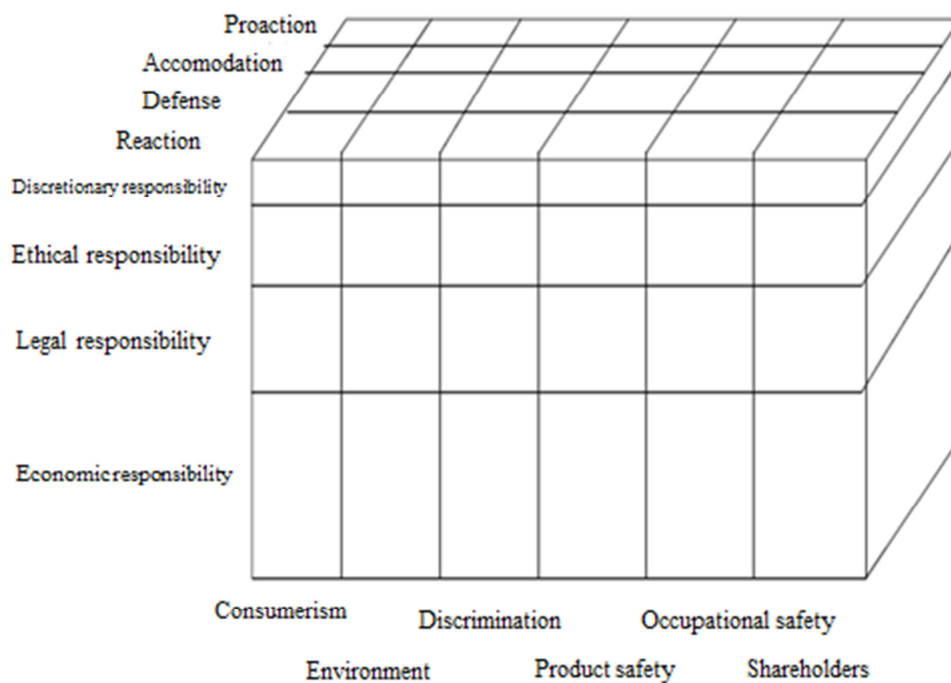


Figure 4: The corporate social performance model

Source: Carroll, 1979

Tuzzolino and Armandi [1981] proposed to create an organisational need-hierarchy framework modelled on Maslow's pyramid. Level 1 is the physiological level where profitability is the only goal. Level 2 is that of safety, with integration, the stabilisation of the competitive position and payments in the focus. At the level of affiliative, the stress is on bargaining and lobbying. The level of esteem comprises the preservation of the market position of the company and the development of their image. Self-actualization is interpreted in two parts, an internal one meaning the establishment of adequate contacts with employed and the external one those with the community and the administration. That is, the authors developed an *organisational needs hierarchy*, a tool suitable for the evaluation of a socially *responsible organisational performance*, through which the two authors also put in the focus of responsibility the social performance of the company.

Based on Carroll, Wartick and Cochran designed their *own CSP model* in 1985, also with the principles, process and policies in the focus, albeit in a somewhat new interpretational framework. In their opinion, the philosophical orientation is associated primarily with the principles of corporate social responsibility, institutional orientation to the process of social responsiveness and the organisational orientation to the management procedures of the social issues [Wartick, Cochran, 1985]. The authors define at each level the duties of the company to society.

Wood [1991] upgraded the previous concept of CSR models, implementation included. He studied three groups of questions to examine the various types: the *principles* motivating responsible conduct, the responsibility *processes* and the performance *outcomes*. He analyses the principles driving corporate social responsibility activities at three levels:

- *Institutional level – principle of legitimacy*: Society authorises the operation of companies, empowers them and guarantees their entitlement, but once they abuse that, they will also lose that.
- *Organisational level – principle of public responsibility*: Companies are responsible for their primary and secondary activities affecting society and for their interests.
- *Individual level – principle of managerial discretion*: Managers are always moral actors. They have to exercise prudence to the extent of the feasible in every field of social responsibility.

As for the processes, he conceptualised three parts: environmental assessment, stakeholder management, issues management. He distinguished three types of outcomes, too: social impacts of corporate conduct, social programmes, social policies. Thus Wood has also applied the concept of Carroll as point of departure, but similarly to Wartick and Cochran, he complemented the basic model with a new aspect, concentrating on the activities and performance provided to society.

In the early 1990s, Carroll [1991] created the CSR pyramid (Figure 5) by taking out from the earlier CSP model the conceptual interpretations of CSR and by relying on the four-component definition, with economic responsibility at the bottom and discretionary or voluntary responsibility at the top. The levels are hierarchically structured. The economic and the legal level are demanded by society, the ethical one represents society's expectation and the discretionary one its desire [Windsor, 2001].

The first category is of an *economic* nature, and the company provides the following functions there as part of its social responsibility: returns on investments to owners and shareholders, job creation and fair pay to employees, identification of new sources, promotion of technological development, innovation and support to create new products and services. In this sense, the company is an important economic entity and all of its other roles are determined by this fundamental tenet.

The second category, that of *legal responsibility*, comprises the requirements of legal compliance and also operation in conformity with the rules of the game. Society expects the company to accomplish its economic mission within the scope of the applicable legal requirements.

Besides lawfulness, *ethical responsibility* creates also moral expectations concerning the operation of companies that have to do good and act fairly: respect for people, avoidance of social grievances and prevention of social damages. This responsibility has its roots in religious judgements, humane principles and human rights commitments. The company had the broadest competence in the last type, that of *discretionary judgement and choice*: it is to decide on special activities and philanthropic contributions that are beneficial for society. It starts out from the assumption that society and economy are organically intertwined. This responsibility type is the one that carries most contradictions since it may be in conflict with the economic and the profit interests.

At each level, Carroll [1991] puts the relationship of the company and society into the limelight, showing the responsible activities needed for the operation of the company, those expected by society and those that “merely” the wish of society.

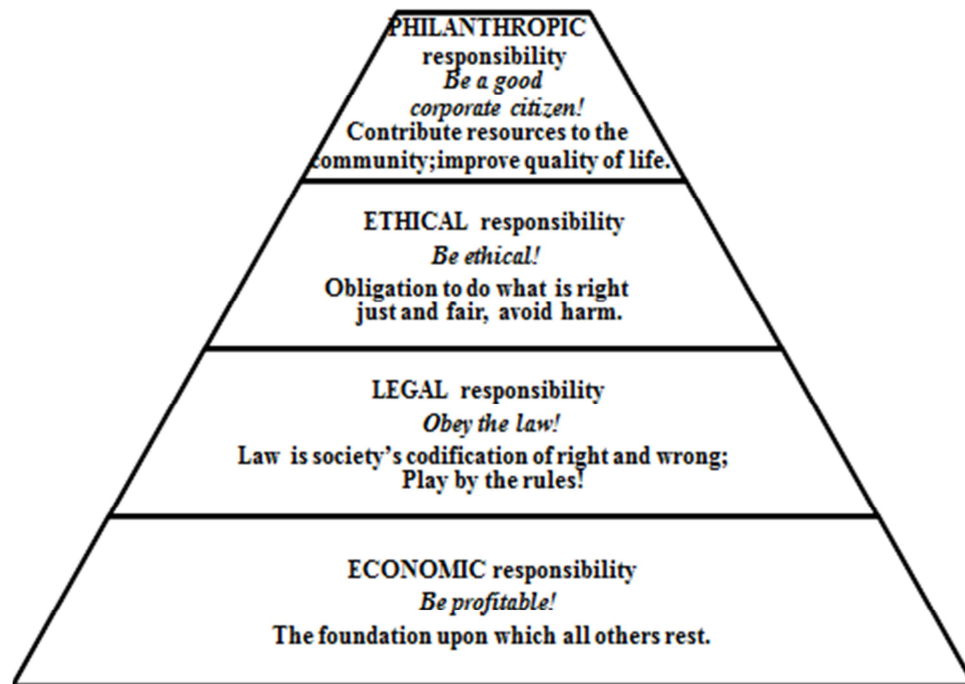


Figure 5: The pyramid of corporate social responsibility

Source: Carroll, 1991

At the end of the 1990s, Elkington created the triple bottom line model, the essence of which is that companies must enhance not only their financial profits, but also their *environmental and social performance*; they are to operate in an eco-efficient way and improve their working conditions [Elkington, 1998]. In the model, the author urges to raise corporate performance in all three (economic, environmental, social) fields.

The 1980s and 1990s have shown that responsibility is an important issue for the companies and several kinds of *performance models* were built on that approach in an effort to interpret the social role of the company as extensively as possible, that is, to go beyond the enforcement of the interests of the shareholders and to take into consideration that the company being part of society, it is operate and act in line with the social interests.

#### I. 4.3. Emergence of the commitment to CSR

*Commitment* to social responsibility, i.e. taking into account the interests of actors important for business in excess of the measure defined by law, has significant return in the business sense [Rayner, 2003]. Return, however, can be interpreted at several level:

besides economic returns and profits, social acceptance and the creation of social values may also imply advantages for the company, as is supported also by the CSR concepts below.

From the 1990s, CSR discussions focused on that the companies were to shift their approach from the level of compliance *towards commitment*, from minimising any damages to creating value [Luetkenhorst, 2004; Novak, 1996]. This concept is essentially based on the recognition of the stringer role of the company, namely that the function and commitment of the business sector pertains to economic growth, to value creation and the sustainable management of the resources, taking into account the interests of society.

Watts and Holme [1998] also highlight *commitment* in their interpretation of the concept of CSR, "corporate social responsibility is a business company's commitment to ethical behavior and economic evolution while improving living conditions of its employees and their families, as well as the local community and society." [Watts, Holme, 1998, p.6.] The authors see commitment as the opportunity for satisfying the needs of society.

As expressed by the World Business Council for Sustainable Development [WBCSD, 1998, p.6.], "corporate social responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large." According to WBCSD's [1998] definition, CSR shows the *commitment* of the company to contribute to the development of sustainable economy, to co-operation with the employees, their families and the local communities.

Ádám Angyal [2009] also provides a definition referring to commitment to interpret responsibility: "in summary, the term corporate social responsibility (CSR) is applied to a management which, besides making money, intends to reach also other, community, goals, which are more noble according to many" [Angyal, 2009, p.11], that it, which focuses not only on its economic activity, but also takes society into account.

*Commitment* is, therefore a code within the dimension concerned that calls the attention to the fact that, by regarding CSR not as a constraint, but as commitment, the company as part of society endeavours to improve the quality of living and satisfy the needs of that target group.



#### I. 4.4. Stakeholder theories

Society's image of the companies had changed by the early 1980s due to the emergence of the stakeholder theories. A modern company has to satisfy every demand while operating, for every individual and group in contact with it is concerned in some special way.

Donaldson's [1983] *normative stakeholder theory* extended the interpretation of CSR to all stakeholders of the company. In his interpretation, the companies are moral actors obliged to meet the social expectations.

The fundamental work in stakeholder theory, however, is Freeman's writing of 1984, the dominant paradigm in the CSR field [McWilliams, Sielgel, 2001]. The companies are responsible for those who impact on them and on whom they impact while achieving their objectives. The basis of the *instrumentalist stakeholder theory* is that the company should meet the stakeholders expectations and needs, since they are important instruments of the achievement of the corporate objectives. As Freeman [1984] put it, "any group or individual who can affect or is affected by the achievement of the organization's objectives". [Freeman, in: Boda, Radácsi, 1996, p. 28.].

The stewardship theory created by Donaldson and Davis [1991] further strengthens the companies in the direction of *commitment to their stakeholders*. The basis of their approach is that managers have an inherent moral power that makes them "do good things" without a taking the financial performance of the company into account. This theory posits that managers are driven by motivations of a higher order, and they do not pursue their proper interests but serve the stakeholders [Donaldson, Davis, 1991].

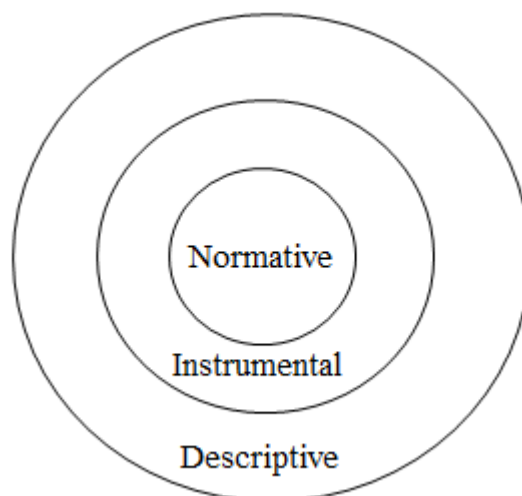


Figure 6: Three approaches of the stakeholder theories

Source: Donaldson, Preston, 1995

Donaldson and Preston [1995] distinguish three types of stakeholder theory (Figure 6). The *descriptive* approach applies the explanation of the situation of the stakeholders of the past, present and future to describe the corporate characteristics and behaviour. The *instrumental* approach examines the correlations between the stakeholder-management and the traditional corporate objectives. The *normative* approach, on the other hand, specifies moral, philosophical guidelines for the corporate management.

Clarkson [1995], Waddock and Bodwell [2002] said CSR is a duty of the company to satisfy the needs of its *stakeholders* during its operation.

That is, it can be stated unambiguously in the 21st century that corporate social responsibility is being implemented under the stakeholder approach, supported also by the relevant literature. As for the concept of stakeholders, on the other hand, there are differences in the definitions. The extreme approach, the two extremes of the stakeholder definitions range from the very narrow to the very broad one and under the first, stakeholders are defined along the dimensions of power, resource-dependence or risk, whereas under the second a stakeholder is anyone who is affected by the company or who affects the company [Driscoll-Starik, 2004].

The typical stakeholder groups of the modern company (Figure 7) are in the following relationships with the company [Radácsi, 1996; Csáfor, 2009]:

- The employees, who have the right to fair wages, to respect for their rights related to the protection of the personality and to health and safety at work. They represent one of the most important pillars of the company since the success of the company depends on them.
- The managers, who are concerned from the points of view of payment and other emoluments and their prestige.
- The owners and shareholders, who expect returns on the capital they invest, the prestige of the company to increase and who want to enforce their participation rights in the management of the company. The company serves their interests by ensuring that the structure and operation of the company should provide them the best value for their money.
- The local community which has a right to a clean natural environment. It is the duty of the company to preserve national, cultural and religious diversity as a value.

- The consumers who have to be informed properly of the characteristics of the products and services and to whom safe goods are to be distributed. They can promote continuous development by expressing their critical opinion.
- The suppliers, interested in building predictable, stable and mutually beneficial relationships. Successful co-operation will be promoted if the company insists that they should meet its high requirements.
- The creditors who are interested in the due payment of the credit instalments and in the preparation of regular and authentic financial statements.
- The competitors in regard of whom the company must demonstrate fair market conduct.
- The state, responsible for ensuring legal compliance and contribution to the bearing of public burdens through tax payment. Good contacts, efficient co-operation with the government agencies, professional organisations and local authorities.
- The natural and artificial environment: the company is responsible for preserving them.
- The media that is to propagate responsibility, have it accepted by society and provide objective information. Special attention needs to be paid to their regular information since the other stakeholders can be reached through them.
- The NGOs with whom the company can co-operate and act more responsibly. They have an important formative role in the role of the company; therefore, the viewpoints they represent must be taken into account. They may improve or undermine the prestige of the company and urge regulation.
- The future generation who must be taken into consideration in company's operation, for they will be the consumers, employees or other stakeholders of the company in the future.

The stakeholder concept is strongly related to CSR whether it stems from commitment pure and simple or from economic considerations [Györi, 2011]. Thus the interpretation of corporate social responsibility in the stakeholder dimension has developed to a level where, from among the stakeholders listed above, the companies no longer concentrate exclusively on the internal stakeholders, but strive increasingly to satisfy also the need and assert the interests of the external ones as well. Stakeholder involvement, from the government agencies through the NGOs to the local communities has become an indispensable condition of long-term responsible operation [Csáfor, 2008]. For the

company to operate in a truly responsible manner, it is to adhere to the stakeholder approach and have CSR initiatives that are useful for business and society alike.



Figure 7: Corporate stakeholders  
Source: Author's compilation

#### I. 4.5. Stakeholder value creation

The interpretation of the CSR concept of the 2000s has attained the level of value creation; accordingly, the priority duty of the company in the context of its responsible operation is to create value for the benefit of the stakeholders (*value-creation code*). In my interpretation, value is not merely a financial category, but a concept promoting company management, an indicative, orienting one which could become important for the company as a result of the spread of strategic thinking [Angyal, 2005].

The pyramid drawn by UNIDO (Figure 8) shows the development levels of CSR, with value creation representing the peak. The components of the level of compliance are the legislation, inspection, criminal and civil prosecution, foreign direct liability and industry standards. The objective of the second level is harm minimisation, with the help of social and environmental auditing, environmental reports, codes of conduct and the eco-efficiency measures. *Value creation* as such is located at the top of the pyramid, and it is realised through the strategic alignment towards CSR, the community

involvement, stakeholder dialogue, social investments and institution building [UNIDO, 2002]. The UNIDO pyramid, too, indicates that the organisations must get from the level of compliance to that of value creation in order to be able to operate as genuinely responsible companies. It is not enough if the company meets the expectations and reduces the risks it might cause, it is also to create value for its stakeholders: this is what “really” responsible conduct is about.

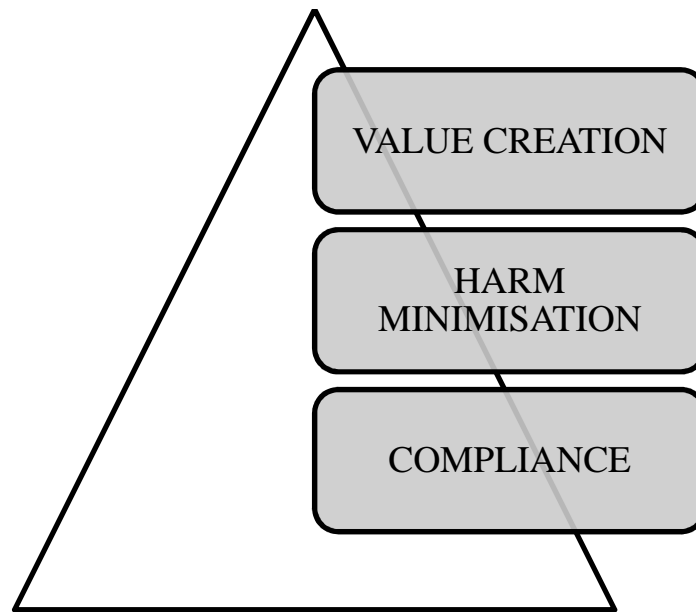


Figure 8: The pyramid of UNIDO

Source: UNIDO, 2002

The concept of value appears also in the two responsibility interpretations by Török [2002]. For *recoverable (interest-based) responsibility*, CSR-related decisions are determined mainly by profitability considerations, that is, the factor influencing the decision is the measure of the effect of the given stakeholder group on profit, and that takes us back to what was said under the minimalist code, namely that it is only worth being responsible and taking the stakeholders into consideration if that is in the interest of the company. *Self-serving (value-based) responsibility*, on the other hand, means that, due to its value set, the company can also take decisions that may have a detrimental effect on its profitability, or even be against its interests, but create value for the stakeholders. This interpretation relegates into the background the profit-generation aspect, which is replaced by value creation.

Basu and Palazzo [2005] classified responsible corporate conduct along two dimensions (Value and Strategy), distinguishing four types of companies on that basis (Figure 9).

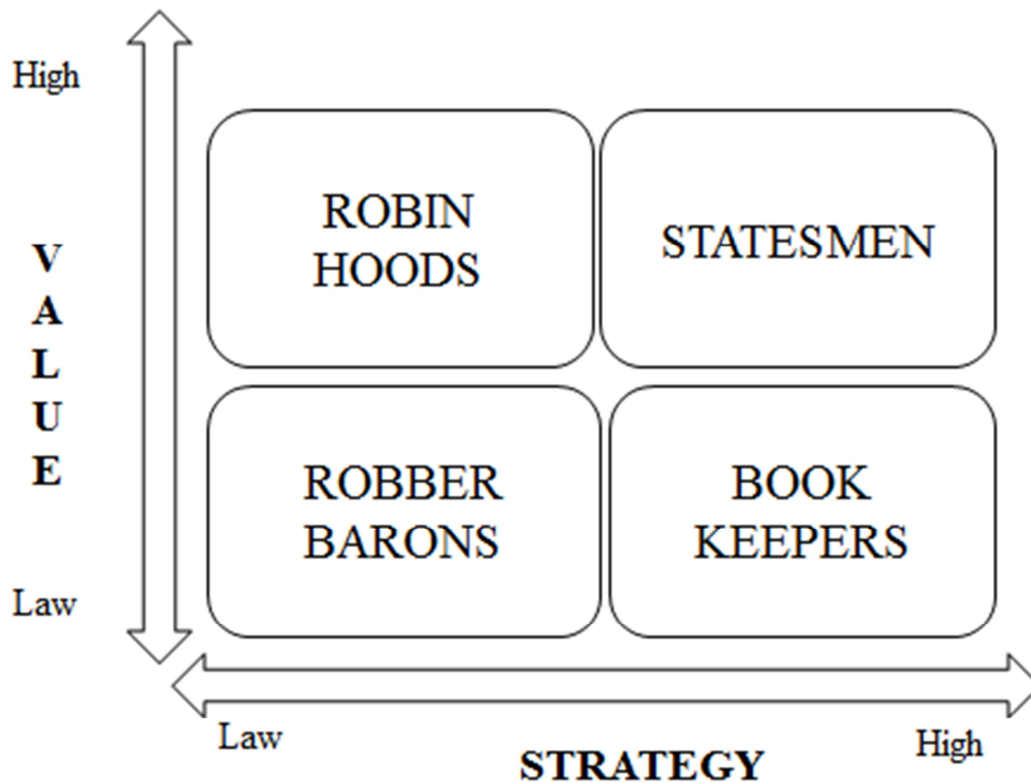


Figure 9: Types of corporate responsibility

Source: Basu, Palazzo, 2005

*Robber Barons* are concerned exclusively with profit generation; social responsibility does not figure among their objectives. Today, this type comprises the multinational companies that aim at producing maximum profit whatever the specific case, even at the cost of infringing on the ethical aspects. *Robin Hoods* consider responsibility a value, a moral obligation, but they make a clear distinction between business and charity activities. *Book Keepers* view CSR with a strategic eye, they assess the effects of their stakeholders and behave accordingly. It is typical for these companies to specify indicators, set up a reporting system of institution in relation to responsibility. *Statesmen* also think along strategic lines, they do not want to separate the economy and society, they allocate resources to serve the social good in the financial as well as the intellectual sense. The interpretation of Basu and Palazzo [2005] defines the range of stakeholders whose interests are taken into consideration by the company for each company type.

As expressed also by Porter, companies should move away from the defensive strategies and start to think in terms of efficiency and *value creation* instead [Porter in Kerekes-Wetzker, 2007]. In the concepts assigned to the code of value creation, the authors put

attention to the interests of the stakeholders and value creation in the focus of responsibility concurrently .

The concepts assigned to the *stakeholder* dimension show that, in the context of their corporate social responsibility, the companies must not treat exclusively their own interests, they cannot serve the interests of the owners and the shareholders alone, but must assume responsibility towards every stakeholder who impact on them and on whom they impact.

### **I. 5. Synthesised CSR definition**

Let me review the concept of CSR and present a summary of the components of the definition based on my interpretation which I integrated in a model designed in view of the 62 concept definitions subjected to analysis and the dimensions presented above.

My four dimensions are labelled *profit*, *volunteering*, *marketing* and *stakeholder*, respectively, and I broke them down into codes to facilitate better and more precise understanding. In my analysis of the concept strove to be able to assign every definition to one of the dimensions. Note, however, that took place on the basis of a researcher decision. Some concepts could be assigned to several dimensions, which is quite normal since a definition expresses several things concurrently, but my goal was to place the definitions into the dimension that matches their main message. The model shown in Figure 10 demonstrates the possible overlaps of the dimensions.



Figure 10: CSR dimensions

Source: Author's compilation

In the light of the CSR dimensions presented above, the main factors of corporate social responsibility are the following:

- consideration of the profit aspect, but not as a primary goal but as a potential concomitant of the CSR activity,
- consideration of ethical guidelines, operation along them,
- integration into corporate strategy and operation,
- integration into business activity,
- realisation of activities fitting the business strategy,
- value creation,
- a tool of corporate image building with the loss of importance of the PR approach,
- use as communication tool to popularise the principles instead of the company,
- consideration of the stakeholders, assessment of their interests and needs,
- volunteering, realisation of activities out based on free will,
- unselfish activity stemming from the corporate values.

In my interpretation, CSR comprises all the dimensions and codes that appeared in the past 60 years in connection with social responsibility. I consider it important that every element I highlighted should be realised during the operation of the company, for this is what provides for the emergence of really responsible companies.



## **CHAPTER II.**

### **INTERPRETATION OF CORPORATE PHILANTHROPY AND EXPLORATION OF ITS DRIVERS**

The dominant idea of business, social and other literatures are, that companies do philanthropic activities, when they are supporting arts [Carroll, 1991], so there are fields like art, in which companies restrain their responsibility just on a part of CSR, on philanthropy. Taking this dominant idea as a basis, I will analyze my research subquestions in this chapter through the literature of corporate philanthropy. I have already defined these questions to my practical example, to the classical music - *What kind of objectives use the company its CSR activity in classical music for?* and *What kind of benefits can obtain the company through supporting classical music from a business and social perspective?*

At first, I introduce the literature of corporate philanthropy, its distinctive interpretations then I review the concept and objectives of sponsorship. After getting familiar with these definitions, I will deal with questions like what is the relationship between CSR, corporate philanthropy and sponsorship, which I will summarize in a model. In the next part, I will put larger emphasis on the current literature of the philanthropy categorized by motivations, in which the strategic philanthropy will pop up with the main message, that the corporate donation should be planned with fitting to the company's mission, goals and targeting [Carroll, 1996]. After that I will study the motivation of the company participating in arts, and I will analyse its literature. In the end of the chapter, I create a theoretic frame, modell to explain the eventual motivations of corporate donations, which serve a basis to the empirical part of my study and contribute to increasing the value of my thesis.

## **II. 1. The definition of corporate philanthropy and its interpretative frame**

The corporate philanthropy is the CSR's important part. Although many people think, that CSR is much more than "money donation", I mean in my thesis under the definition philanthropy the donation as well, in this case I'm studying such contributions of the company, which are not connected directly to its main activity.

Carroll [1991] - as I mentioned in the previous chapter - states, that social responsibility consists of four groups, which covers fully the definition of CSR: economic, legal, ethical and philanthropic. The philanthropic responsibility is a corporate activity, which meets the social expectations - defined by Carroll. It contains such programs and activities, which urge the social well-being and goodwill. [Carroll, 1991] He stresses the contribution of the companies to arts as an example, which is an important starting base in a point of view of my thesis.

To interpret the CSR, Schwartz és Carroll [2003] developed an alternative approach thinking further the CSR's four grouping. In the three-factor approach, the philanthropic or discretionally component should include the ethical and/or economic responsibility. The main reason for this, that it is often difficult to differentiate the philanthropic and ethical activities on a theoretical and practical level, additionally, the philanthropic activities are often based on economic interests. They claim that behind the philanthropic activities stand in most cases ethical or economic interests or the combination of both of them, which is confirmed by the fact, when companies perform strategic philanthropy from an economic interest; it means philanthropic and not economic commitment.

Generally, we mean the donation towards beneficiaries under the concept philanthropy. According to the framing of Fry et al. [1982], the corporate philanthropy means voluntary transmission of resources under market price from companies to target groups. In the field of arts, underlying motivation can mingle and it is not just characterized by altruism [Carroll, Buchholtz, 2000], but is supposedly useful for companies, as well.

According to the opinion of Wood and Jones [1996], it is not exactly obvious, what the philanthropy means. There is a substantial bilateral relationship between the company and the charitable organization, in which exists an "exchange" factor, according to their statement. Following the same principle, in the insight of Saiia et al. [2003] corporate

philanthropy includes the sponsorship and cause related marketing in a wider approach. Porter and Kramer [2002] hold the interpretation of these activities as philanthropy for an exaggeration, the authors handle them as marketing.

Based on the latest studies, companies are increasingly characterized by the strengthening of the strategic approach, by emphasising the business based instrumental reasons of these philanthropic activities [Saia, 2001]. But we don't know unequivocally, why the companies do philanthropic activities or what is their intent with the donation towards the supported organizations, therefore I have chosen a special field as the goal of my thesis to explore these factors, which is the field of classical music.

The corporate philanthropy is just a part of the CSR in my interpretation (this will be explained more detailed in the subsection II.3.), but from the aspect of my thesis it is its substantive component, whereas in the most cases, these CSR activities do not directly connected to the basic mission of companies, like CSR related to classical music, which is also classified in this category based on Carroll [1991]. In the followings I will present the philanthropy's eventual types and the levels of realization.

## **II. 1.1. Four types of corporate philanthropy**

Although many leaders pay more attention to the corporate philanthropy, the strategic direction of the companies' such activities remains superficial, and is not really controlled. One reason for this is the not suitable interpretation of the executive facilities. According to Bruch and Walter [2005] the philanthropic activities proceed from two perspectives, the market orientation and the competence orientation. On the basis of the *market-oriented approach*, the leaders primarily want to meet their stakeholders' expectations, they form their corporate philanthropic activities in conformity with external demands, which they expect increased corporate competitiveness, better marketing and sales possibilities, furthermore better relationship with governmental and nonprofit organizations from. These companies are interested more in influencing the attitude of the stakeholders, than in the increasing of the social benefits. At the same time social benefit can be reached by the market-oriented philanthropy as well, whereas it contributes to the satisfaction of their basic needs and demands of the stakeholders. According to the *competence-oriented approach*, company leaders pursue to synchronize the philanthropic activities with the abilities and core competences of the company. They oppose activities differing from the core business, they take aim at increasing of the philanthropy's effectiveness and ensuring

unique value creation. One danger of this approach with a strong internal direction is, that it is difficult to reconcile with the interests of external stakeholders, and as a result of this, it is not guaranteed, that they will get the maximum value. Otherwise the competence-oriented corporate philanthropy creates sometimes unique benefits, whereas it is build on individual, not financial skills, concentrating on the main activity. Some companies combine the internal and external approach, while others concentrate specifically on one perspective, but there are such companies, who do not accept the strategic approach of the philanthropy at all. Based on the rate of internal and external orientation, the authors defined four types of the corporate philanthropy: peripheral, dispersed, constricted and strategic philanthropy (Figure 11.).

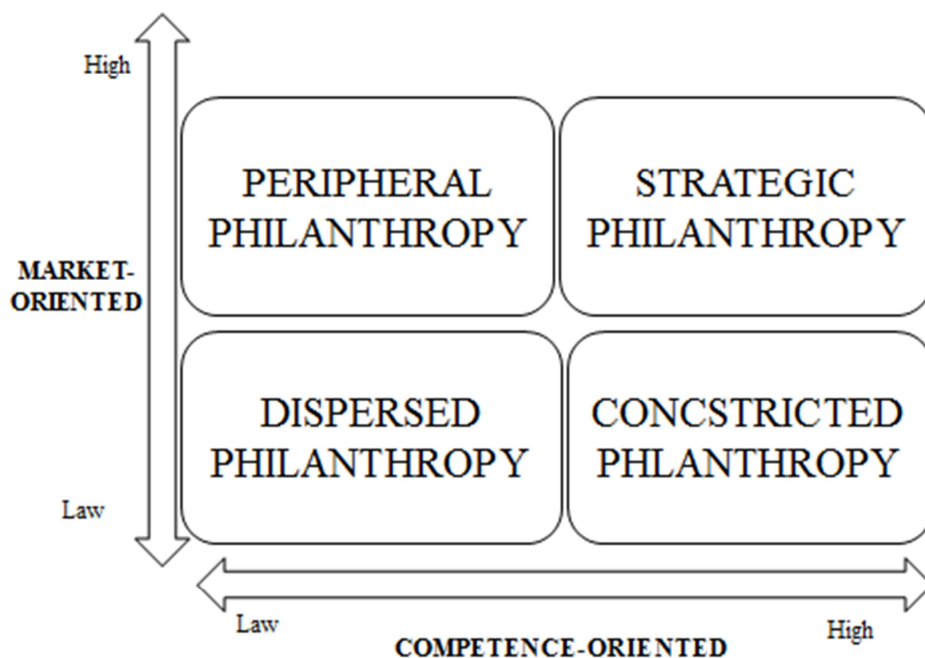


Figure 11: Four types of corporate philanthropy

Source: Bruch, Walter, 2005

In the frame of the *peripheral philanthropy* make the companies such charitable initiatives, which are mainly based on the external demand and the expectations of the stakeholders. Most of these companies are expecting better position in the competition from the corporate philanthropy. Their activities are independent from the company's basic mission. The consequences of the peripheral philanthropy are mixed: it supports the inspiration of the demand for services, the retention of qualified workers, additionally the decrease of state and regulatory controls. Although there are such companies, who distract the financial and managerial sources from the core business

activity in the frame of the peripheral philanthropy, which is resulted in the ambiguity of the strategy. On the whole, these activities are important for the companies from an ethical and economic point of view, but generally they are not sustainable in a long run. The *constricted philanthropy* creates synergy between the company's main and charitable activity. The core competences are used to social objectives, leaving the external stakeholders' aspects out of consideration. The strategic effects of the constricted philanthropy mingle as well. It counts to its advantages that the available skills, resources and facilities are increasing the effectiveness of the activities, and leaders are striving for, that this philanthropic moral should pervade the whole company, using it as a kind of innovation. Although this is a disadvantage that due to the internal focuses it neglects the demands and expectations of stakeholders. Leaders just want to charity through own products and the employees' special skills, and they help to solve the urgent cases, but due to this, they lose the possibility of increasing the reputation and the activity's contribution to the strategy. As long as the constricted philanthropy doesn't target systematically the key stakeholders, the strategic approach is missing from it, which restricts it to be the best in its competitive environment.

It is typical for the *dispersed philanthropy* that the realization of the strategic direction is totally missing. The initiatives are not coordinated, both of the leaders and the employees don't have a comprehensive picture about the company's activity, unequivocal decision criterias regarding that, why they support a charitable project. In pursuant to this, they are supporting smaller projects without directives, the financing occurs arbitrarily towards the institutions operating on distinctive fields. The dispersed philanthropic activities include the negative effects of the peripheral and constricted types. In the background of these initiatives stands the private interest of the management. In special cases can be the dispersed philanthropy useful as well, especially in a deep crisis, when immediate measures are needed. This kind of activity can be also extremely significant, but it can't be a general approach for the corporate philanthropy, because by strategic approach can be reached more significant social effects and benefits.

The *strategic philanthropy* is often the most effective approach, which means the combination of the high external (market) and internal (competence) orientation. It takes into consideration the interests of the company and the stakeholders at the same time, which contributes to the activity's sustainability. It ensures possibilities to apply the main competences on new business areas, to enhance the employees' inner motivation

and the attractiveness of the labour market, to increase the consumer demand and to strengthen the corporate identity with aligned philanthropy in the whole company.

As long as the companies realize their CSR activities in the framework of the strategic philanthropy on such fields, which are not directly related to their main activity, like the classical music, then they can obtain the maximum benefits on both of business and social level.

## **II. 1.2. Seven levels of corporate philanthropy**

In the research of Barrett [1998], he studied the motivation of corporate philanthropy in the broadest sense, namely, how the companies spend their “unnecessary” dollars. To this fact he analyzed seven levels of corporate consciousness.

*The survival consciousness:* For the company - on this level of consciousness - stands clearly and simply the fund raising in the middle point. The motivation is the “greed” itself. There is an underlying assumption by this form of donation, namely the organization gets back much more, as it gives. If we examine rationally, then it can named “investment” as well.

On the level of the *relationship consciousness*, the relationship stands in the focus of the corporate consciousness, which serves the company’s claims. The motivation is a minor form of the greed. It means the financial support of a case or campaign, which can be later prosperous for the company. It can be said, that this level is setting aside the money for bad times.

*The self-esteem consciousness:* The company emphasizes at this level, that it is the best. The motivation is on the good presence, it makes visible in any case, that it gives. The organizations provide financial support for an institute, a charitable case or something, which gets publicity. This can be considered to image building or indirect commercial.

On the level *transformation*, there is emphasis on the learning and growth, the company’s motivation is the knowledge enlargement. It contributes to the organizations and institutes on such way, that this promotes new ideas and helps the learning of people, additionally the increase of their knowledge level. The company’s aim is to increase the level of education of people regarding the future employment.

*The organizational consciousness:* The focus on this level is on the satisfaction of the workers’ physical, emotional, intellectual and spiritual demands. The employees’ interests mean the motivation of the company, which are realized by allowing such opportunites, like physical activity facilities, child care, emotional support and personal

development, so they can become for what they want to. The company has dual objects with that, to attract the best people and to build a better world.

*Community consciousness:* The support of local communities is in the focus. It cares with such things, which serve the employees' interests. Financial support is provided for local charitable institutions and local communities, additionally dedicated freedom is given to the workers to contribute to the operation of charitable institutions, which are liked by them. In the background of the motivation stands, that it is recognized, the company and the staff are just part of a larger social construction, which can be successful only with the cooperation of the company and the community.

*The societal consciousness:* On this level is emphasised the support of the whole society, where the main motivation factor is to make the world better. Companies found out, that they contribute anywhere to the improvement of the social conditions, it will be profitable for everyone, that means everything is linked to everything.

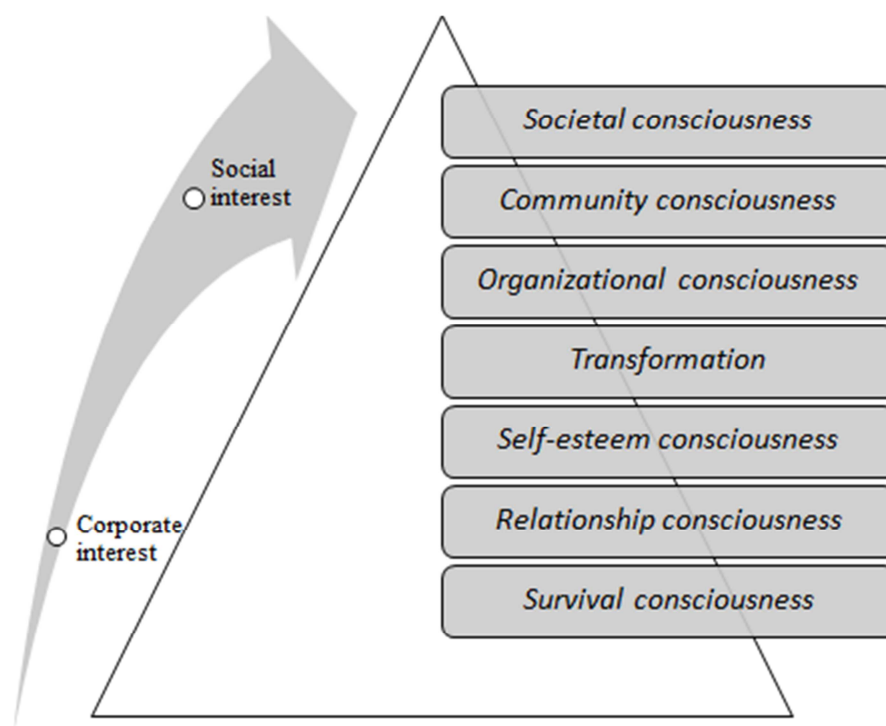


Figure 12: Seven levels of corporate consciousness

Source: Barrett, 1998

The first three levels deal with the self-interest, because the drivers of these activity levels are more the getting and not the giving. As we are moving to the higher levels, the corporate interest counts less and less and it becomes more emphasised, what kind of benefit the donation brings to the society. On the higher consciousness levels is admitted by the company, that it is operating in one social environment, and itself can

be successful only in a successful environment as well. (Figure 12.) The same is enforceable for the CSR activities in the classical music, the object is for the companies to get from the level of survival consciousness to the level of societal consciousness, and not just the business interest, but reaching of social benefits should be considered to be relevant by them.

## **II. 2. The definition and objectives of sponsorship**

The classic sponsorship activity (donation and support) is often mixed with the definition of the CSR, but the two expressions are not the same. This difference is presented well by a thousands of years old chinese quote: If a man asks for food from you, you will give him fish. But if you really like him, you will teach him to fish! [Lao Tzu]

The definition of support, patronage, donation and sponsorship are not unequivocally separated for the society that is the reason, why I think, it is important to define these concepts in my thesis' respect.

The support is a partial relationship between the advocate and the beneficiary, which can be monetary, in-kind or mental. According to the International Advertising Association, the support means such financial or material contribution, which is not closely related to the company's commercial aims, so under its objectives can't be mentioned the profiting [Fazekas, Nagy, 2000]. According to the Hungarian Public Relations Assotiation, the field of support includes the sponsorship and the patronage, which is differentiated by the existing or non-existing of the remuneration. [Bába, 2008]

The *sponsorship* is a bilateral business relationship, a financial, material or human investment for the company, which has profit objectives. The sponsorship is the classic way of financial or material help, which can be the part of the CSR strategy. [Bába, 2008]

According to Szilvia Bába [2008], the head of sales in the Hungarian Culture Foundation the companies' aims for sponsorship are the followings, which are interpreted by me on the field of classical music compared to the practical topic of my thesis:

- *The opportunity to enter the special target markets.* For example, the appearance on a festival or conference can offer significant opportunity for the classical music service providers, they can make contacts with potential CSR decision makers at one time in one place.



- *To support the introduction of a product, service, to evolve and increase the brand-image.* For example, the local music school can be sponsored by a bank branch opened on a new place.
- *Compliance of the products and services with a specific lifestyle.* For example, a car brand can sponsor classical music performers, artist, whereas the company wants to, that related to its products will be associated on the representation of the high value.
- *Building contacts with the representatives of the sales channels.* For example, the aim of the company can be a closer relationship with its partners, to which it can sponsor such classical music event, where it can give complimentary tickets and invitations to its business partners.
- *Commercial, sales opportunities.* For example, a company in the alcoholic industry can get such advantage through sponsoring a classical music service provider (Opera, Müpa), that on the event can be purchased only its products.
- *Presentation of a product's features.* For example, a company producing beverages has the opportunity on a classical music festival to taste its product by the visitors.
- *Increasing the sales.* For example, a famous musician is supported by a company, so following this sample, the target group will purchase that product as well.
- *Obtaining the special reference.* For example, a bank can sponsor a classical music concert, and the tickets can be bought through the electronic transfer system of the bank, which proves the excellent quality of the service.
- *The tool of employee reward, performance recognition and internal PR activities.* For example, when a concert is sponsored by the company, it divides the received complimentary tickets between the workers, so it strengthens the loyalty of the employees toward the company, increases the workers' creativity and incentives them for a better performance.
- *The tool of goodwill, increase of publicity and external PR activity.* For example, a company sponsor a charitable concert, so it can evolve a responsible corporate image in the public awareness.

To sum up, the companies are striving for with their sponsorship activities as well on the field of the classical music, that the invested energy in the support returns somehow, and they make its name known, additionally evolve and improve their image.

## II. 3. The relationship of sponsorship, corporate philanthropy and CSR

In the first chapter I have already described the CSR's different perceptions sorted in dimensions, where we could have met repeatedly with a kind of grouping, in which the authors tried to extract the single aspects of responsibility (e.g. Carroll's CSR pyramide). In this chapter I would like to present that part of the literature, which examines the connection between the CSR, corporate philanthropy and sponsorship, as well as the opportunities for the practical realization of responsibility, that means, with what kind of tools can be a company responsible and what kind of relationship results this with the sponsorship and the philanthropy.

According to Kotler and Lee [2007], the corporate social responsibility means the commitment, during which the company continues voluntarily and freely chosen practice for the publicity's wellbeing, what is supported by its resources. According to the authors, the CSR activity can be categorized on six ways regarding which aspect of the social responsibility is emphasised by the company:

- *Cause promotion*: It means the support to solve the social problem, which is realized by in-kind contributions. An eventual way for this is providing the corporate resources.
- *Cause related marketing*: The CRM is a marketing activity connected to the solution of the social problem, which is realized by the direct supply of goods. This funding target can be attractive for the customers as well.
- *Corporate social marketing*: Social targeted marketing, which essence is the change of the society's customs, attitude against some things. There is an emphasis on change the behaviour.
- *Corporate Philanthropy*: The corporate philanthropy, charities are the CSR's most traditional forms, when the company gives donation to a company.
- *Community Volunteering*: It emphasises the importance of the volunteering, which is used to be ad hoc.
- *Social Responsible Business Practices*: These are business solutions supporting the social responsibility, whereby the specific company strengthens voluntarily on its own situation. This is the most effective, but also the most disadvantaged form of the CSR.

In the categorization of Kotler and Lee we can explore, that they hold the *corporate philanthropy for an eventual practice of CSR*, which is identified by the definition of charity and donation.

Szvetelszky Zsuzsanna [2008] typed the CSR activities accordingly, how and with what kind of tools they realize the company's responsible behaviour, under which the next five groups are differentiated:

- *Ideal*: Generally recognized good CSR, which means responsible operation with good quality for the companies.
- *Marketing-purposed*: An activity, which is marketing purposed and sponsorship oriented. The CSR activity can be communicated in the media as well, if there is a continuous sponsorship behind and it serves market expansion.
- *Altruistic*: Altruistic sponsorship activity, which doesn't serve the company's business efficiency.
- *Separated*: A sum separated by the owner from the company's profit for creation of a foundation with charity objectives.
- *Employed*: The charity is realized by the company's employees. It is characterised by the internal communication in the company, which yield can be the invasion to the public awareness. It is less typical in Hungary yet.

In Szevetelszky's framing, the *sponsorship* appears as the *CSR's eventual instrumental*, which can be realized with an altruistic and marketing aim in its judgement as well, depending on that, what extent had served the specific CSR activity the corporate profit. In Dahlsrud's [2008] frame of reference, the corporate philanthropy is a special kind of the CSR activities.

Williams (2010) interprets the *philanthropy as the part of the CSR*, which differentiate in the followings. Decisions on the extent and the subject of the support are made regarding the philanthropy strictly on higher levels, while by the CSR is the empowerment important. With the CSR wants to reach the company a more wider layer, while it can influence just a small target group with the philanthropy. The philanthropic activities can be connected less to the company's core activities and generally they can't be connected to the company's long-run strategy, they only serve the community's well-being, but with the CSR can be realized two targets at the same time: the satisfaction of the communities' demands and increase the corporate profit. They differentiate in their focus as well, because the philanthropy means donation, charity first of all, the CSR

concentrates not only on one special activity type, but it interprets the corporate responsible behaviour more widely. [Williams, 2010]

According to Katamba [2011], the corporate philanthropy is the PR's one form, which increases the corporate image through the charity and improves the company's position in the society on the long run. Actually, the *philanthropy is one unit of the CSR*, which is concentrated only on the externalities, the external stakeholders (add-on). The CSR can be interpreted as social investment (CSI – Corporate Social Investment), which is realized on a strategic way, creating social, economic and ecological balance and paying attention to the interests of all stakeholders to increase the corporate competitiveness. The philanthropy is a traditional way of the community investments (CCI – Corporate Community Investment), it focuses expressly on the community's interests building the company's competitiveness and relationships. The forms of appearance are the donation, the contribution with properties, services, and the employees' volunteering. [Katamba, 2011]

The *CP* can be interpreted as the *CSR's first wave*, which is realized just on an ad hoc way based on the decisions of the corporate leaders mostly in the form of financial or in-kind donation. The *strategic CP* is the second wave, which comes true on a more reasoned way, considering the long-distance interests adjusted to defined directives. The third wave has already passed through the philanthropy, this is called *community investment*, which is realized unequivocally on a strategic way with using the corporate resources, while in the event of the fourth wave, the CSR is defined in a healthy corporate environment inserted already in the strategy. [Katamba, 2011] Based on this it can be said, that the CP is such part of the CSR, which comes true with an ad hoc nature, but the strategic approach has already been evolving as well.

We can differentiate three types of the corporate social responsibility. The first is the *philanthropy, the charitable action*, which doesn't result direct benefits to the company, however it improves the corporate image. This type of CSR can be connected directly to the company's activity, against the second type including the *integration approach*, which expected benefits are the increase of the corporate reputation, cost saving, risk reduction and legitimacy. The third type is the *CSR as innovation*, which means a pyramid based approach (base of the pyramid - BOP), namely providing new products, services to solve environmental and social problems. The first and the third types are differentiated by the win-win situation, whereas in the innovation approach is the increase of corporate incomes an unequivocal purpose beside the solution of social

problems [Kourala, Halme, 2008], namely the philanthropy is that part of the CSR, which only concentrates on the realization of the social benefits.

According to Ligeti [2007], the CSR's first level is the *donation* or *sponsorship*, but in fact, he doesn't count these activities to the CSR in a classical interpretation, because the company uses the sponsored aim for an advertising space and strengthen the brand name, which is not contemptible, but not equal with the responsibility taking in the original meaning. The second level is the *charity*, which can be realized by a strategic purpose as well, according to the author. [Ligeti, 2007] To define the CSR on the highest level, the company must be handled as a group of people, namely it has to operate with synchronizing the interests of all stakeholders to be truly a responsible company [Ligeti, 2006]. Pursuant to the author's train of thoughts, the sponsorship or the charity can be responsible activities as well, in that case, if positive values are hidden inside the company for all of its stakeholders.

In accordance with Singh [2010], the CSR had began with the *charity*, which had followed by the *philanthropy*, but today we can mention the concept related unequivocally to the *corporate strategy*. He believes, that nowadays the responsibility throws another light upon the relationship between the companies and the society. However, in the 2000s has started a trend, by which the philanthropic activities can have strategic purposes as well, if a philanthropic activity has realized on a strategic bases, then followed the author's interpretation and based on today's use of terms, it falls to the category of CSR.

Trivedi and Kaur [2007] have divided the corporate social responsibility into two main parts, one is the corporate philanthropy and second is the cause related marketing (CRM). They define the philanthropy as a one-way business, which is focused expressly on the stakeholders, but this is just a part of the CSR, because responsible companies are operating with considering the profit interests as well, so they can't do only philanthropic activities. The CRM is the part of the CSR, which serves unequivocally the company's interests: it makes the company attractive for the customers, increases the sales, differentiates, reaches niche markets, creates positive media space, makes the employees more motivated and loyal, affirms the corporate mission and image [Trivedi, Kaur, 2007]. I believe, if the philanthropy isn't just understood as a one-way business, then the two parts (CP and CRM) can have overlap as well, namely there can be such philanthropic activities, which focus on not only the stakeholders' but also the company's interests.

To sum up it can be said, that the *corporate social responsibility* is a complicated and long term activity, it requires more considered strategy and consistent realization compared with donation. The *philanthropy* is identified by the most with the donation and the charity, which is a one-way matter from the company's direction towards the society. The *sponsorship* means unequivocally a bilateral activity, and based on this, the company not only gives, but gets in exchange as well, it also tracks corporate and social interests. Although the philanthropy has a new branch, which handles the CP on a strategic way, that means, it plans on long term considering the company's interests as well, but firstly serving the society's interest. In my interpretation based on the Figure 13. demonstrated concept, both of the philanthropy and the sponsorship are parts of the CSR, in the engraving of the two definitions stands in turn the *strategic philanthropy* presenting the bipartite relationship.

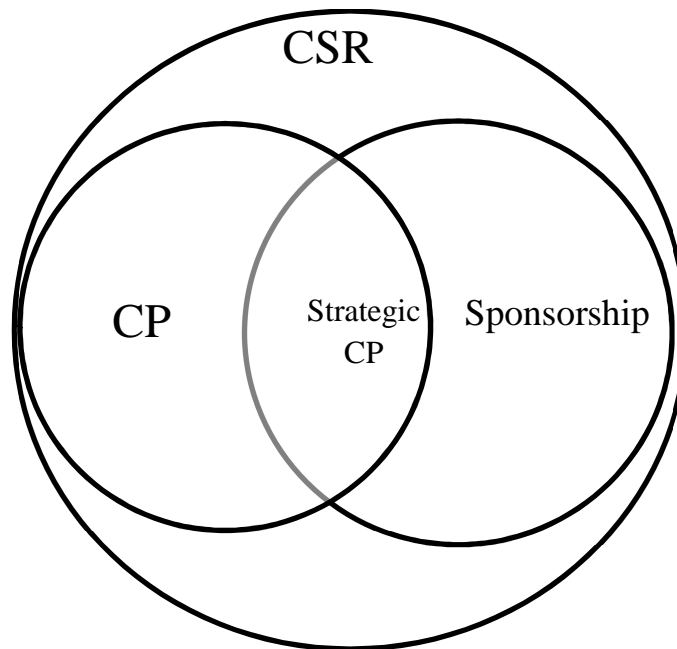


Figure 13: The relationship of sponsorship, corporate philanthropy and CSR

Source: Author's compilation

## II. 4. Categorization of corporate philanthropy based on motivations

Burlingame and Frishkoff [1996] wrote in their study, that the most important factor of the donation is the corporate responsibility, but beside this there are other prevalent factors as well: the corporate conditions, the personal values of the owner, the quality of organizations submitting an application for PR and support. It turns around from their survey, that for 37% of the companies are the support of the community and the

economic growth the most important benefits with these contributions. The second is the corporate commitment/responsibility. These conclusions are very similar to the results of Cowton's [1987] survey, under which the main reason for donation is the social responsibility. In Collins' [1995] survey from the motivations of the corporate philanthropy fill in the goodwill, the image and the community feedback the most important role.

#### **II. 4.1. The classification of Burlingame and Frishkoff**

Burlingame and Frishkoff [1996] divided the companies into five groups based on the motivation behind the philanthropic activities.

- *Altruism:* Those companies are characterised by altruism, which pay attention to other's well-being. Altruism means in the purest sense, that the donor doesn't obtain benefit and doesn't get external recognition in exchange of the contribution. The most significant forms of appearance are the anonymous gifts, common donations and the foundations.
- *Shared benefit giving:* The second category is donation with shared-benefit giving, namely donation for the public good with recognition by the public, without particular expectations. The company, within that the owner or the senior manager feel duty to support the community, in exchange of such expectations like growing clientele, by these it can divide the gained profit in a wider circle. The most characteristic types are the voluntary contributions of the time and skills, the usage of establishments by the donee and the in-kind donation.
- *Enlightened self-interested:* In case of the enlightened self-interested companies, the donation's aim is to put the business advantage and the well-being in the middle. The donor expects special, long term benefits, which have mutual advantages for both of the community and the company, and provides opportunity for increasing the promotion of a product or service. Actually, the corporate donation is considered to improve the business environment and to preserve the capitalism. Most common examples are the cause related marketing, the advertising purposed donation and the long term targeted gift.
- *Charitable investment:* The charitable investment means in fact targeted donation, which is characterized by the expectation of short term profit, in this case, the required benefit is larger than the invested resource. The object of the

charitable investment is the donation's integration in the corporate mission, and the donation, as means of communication for transmission of a pure corporate message about the corporate products. The most significant forms of appearance are the short term targeted gift, the strategic philanthropy and the status donation.

- *Stewardship*: The focus is put on directly the maximalization of owners' well-being by the stewardship, and such activities can be a solution for these, as the tax strategies. It means the realization of the responsibility in such way, which primary objective is to increase the owners' property. In the most strict interpretation, the stewardship causes the largest net income and return on equity.

In the categorization of Burlingame and Frishkoff [1996], we can discover a rectilinear improvement, which can be interpreted in two ways. First of all, on the level of the social feedbacks, where it means almost anything for the altruistic company, but this is the main motivation by the stewardship company, so this is the most important element of the donation. On the other hand, interpreted on the level of the interests, while by the altruistic philanthropy serves the company's donationing habits the social interests, by the stewardship type is the philanthropic activity fully subjected to the business interest. [Moir, 2004]

#### **II. 4.2. Saiia's classification**

Saiia [1999] prepared a survey consisted of 126 people in the U.S., in which was enlightened, that the corporate donation is more increasingly strategic. This was confirmed by the donator managers, and by the top management as well. Based on Saiia's [1999] study, the main motivations behind the corporate philanthropy are the following:

- obtaining results through professional corporate donation programs,
- the contribution of the donation to the organization, as well as in the other functional fields of the company,
- increase the tangible results of some projects.

Saiia [1999] reconsidered the model of Burlingame and Frishkoff [1996], but he also kept in mind the strategic philanthropy. The model shows, that the process takes place from the direction of the social focus to the corporate focus, which clearly illustrates the moving from the altruistic behaviour to the strategic direction. Saiia's model confirms unequivocally, that the companies are focusing on their own interests to the point, while



the tool serving the social interests doesn't reach the maximum of the corporate value (Figure 14.). [Moir, 2004]

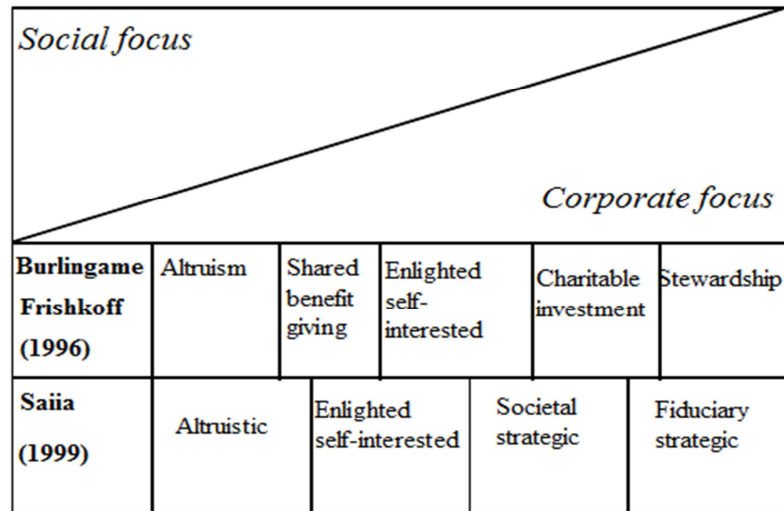


Figure 14: Corporate categorisation based on philanthropy

Source: Author's compilation based on Burlingame, Frishkoff [1996] and Saiia [1999]

Based on the motivational factors, Saiia [1999] categorized the companies pursuant to their philanthropic activities: altruistic, enlightened self-interest, societal strategic, fiduciary strategic.

- *Altruistic*: Such resources are provided by the company for the society, through which it can become better. These resources can be anonymous gifts or collected donations.
- *Enlightened self-interested*: The company strives for contributing to the work of the non-profit and voluntary organizations on the most and best way, which helps the corporate's recognition. The self-interested behaviour can be realized on the next ways: the voluntary contributions of the time and skills, the usage of establishments by the donee, the in-kind donation and the long term, targeted gift.
- *Societal strategic*: The company builds its relationships with the non-profit and voluntary organizations, which contributes to obtain better quality of life for the community besides the support of the corporate strategy. Most typical forms of appearance are the cause related marketing, the advertising purposed donation and the status donation.
- *Fiduciary strategic*: The company concentrates on its primary aim, namely on increasing the shareholders' property. The philanthropic donation is the part of

the corporate tax strategies and it is a tool for the company to have a larger control over its profit, which had to be paid as tax.

In Saiia's [1999] interpretation, persistence can be visible from the direction of the altruistic philanthropy, which means fully altruistic behaviour, we get to the philanthropy realized through an absolute strategic point of view [Moir, 2004]. The author shows the formation and stages of the strategic approach with the re-think of the corporate philanthropy's categories.

#### **II. 4.3. The interpretation of Young and Burlingame**

Young and Burlingame [1996] differentiate four types of corporate philanthropy.

Based on the *neoclassical/corporate productivity model*, the aim of the philanthropy is making profit. According to their opinion, the corporate philanthropy is an oxymoron, because the expression itself includes such activities, which are motivated by other factors except the self-interest. This approach follows Friedman's [1962] vision, which claims, that the company's real aim can be just economic. Fry et al [1982] argued, that the corporate donation is motivated by the profit as well as the advertising expenditures, and the philanthropic data can't be used for measuring the corporate altruism.

The *ethical/altruistic model* follows the donation based vision, the company has to do, what is good for the society, which interpretation can be widen on the definition of the social contract [Donaldson és Dunfee, 1999], where power is guaranteed by the society for the business sector and it is expected to use it responsibly. In the argumentation of Shaw and Post [1993] appear altruistic elements as well. Sanchez [2000] considered the altruism to be relevant in his studies about the corporate philanthropy. But it is important to emphasise in any case, that in both survies are mentioned more motivational factors, and the altruism is just one part of them.

Based on the *political model*, the object of the corporate donation is the sustainability of the long term concern in the society, which can be economic or related to the power, legitimate operation. The goal is to preserve the autonomy, to protect the corporate power. In Mitnick's [2000] view, it is expected by the society from the companies, which are producing significant negative externality that they contribute to other fields, like art, community or employment, as compensation. Neiheisel [1994] determined in a comprehensive study, that the goal of the companies' philanthropic activities isn't the solution of the social problems, but the improvement of their legality and protection of their power against the external threatenings.

The *stakeholder model* recognizes the existence of the previous three models, and accepts the opportunity, that the company takes business and social interests into consideration as well. It claims that the company is a complex unit, which has an affect to the interested parties, who influence its operation as well. That raises the question, whether the aim of the stakeholder approach is firstly manager oriented, or a good opportunity for increase the benefit of the society and the donationor company [Owen et al., 2000].

Young and Burlingame [1996] interpret the corporate philanthropy similarly to the definitions described in the CSR's profit and stakeholder dimension. The company only pays attention to the stakeholders' interest in the neoclassical model, like in the minimalist approach to CSR in the profit dimension, then it is widened to the society in the ethical and political model, and in the stakeholder model performs its philanthropic activities with all of the stakeholders' interests, includes the business and social interests as well.

#### **II. 4.4. The model of Moir and Taffler**

Based on Young and Burlingame's model, Moir and Taffler [2004] defined the interpretation of the corporate philanthropy in a new frame along two dimensions. The x-axis was named "*relative business - society attention*", which has two extreme cases, the altruism and the neoclassical model. The y-axis shows the "*relative stakeholder attention*", where can be found the primary and secondary stakeholders. The primary stakeholders are those, who have a direct effect on the company (consumers, employees), the secondary stakeholders influence the company on a indirect way (community, environment). In this integrative frame have placed the authors the groups of Young and Burlingame, which is showed in the next figure (Figure 15.).

Moir and Taffler [2004] reconsidered these categories based on the art philanthropy of companies in the United Kingdom. They analyzed 95 case studies and used the KWIC (key words in context) method with cluster analysis to classify the companies in five groups pursuant to the motivation of their philanthropic activity.

The first group is formed by the *advertisers*, who are focusing on the business benefit and the primary stakeholders. Their participation is realized in the promotion of the brand. They use the support of arts to open marketing purposes. This group belongs to the category neoclassical model.

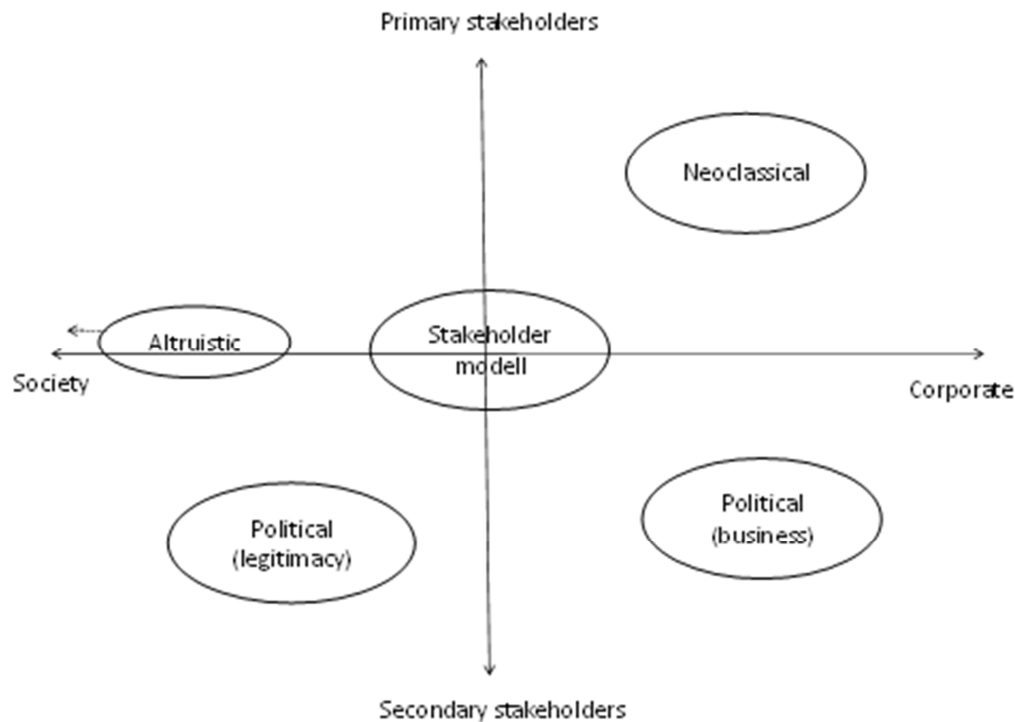


Figure 15: Integrative framework of corporate philanthropy based on the model of Young and Burlingame

Source: Moir, Taffler, 2004

The second group consists of the *covertly instrumentals*, which pay attention to both of the business and the social interests, but they are focusing on the primary stakeholders. They attempt to use the art supports for strategic business goals. This group represents basically neoclassical principles, but the strategic approach has already appeared as well.

Companies in the third cluster focus on the business interests, but they put emphasis on both stakeholder groups evenly, they are called *stakeholder managers*, who are represented the stakeholder model.

The fourth group prioritizes the interests of the society, community. They need the support the society to the legitimate operation. These companies are *legitimizers*, who belong to the political model.

For the first sight, the fifth group is the reflection of the third group except that it pays the most attention to the society. A certain degree of altruism has appeared in the case of these companies. The authors called them *disparates*.

Moir reconsidered the groups connected to the cluster analysis and he tried to insert it in the frame based on Young and Burlingame's [1996] categories, which resulted three groups from the five.

Figure 16 shows Moir's [2004] improved model presented in his thesis, which categories were interpreted by the author as follows.

- *Advertisers* are those, who are using the donations related to the arts clearly for marketing or increasing the reputation, this includes the first and the second groups, namely the advertisers and the covertly instrumentals.
- *Legitimizers* are those, who concentrate on complying the legal operation. They are striving for obtaining the business advantages, but they pay attention to the community stakeholders as well. Although they are speaking at least about the explicit business benefits. This category includes the fourth group (legitimizers) and some elements of the fifth group (disparates).
- The *stakeholder managers* are those, who interpret the support of arts as a tool of the stakeholders' involvement, which has different stages. Some companies donate for the arts, because this can be brought in a direct connection with the business. By others, who offer their entrepreneurial skills for arts, obtaining of the business benefits is less explorable. The purpose would be to create balance, which pays the same attention to the corporate and to the stakeholder interests, but the data used in the analyses of the author couldn't be provided appropriate information. This category includes the third group (stakeholder managers) and some elements of the fifth group (disparates).

It's not easy to draw limit between the stakeholder managers and the legitimizers, at the same time the author claims, that there are examples for the clearly altruistic philanthropy in rare cases, if it exists at all.

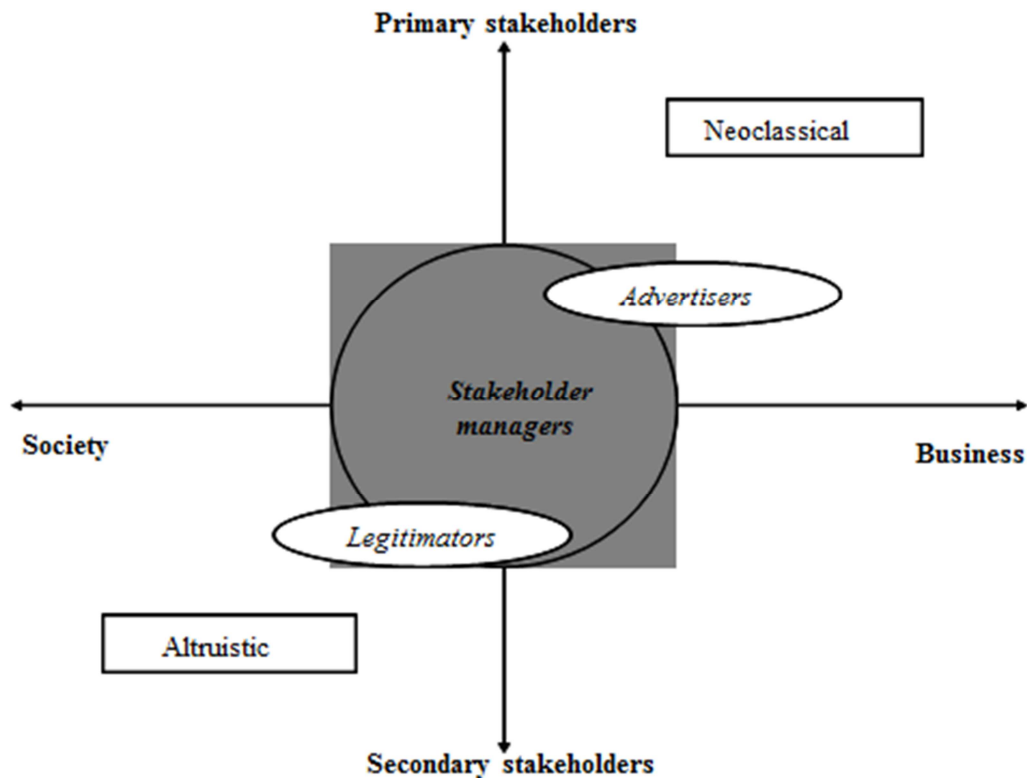


Figure 16: Motivational factors of corporate philanthropy based on the complex model of Moir

Source: Moir, 2005

#### II. 4.5. Additional motivational factors of donation

The most of the researches assume, that the managers' values, orientation have influence on the corporate responsibility activities [Swanson, 1999], I have put a big emphasis in my research to explore this fact.

In the literature are identified four possible motivations for the corporate donation [Campbell et al. 2002]. The first is the *strategic* motivation, when the company wants to realize its strategic object with the donation. Another motivational factor is the *altruism*, in which the main purpose of the company is to maximize the social good. The third cause is *political*, which means motivational factors similar to Young and Burlingame's political powermodel. The fourth motivator is the *managerial utility*, the personal decisions, which can't be absolutely connected to the corporate goals.

Logan [1993] studied the main motivations of the donation through eleven European large companies, and he identified three drivers based on this [Bennett, 1998]:

- The presentation of the company's moral and social responsibility to the local community;
- To gain the politicians and other important opinion leaders;

- To help the company's direct interests through the support of charity events.

Bennett [1998] did research about the corporate donation habits in Great-Britain, in France and in Germany. The first place took the increasing of the corporate image and strengthening the PR related to all three countries. As further motivations appeared in a country the growth of the product sales and obtaining the politicians. According to Mescon and Tilson [1987], the support of arts is just a form of advertising, which aim is to reach the consumers and to communicate the good citizenship. Kirshberg [1995] had highlighted two motivational factors in his argumentation - the image and the sales. According to his opinion, the support of arts by the companies is a promotion activity. In Usseem's [1984] formulation, the publicity isn't the the main goal for the companies, but generating effect on the local community.

In this subsection I have presented all drivers, which can occur by the decisions related to the philanthropy and donation, illustrated by the different corporate typing models, it can be determined based on this, that the motivations behind the corporate philanthropy are quite different. Hereinafter, I will narrow the subject of my study, and I am dealing with exploration of drivers appeared in the field of arts.

## **II. 5. Supporting the arts by companies**

In this part, I will deal with the background of the companies art support, because these are - CSR activities concerning classical music - cornerstones from the practical part of my thesis.

### **II. 5.1. Motivational factors of art sponsorship**

To the practical topic of my thesis, to the field of the classical music stands the art sponsorship the closest within the sponsorship, which has a really limited literature, and they connect these activities mostly with the marketing and the promotion. I describe in this subsection the motivational factors behind the art sponsorship based on the different authors' approaches, namely, what motivates the companies for sponsoring a field of art.

According to Meenaghan and Flood [1983], these are the sponsorship's five motivational factors: strengthening the corporate affiliation, shaping the relationship connected to the product, helping by the corporate hospitality, motivation of the human resources and the sales. It is mentioned under the corporate affiliation further subfactors to understand the motivations better, like raising the social awareness, changing the

public opinion, creation of a unique picture, creation of goodwill in the circle of the opinion leaders and decision makers, facilitating the employee relations, supporting the recruitment, etc.

According to Tate [1987], the main object of the sponsorship is to increase the corporate image. Abratt et al. [1987] determined, that the sponsorship doesn't have corporate aim, it can be used to products, sales or personal goals, additionally to increase the number of guests with the media and the available opportunities.

Waters [1989] has stated that the companies are sponsoring to improve their image, advertise their products and entertain their consumers or employees.

Nine sponsored events were analysed by Turgeon and Colbert [1992] in Canada, and they showed in their research, that the main reason for the sponsorship is to change the picture created about the company by the public opinion through social contributions and improve the employee relations.

Colbert et al. [1994] analyzed 34 companies in a study, in which they identified the sponsorship's main causes: the better corporate image (34%), increase of sales (22%), better transparency (15%) and the role in the society (15%).

According to Kotler and Scheff [1997], the sponsorship is the marketing's most fastest-growing area. The sponsorship meets the people in such environment, which is connected to their lifestyle. The companies can give back something to their communities through the sponsorship. The sponsorship provides opportunity to create emotional bonds with the consumer by that the product or the company are linked with some larger and smarter things. Additionally, they are arguing, that people are increasingly looking for live contacts and social experiences, and the sponsorship provides opportunity for companies to open to the consumer groups, so the number of sales opportunities can be improved.

O'Hagan and Harvey [2000] studied the motivators of 69 Irish companies' sponsorship strategy. They determined that the dominant factors are the opportunity to strengthen the corporate promotion and image. The main motivations were the media coverage and the corporate hospitality.

Quester and Thompson [2001] compared the art and sport sponsorship. In their argumentation was the main reason for sponsoring the arts the creation of the targeted image on behalf of obtaining the market purposes and they are focusing more on a well-to-do public against the mass. This approach is confirmed by Frank and Geppert's [2004] study as well, in which they compared 84 art institute based on their sponsorship



income and public number. The study has shown that the corporate donors prefer smaller organizations represented higher quality of art, than the big cultural institutes. The authors' research confirmed that fact, that behind the sponsorship can stand more motivational factors as well, but most of them serve the increase of the business benefit. My goal is through the empirical research, how this can prevail on the field of classical music and how true is it by the Hungarian companies.

## **II. 5.2. Drivers behind the art support**

Many organizations encourage the companies to support the arts, mainly from an instrumental purpose. The image is named by the literature of the companies' art supporting as the key motivation of the companies, but there are researches, which shows, that the main driver for supporting of arts is the managers' personal steps.

In Great-Britain there is a long history of the art support, which is dating back to the 1960s, and today its importance is proved by, that an institute is founded named Arts & Business, which motivates the companies to do such activities, helps by the realization and does further studies to confirm its appropriateness.

The British [Arts & Business, 2001] prefer unequivocally the instrumental reasons against the philanthropic in case of the art supporting of the companies: the direct access to the target market, the creation of the name's consciousness (it can be immediately connected with the name of the supported company), improvement of the image (quality, brand, innovation, uniqueness), the entertainment, strengthening the employee relations, improvement of the relations between communities and usage of PR opportunities. The survey shows, that the aim is primarily the increase of the business benefit for the companies.

From the survey of Brammer and Millington [2003] turns out, that a big part (40%) of the companies coats the children, young people and disabled people in the community through art projects, which highlights the social benefits of the support.

There is an organization in the USA similar to the British one, the Business Committee for the Arts, which helps the relationship between the companies and the arts from the 60's as well. David Rockefeller, the founder of the organization encouraged the business sector with the followings: The art support can mean publicity, advertisement, better reputation or corporate image for the companies. The company can obtain better business relationships, more up-to-date acceptance of the corporate products, and higher

evaluation of their quality. The promotion of arts can improve the workers' moral and can help to make the company attractive for new, more qualified people. [Koch, 1979] This is the so called "advocacy based" argumentation, which determines the motivations in three points:

- creation of the good reputation and image,
- influence of the consumers' buying decisions,
- the employees' influence and improvement of the performance.

The author addresses to help the art support of companies with introduction of the benefits and accentuation of the instrumental patterns through arguments stemmed from the organizations.

An institution with similar profile in Australia, the Australian Foundation for Culture and Humanities [1999] came into almost identical result, according to this, the business returns have three areas, which can derive from investments with purpose of art:

- The *corporate legitimacy*, which includes the permission for the operation, the corporate image, corporate relations and the contribution to the investment funds.
- The *market advantages*, which parts are the direct sales, the brand awareness, acquiring and retention of customers, and the price.
- The *employee benefits*, which elements include the productivity, the recruitment and retention, improvement of skills and knowledges, the network and the organizational culture.

These are the arguments, which stand behind the art support of companies, but they don't necessarily reflect the real underlying motivation or the true aim of the participation. Some researchers call attention that the support of arts is difficult to connect with the company. According to Moore [1995], the support of arts is a very special case, where companies fix their expenditures rightly as sponsorship, and rather reckon among the advertising costs, than in the costs of community investments.

Based on the survey of Siegfried et al [1983], 12% of the corporate donations are arts aimed in the United States. Mescon and Tilson [1987] suppose similarly, according to their opinion the art support is a form of the advertising to reach the consumers or to communicate the "good citizenship" somehow. File and Prince [1998] claim, that the motivation for the art support of companies is characterized rather by cause related marketing, than the philanthropy, and the motivations of cause related marketing

associate more likely with a successful outcome, which increases the company's contribution and discloses it in a better light.

Kirschberg [1995] names two motivations - the image and the sales, which are confirmed by arguments. The companies synchronize their art support with the promotion activities, namely with the dissemination of corporate image to reach defined customers (e.g. suppliers, consumers, employees and competitors), because the art support is really a promotion activity for the companies. On the other hand, the majority of companies are doing art based activity, which is strongly community-based and has just a few or not significant business benefits [Shaw, 1999].

Useem [1984] claims as well, that the identification of the corporate name is always just the first step through the art support for the improvement of the image and obtaining the profit, although the companies don't mention the publicity as a leader object, rather the effect on the local communities [Useem, 1991]. There is an unequivocal tension between the initial motivation and the benefit, which brings the activity itself. Useem [1984] argues that the art support of companies has a political dimension as well. As is shown in his research, how the elite uses the arts support to sustain its political position. He wrote, that the senior managers have an inner circle, which provides the arts support, [DiMaggio és Powell, 1983] whereas they can strengthen its position acquired in the society on this way.

Galaskiewicz [1985, 1997] considers the corporate donation for an asset of the social awareness. He claims, that the company donates more, if its CEO, executives or the members of the board have extensive network connections with local business men, who are promoting the corporate donation and the CSR activity. The responders had often highlighted in his researches the ethical duties against the direct business benefit. Neiheisel [1994] stated that behind the aims of the main sponsors stand the improvement of their reputation and reaching the politicians in the most cases. Himmelstein [1997] points to the political dimension of art charity and to that fact as well, that it is used to realize the managers' personal or corporate interests.

Frederick et al. [1992] put emphasis on the social motivation primarily, in direct opposite with the instrumental patterns represented by the companies, and the instrumental, agent-based arguments confirmed by the literature. Furthermore, we can read in the literature of the corporate philanthropy as well, that the charitable activity is essentially a kind of economic exchange, considering the correlation between the donation and the advertising [Pava, Krausz, 1996; Navarro, 1988].

I have drawn the conclusion in the analysis of the international literature, that behind the art donations stand quite similar factors, as on the other areas. Although my goal is in my study to explore these differences and to analyse, whether the native companies are led by similar motivation to the support of the classical music, or there are special cases against to the international experiences.

## **II. 6. Typing of companies through the systematic classification of the motivation factors**

Behind the corporate philanthropy and the donation can stand more motivational factors, as I mentioned in the previous subsections. I have collected and systematized the eventual motivations. I have put the drivers in a coordinate system, where the “x-axis” means the motivation, namely, whether the company makes decisions in conformity with internal or external motivation. The “y-axis” means the existence or absence of the profit aim. Companies can be assigned to four groups based on the drivers of their donations: grabbers, media actors, committed or altruistic (Figure 17).

The *grabber* companies do CSR activities to get different advantages in the business and political life as well. Their goal is to increase profit, to get and keep the best workforce and to build out good relationship with the political power.

The *media actor* companies put emphasis on the marketing, they want to create and provide the positive image of the company in a more widely circle, to increase their good reputation through the stakeholders, namely they use the corporate responsible behaviour as advertisement. In the first two categories, the companies do their CSR actions unequivocally with profit goals.

It isn't an objective for the *committed* companies that they acquire business benefit through the responsibility, they rather take the interests of the society into consideration, and they want to increase the community's standard of living from responsibility consciousness. The *altruistic* companies' main motivation is the charity, the individual interest and commitment through responsibility on a fully altruistic way.

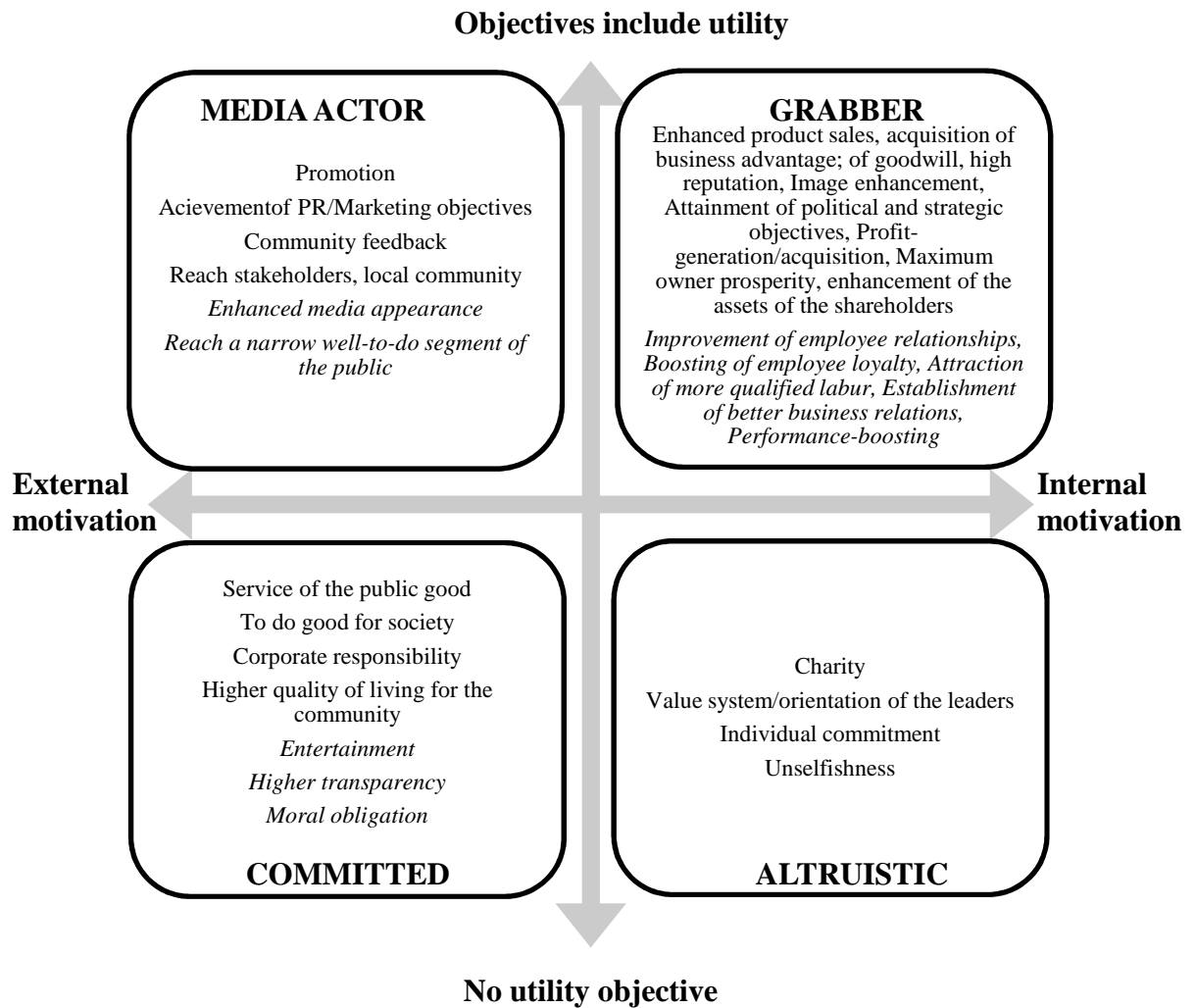


Figure 17: Company classification by the motives of the donations

Source: Author's compilation

The *art donation* has special motivational factors different from the general ones, which I completed the model with (*marked italic*). These motivations helped primarily the business advantages, so the support of arts has further benefits for the grabber companies, because it assists by the recruitment and retention of the workforce, additionally it improves the performance. It can mean a larger publicity for the media actors, and provides to reach a special, well-to-do narrow layer. The ethical line is strengthened continuously in the committed, as well as the entertainment and the reaching a better standard of living of the public, the community. By the motivations of art donations in the altruistic companies is the individual commitment, namely the managers' art of love the most defined.

The standardization of the companies provides opportunity for me to classify the studied companies in a type with the help of methods showed in my research plan based on the motivational factors behind their CSR decisions, and so I can confirm my hypotheses as well.

# **CHAPTER III.**

## **REVIEW OF PREVIOUS EMPIRICAL RESEARCH**

### **ON THE CSR TOPIC**

The research objective of my thesis is to map CSR actions that cannot be linked directly to the core activity of the company and in particular CSR activities in classical music which I approach from the side of Hungarian companies and providers of classical musical services. Given the fact that only the opinion and practice of the domestic business sector is of relevance for my research, the section on empirical research will be limited to researches referring to domestic organisations, without aiming at completeness. No research has been done on CSR activities in classical music yet either in Hungary or abroad, so I will present the general CSR researches that may promote the identification of the methodological directions of my research and provide a starting point for specifying my research questions.

The domestic literature on corporate social responsibility is characterised primarily by practical empirical researches meant to serve as model examples, based on some solid theoretical foundation. The main objectives of the researches are the interpretation of CSR, the presentation and documentation of the relevant best practices and the measuring of CSR communication. There are some Hungarian surveys on business donation policy and practice, but I did not isolate these as a special group because they assessed also CSR-related issues, that is, for the present purpose, I regarded the concepts of business donation and CSR as identical.

From a research methodological point of view, domestic corporate social responsibility activities can be divided into four groups (Annex 1), to be presented in the subsections below and interpreted also with reference to my specific field of research, classical music.

1. comparison based on primary research indicators (factors referring to specific areas of CSR),
2. quantitative research based on questionnaires,

3. qualitative research based on in-depth interviews,
4. primary research comprising both quantitative and qualitative components.

### **III. 1. Comparison based on primary research indicators**

A typical method of the domestic CSR researches is comparison based on indicators: the researcher organisation selects certain factors referring to specific CSR domains and assigns scores to each, weighted according to the relevance of the factor. The survey makes it possible to assess the CSR performance of domestic companies and industries and to set up rank orders based on the weighted scores.

The international methodology of *Accountability Rating Hungary (ARH)* has been prepared jointly by csnetwork and the organisation Accountability. In Hungary, the 40 domestic companies with the highest revenue according to the Top200 survey of Figyelő and the 20 largest companies of the automotive industry, electronics, the energy industry, the public services, the oil and the telecommunications industries have taken part in the research. The rank order was meant to assess how important the most significant companies considered efficient CSR management, how they implemented their social responsibility activities as part of their business strategy and to what extent they involved their stakeholders in the decision-making processes. The assessment is based exclusively on public documents: annual reports, sustainability, social or environmental reports and websites. Braun&Partners (B&P) rated the companies on a *0-100 scale* based on four fields with a maximum of 25 points for each: strategy, company management, stakeholder involvement, effects. The company list was headed in all three years under study by Telekom and MOL, and at industry level, telecommunications was the first [ARH, 2009].

Based on GRI and the UN Global Compact guidelines, Braun & Partners Hungary designed the *CSR 24/7 research* examining the CSR of the top 25 companies of four countries, Austria, Hungary, Poland and Romania, based on information accessible via their websites. B&P has examined the transparency and CSR communication of companies based on various methodologies for five years. The ranking studies CSR activities in seven dimensions: transparency, company management, stakeholder relations, environmental responsibility, economic responsibility, society, human resources. The *CSR 24/7 CEE-100 Composite Index* reflecting the average results weighted with the national GDP of the Top 25 companies of the four countries is used to assess regional-level performance. In 2010, the value of the index was 34%, meaning

that the average of the companies of the region was one third of the attainable maximum. In relative terms, Hungary communicated its responsible operation the most transparently (43%). In industrial comparison, the top positions were occupied by companies in telecommunications (41%), finance (40%) and the energy industry (39%). At company level, an Austrian company came in first, but the Top 20 included nine Hungarian companies, led by Telekom and MOL [Braun & Partners, 2011].

Terra Idea Kutató és Tanácsadó Kkt. surveyed in 2006 the online CSR communication of the 100 Hungarian large companies with the highest sales revenues. They analysed the websites of the companies concerned along a pre-defined *indicator system*. Telecommunication service providers headed the list with 66%, and the average was 36%. Telekom produced the best results also in this research with 84% [Terra Idea Kkt., 2006].

KPMG assessed the corporate social responsibility practice of the 100 most significant Hungarian companies based on public information for the years 2008-2009. *The list of questions comprising 52 items* used internationally was supplemented with topical domestic information and it was completed by the KPMG staff. The paper examined the extent and nature of the changes in the non-financial transparency and report-making practice of the companies in the crisis period. Only 33-34% of companies reported on their non-financial performance. The research revealed that the companies focussed on brand-building and ethical considerations while drawing up their reports, with economic considerations and quantifiable results relegated to the background and the arts occupying no significant position at all in this area [KPMG, 2010].

The use of indicator systems is suitable in the field of CSR research for compiling the rank order of domestic companies and sectors. The results show that the telecommunications branch plays a lead role in terms of CSR performance. The question is whether the same is true also for CSR in classical music. My objective is to assess whether it is possible to establish the rank order of companies and industries also in the field of CSR in classical music and whether we can declare that CSR in classical music is an industry-depended activity.



### III. 2. Questionnaire-based quantitative research

It is often a problem to produce adequate response rates with questionnaire surveys. The international experience is that, in similar topics, the response rate is usually below 30%, and sometimes it does not even reach 10% [Bernauer et al., 2006], as is confirmed also by the following researches.

In 2006, Braun & Partners explored the CSR interpretation, practice and communication of the 50 largest companies based on the TOP 200 list of Figyelő by the methods of *questionnaires and statistical analysis*. The number of respondent companies was 27, and the majority paid attention to the CSR issue also in the context of their decision-making processes. 60% argued that CSR implied better financial results and according to the majority the relevant decisions were taken by the owners. As for the funds being allocated to CSR, they ranged from 0.1 to 15% of the sales revenues, but this did not necessarily imply cost differences on a corresponding scale; the gaps were attributable to the classification of CSR expenditures [Braun & Partners, 2006]. It might be interesting to assess whether CSR targeting classical music also promotes financial performance and to what extent that is checked and evaluated. A further question might be whether commitment to this area is also the result of the owners' decisions.

In 1998, Civil Társadalom Fejlődéséért Foundation surveyed under its project "Bridge between branches" the donation policy and practice of domestic companies. They conducted a *questionnaire-based corporate survey*, and the 46 that answered out of 1400 indicated as their key motivations the following: sense of responsibility, prestige-enhancement, implementation of long-term goals [Harsányi-Révész, 2005]. The question to what extent the motivation is the same as with CSR in general should be asked also in regard of CSR in classical music.

In 2005, the World Bank investigated the opinions of business actors on CSR in Hungary, Poland and Slovakia. In Hungary, the research was assisted by TÁRKI. 150 of the 500 companies with the highest sales revenues were surveyed in each country with an *oral questionnaire of 36 closed questions*, based on answers provided by CEOs and managers. The corporate leaders of the three countries had similar views of CSR. As for the factors motivating CSR activities, they all considered subsidised interest rates, power acquisition by the local municipalities and information to the business partners important, but the Hungarian leaders stressed the concurrent tax reliefs in the first place [Világbank, 2005].

Hungarian Donors' Forum, assisted by CID Kft., carried out a research from October to December 2010 among the domestic companies realising the most significant supporter activities, in order to map the relevant support practice. They contacted 192 of the TOP 200 companies and 69 responded. Data were collected via *phone interviews and with the self-completed method*. 14% of respondents donated more than HUF100 million in 2010, and 20% planned to increase funds to be allocated to such purposes. 13% of the companies concerned employ more than 5 staff members in this field. 50% plan their long-term donation strategy locally [Magyar Adományozói Fórum, 2010a]. It is interesting also for my research to learn what amounts are allocated to support classical music and whether there are any plans for raising them and whether local support is more in the foreground also in this field.

Hungarian Donors' Forum conducted already its fourth survey in 2009 to investigate the donation habits of Hungarian companies, and as part of the survey, a prize is awarded, too, in the category of *Pre-eminent Business Donor*. The goal of the research is to strengthen further the CSR activity of the corporate sector by presenting the donation activities of domestic companies. A total of 508 companies were contacted, 75% being large ones, and 24 returned the completed questionnaire. Fourteen provided financial donations to the domains of culture, the arts and heritage preservation, and seven contributions in kind. No more than three companies did voluntary work in that field. In terms of activity areas, the arts ranked third with 14% in the category of cash donations, and fourth with 5% and 3% in contributions in kind and voluntary work, respectively, among the respondent companies. As for the evaluation of the support applications, 70% of respondents found it most important that they should coincide with a field supported already by the company [Magyar Adományozói Fórum, 2010b], that is, if a company has already been active in classical music support, the chances are much higher that it would keep doing so.

The European Sponsorship Association conducted an *online questionnaire-based research* covering 14 countries in 2008 to present the European sponsoring practice. The data of a total of 385 respondents have been processed. The phenomenon of sponsorship was present in the European and Hungarian sectors of financial service providers, beverage brands, telecommunications, IT and car brands. In regard of their sponsorship measuring practice, the Hungarian companies lagged far behind their European peers. They did not collect information, measured mass media appearances but occasionally, and on site audience numbers, TV viewing, research at events and

consumer satisfaction surveys were totally absent on the domestic side, a phenomenon explained by the researchers by the scarcity of the relevant financial resources and the reflection of a change in attitude. In 2006, experts estimated the Hungarian sponsorship market at HUF 19.21 billion. As for the sponsored segments, HUF 1.4 went to the arts [Kassay, 2008]. I consider it important to explore in my research the measuring practice of the sponsorship/CSR activities in the field of classical music.

The questionnaire-based method is quite widespread also in CSR but, as indicated also by the above researches, the companies show a very low propensity for responding; for this reason, I decided against using this methodology for my own CSR research.

### **III. 3. Qualitative research based on in-depth interviews**

In-depth interviews are regarded as a widespread and effective method of research in CSR, the effectiveness and efficiency of which is supported also by the following researchers.

Braun & Partners and GFK Hungária Market Research Institute conducted a joint research project in 2006 to assess the position, significance and options of CSR in the Hungarian financial branch. *They made structured interviews based on eighteen core questions* at 32 companies. At that time, CSR had not been based on strategic considerations at Hungarian companies yet, but neither did they lag behind the foreign companies. Deliberate activity has not been on the agenda yet; the pressure of the stakeholders was not felt to be strong enough for that [Braun & Partners' GFK Hungária Piackutató Intézet, 2006]. From the point of view of my research, it would be important to detect whether or not CSR in classical music has a strategic aspect at the companies.

The Institute of Business Economics in Corvinus University of Budapest explored in 2006 how Hungarian senior managers interpreted CSR. Under the research programme "In competition with the world", after some internet and media research, *5 semi-structured interviews* were made with CEOs and persons responsible for CSR. The research has shown that CSR is an important factor for the long-term survival of the company, but efforts are made to produce the most social good at the lowest price. At multinational companies, the decisive factor is the CSR goal set by the parent company. The direction of CSR activities is determined by the personal interest of company leaders besides the intentions of the parent company. The research has also covered the benefits realised by the companies through their CSR activities, of which the respondents mentioned that their competitiveness strengthened, they found it easier to

retain their business partners, they could co-operate more efficiently with the local communities, won the support of the administration, avoided negative press coverage and crises and their employees have also become more loyal [Bodorkós et al, 2006]. The same factors occur also in classical music, and it a further question to what extent the parent company and the personal interests of the managers influence the commitment of the company to classical music and what benefits the company may expect from its CSR actions targeting classical music.

The Institute of Business Economics researched the relationship of CSR programmes and competitiveness also in 2007-2009. *27 interviews* were made at 10 companies. According to the main findings of the survey, the domestic implementation of the CSR programmes of international companies meets with permanent obstacles due to lack of authenticity and adequacy. In a way that is rather atypical of the researches, the company leaders highlight also the drawbacks of CSR but, all things considered, they deem responsible conduct a competitive edge [Csillag, 2008]. It is a question of importance also for my research whether the benefits or the potential harms prevail in the classical-music-oriented CSR activities of companies.

In Spring 2010, Habitat for Humanity and Newbreakers Communication investigated the attitude of companies to corporate social responsibility. The research was based on the *method of in-depth interviews*. Habitat delivered 87 letters of invitation, of which 27 were answered and, finally, 17 interviews were made at 16 companies, in 13 industries, and Newsbreakers interviewed 31 people. The objective was to learn the reasons underlying CSR decisions. Corporate social responsibility activities are motivated by the feeling of “we can afford to do that” and by the relevant expectations and, consequently, the programmes are mostly ad hoc, fire-fighting ones instead of aiming at prevention [Kreatív Online, 2010]. The prime motive is to recruit and retain labour, that is, according to the findings of the research, companies pay attention to CSR in classical music if that enhances employee loyalty and make the workplace more attractive.

In autumn 2009, WWF assessed the CSR position of the 100 largest Hungarian companies. A total of *31 interviews* were made, showing that the companies did not act unselfishly, but regarded CSR as a form of investment and their aim was to create value for both sides. The authors assigned the options available for CSR into three categories: financial, in kind and HR [WWF, 2010]. CSR in classical music is no exception in that business and social benefits are in the focus, since they give a better chance for

supporting the company and it is a question which type of co-operation is the most typical.

Interviews are a more advantageous method than questionnaires not only in terms of the response rates, but also the depth of the analysis of the research topic and the fact that respondents tend to give more sincere answers. The qualitative nature of the interview method offers more extensive opportunities to have my questions answered, given the fact that my primary aim is not quantification, but the exploration of the attitude to CSR in classical music and the underlying goals.

### **III. 4. Primary research comprising both quantitative and qualitative components**

CSR can be researched most fruitfully through a combination of various research methods that allow exploiting the advantages of qualitative and of quantitative research. The Hungarian Environmental Economics Centre (Hungarian abbreviation: MAKK) surveyed CSR-related information released by listed companies in 2004. The research methodology was complex: *27 questionnaire-based surveys, analysis of corporate websites and annual reports and personal interviews*. MAKK designed a “Publicity Index” that assesses information supply in fifteen categories and hence the relevant scores range from 0 to 15. MOL performed best, but only one quarter of companies produced results exceeding 50% [MAKK, 2004]. The corporate information supply level had been very low in 2004, but it has expanded considerably in recent year thanks to the CSR reports being issued [Alternate, 2011], but it is highlighted in relation to the methodologies that the analysis of statistical data or of documents is not sufficient to explore CSR activities.

In 2006, FIDH researched multinational companies active in Hungary to document and analyse their CSR activities and to understand the role of the stakeholders. *Interviews and questionnaire surveys were conducted* at sixteen companies. The objective of the companies was to project the image of a responsible company and to earn adequate reputation through their CSR policy. The idea of the regulation of this field was unanimously rejected; the respondents voted for self-regulation [FIDH, 2006]. As indicated already under the presentation of the literature on corporate philanthropy, corporate image and reputation are core factors of pursuing CSR activities, and I intend to investigate the same also in the area of corporate social responsibility targeting classical music.

The GKI Economic Research Co. (Hungarian abbreviation: GKI) surveyed 1500 domestic companies with at least 20 staff in 2008. They used questionnaires and conducted also *in-depth interviews* at 45 of the companies, asking them about their respective CSR interpretations, practice and plans. The research investigated many issues and its key findings were the following: in most cases, corporate CSR practice is motivated by internal interests; a major part of companies spends on CSR, that is, more companies treat it in some way rather than not at all; the CSR spending of domestic companies exceeds HUF330 billion; corporate CSR communication is rather restrained relative to the inherent potential of this domain; all in all, there are few genuinely responsible companies [GKI, 2009]. I will investigate CSR in classical music to see whether the 50%+ proportion of companies allocating funds to this field applies there and to identify the amounts concerned.

In 2008, the Hungarian Donors' Forum studied the donation policy of eight companies via case studies designed to present and review best practices in the field. *Both questionnaire surveys and personal interviews* were made as part of the case studies. The research covered specifically the cases and fields supported by the respective companies, their target groups and also the issue of voluntarism. Support for culture and the arts occurred at several companies [Magyar Adományozói Fórum, 2009].

It can be stated on the basis of the above researches that the combination of various methods is an effective approach. The low response rates associated with questionnaire surveys is offset by the efficiency of the qualitative methods and hence the possibility of interviews with respondents completing the questionnaires delivered to a rather extensive population is much higher and many are more willing to answer orally than in writing. Consequently, the combination of several methods may be more expedient also in my research.

### **III. 5. Conclusions based on the domestic CSR researches**

I set two objectives for my review of the domestic CSR researches: to present the efficiency and effectiveness of the methods applied in this field of research and to assess the interpretation and usefulness of the questions being asked from the point of view of my own research field, i.e. CSR in classical music.

The presentation of the methods has demonstrated the colourfulness of the current domestic CSR researches. Survey methods range from the purely quantitative to the

purely qualitative ones, and the combination of the two occurs as well, but there are major differences in effectiveness.

I reject the *quantitative method* due to its low response rate, that is, I do not consider the use of questionnaires an adequate option for having my research questions answered.

The qualitative methods they surveyed relied in particular document analysis, that is, comparisons based on indicators and in-depth interviews. *Document analysis* may be promising also in my field: the previous researches have shown that the CSR documents of companies are easily accessible and may offer a good possibility to explore CSR in classical music. Researches applying *indicator systems* have thorough theoretical bases, so I will develop my research indicators, to be described in the next chapter, to explore and analyse CSR activities in classical music based on the theoretical models of responsibility and philanthropy.

Research based on the qualitative method and in particular *in-depth interviews* provide for a deeper understanding of the factors determining CSR in classical music and supply more detailed information to the researcher -- the latter aspect is highly important in my case as it is not certain whether there are any corporate documents specifically on classical music as the companies do not necessarily write down everything in their reports.

I will present my research methodology in more detail in the following chapter but, by way of preliminary rationale, let me declare that I consider the present chapter presenting the domestic CSR researches an essential and indispensable step.

The domestic CSR researches have also shed light on many circumstances promoting the specification of the research questions. The factors presented in the surveys helped me formulate the main points of my research and to express my research sub-questions that I will review in the following chapter together with the hypotheses.

## **CHAPTER IV.**

### **PRESENTATION OF THE EMPIRICAL RESEARCH**

The objective of this chapter is to compile my research plan through a consolidation of the results obtained from the theoretical and empirical approaches to corporate social responsibility and corporate philanthropy targeting the arts. I will adhere to the following interpretation of “corporate social responsibility targeting classical music” in my research plan and the in research itself: *CSR targeting classical music* means CSR activities related in some way to classical music (classical musical concerts, scores, opera, ballet etc.).

#### **IV. 1. Formulation and rationale of the hypotheses**

I apply a *deductive* strategy for formulating the hypotheses, that is, I formulate them on the basis of certain general principles, theories, experience and international papers and I will demonstrate them with the research methods to be presented in the chapters to come [Babbie, 2008].

First of all I drew up a summary table (Table 2) comprising my pre-defined research questions and hypotheses to make the definition of the research field I selected more transparent.



Table 2 Reconciliation of the research sub-questions and hypotheses

Research sub-questions	Specified sub-questions	Hypotheses
<i>What is the goal of the company's CSR activity targeting classical music?</i>	What is the driver of CSR initiatives targeting classical music? To what extent does the owner's field of interest influence the relevant decisions?	<b>(1) The main driver of CSR activities targeting classical music is the personal interest of company leaders.</b>
<i>What type of CSR activity targeting classical music do the companies pursue?</i>	What are the classification criteria of CSR initiatives targeting classical music? What is the share of financial support within CSR activities targeting classical music? What amounts are allocated to support classical music?	<b>(2) Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.</b>
<i>What business and social benefits does CSR targeting classical music generate for the company?</i>	What benefit does CSR targeting classical music generate for the company? Do the business or the social benefits prevail? Does it enhance the financial performance of the company?	<b>(3) CSR activity targeting classical music is beneficial for the company in both the social and the business sense.</b>
<i>How does the company evaluate and check the results of its CSR activities targeting classical music?</i>	What is the CSR performance of companies like in the field of classical music? Do companies evaluate and monitor their CSR activities in classical music? How much can CSR activity be measured in this field? Does feedback exist? Can CSR in classical music be implemented for a strategic goal?	<b>(4) Most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music. Strategic CSR is not typical in the field of classical music.</b>
<i>To what extent does the industry concerned influence the decision of the companies in favour of classical music?</i>	Does the profile of the company determine whether it supports classical music? What is the difference relative to the underlying factors of general CSR actions? What is the share of classical music in the CSR activity of the company?	<b>(5) The industry determines whether a company pursues CSR activity in classical music or not. There are typical classical music supporter industries.</b>

Source: Author's compilation

***Hypothesis 1: The main driver of CSR activities targeting classical music is the personal interest of company leaders.***

Chapter 2 of my thesis presented the potential drivers of corporate philanthropy and in particular artistic donations. I assume that the altruistic company is the most typical of my categories; that is, decisions have internal motives and have no profit-generating goal. The motivation factors of this company group are individual commitment, the value sets of the managers, charity and unselfish conduct. Based on the above, my hypothesis expresses that personal interest appears in CSR in classical music as the primary driver. I had recourse to papers originating from the United States to support my hypothesis. In what follows, I will give a brief summary of the relevant details and results.

In July 2010, the Business Committee for the Arts conducted a survey (interviews over the phone) covering 600 companies assigned to three classes based on their revenues: Companies with revenues of less than USD1 million; between 1 and 50 million and more than 50 million. The survey has shown that four factors influence corporate decisions on the amounts to be allocated to the arts: various philanthropic considerations present in the local community surrounding the company (54%), pressure exercised by the non-artistic domains such as education and social services (49%), interest of senior managers in the arts (46%) and profitability of the company (46%) [Business Committee for the Arts, 2010]. The answers show that the third most important reason for supporting the arts was personal interest that is probably a priority aspect and a main driver also in regard of classical music.

The companies allocating no support for the arts justify that by the following: there are more important domains such as education, health care, the youth or other social causes (31%); it does not fit into their field of activity or they do not consider it a priority (18%), no one has ever contacted them with such a request (14%), their philanthropic budget is limited (13%) or their corporate revenue is not sufficient (11%) [Business Committee for the Arts, 2010]. As can be seen, the second most important reason among non-supporters is the lack of personal interest, which also confirms my hypothesis.

Decisions on philanthropic activities are typically taken by the company managers; it is only at large companies that such issues are allocated to the competence of a foundation, charity committee or employee body [Business Committee for the Arts,

2010]. This finding also suggests that corporate support for the arts often depends on the decision of a single person.

The American researches revealed the main drivers of support for the arts on the side of the companies, warranting the assumption that *the main driver of CSR targeting classical music is the personal interest of company managers.*

***Hypothesis 2: Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.***

In our review of CSR interpretations we came across several types of corporate social responsibility, and the chapter devoted to philanthropy has also shown several classification systems based on the types of activities and the means available to the companies to realise their responsibility commitments.

I conducted a short research in 2009 in the Hungarian banking industry to explore their CSR in classical music. With the exception of Budapest Bank, the domestic large banks were all covered by the 2008 ranking of Accountability Rating Hungary (the relevant results have already been shown above) [Accountability Rating Hungary, 2009]. I did internet-based secondary research and also document analysis to understand the classical musical CSR activity of the banks in the list. I omitted UniCredit Bank providing no support at all to classical music according to the sources of information accessible via the Internet (it has provided none to this day, i.e. 2013); that is, I limited my analysis to the CSR activity of large banks supporting classical music. The majority of CSR activities in classical music, mostly in the form of sponsorship, occurred in the category of Corporate Philanthropy [Kotler, 2007], i.e. the most efficient form of CSR. As for the types of CSR [Szvetelszky, 2008], sponsoring related to corporate philanthropy for altruistic or marketing purposes were the most typical for the companies. At some banks a special type of support via foundations appeared as well. Of the forms of CSR in classical music (financial, strategic, HR) [Ásványi, 2009], financial sponsorship was the most typical, appearing at every bank. Two large banks provided also strategic support to the field of classical music, promoting the providers of classical musical services with their professional expertise and strategic co-operation. As for voluntary work, CIB Bank was alone in this category. The most frequent target level of the CSR of large banks [Ásványi, 2009] was that of events: each of the seven companies under study pursued CSR activities associated with classical musical events.

Five banks regarded classical musical performance part of their respective CSR strategies in general. Five banks provided support to institutions and organisations of classical music as part of their CSR activities. Sponsoring individuals was typical at one bank and supporting publications and artistic creations related to classical music at two. At large banks, indirect CSR in classical music was much more typical than the direct version, due probably to the easier and more spectacular appearance/enhanced visibility provided by it: supporting an event carries a bigger marketing potential than supporting an organisation [Ásványi, 2009]. In my research, I supplemented the financial sector with other industries to examine the extent of the withdrawal of financial support and its replacement by CSR related to products/services.

In the United Kingdom, there is an annual survey of corporate cultural investments [Arts & Business, 2011] that might provide a good basis for my thesis. On the last occasion, 1000 of 4500 arts organisations responded, corresponding to a response rate of 20%, that is, the survey can be regarded as being representative in terms of artistic form and size at regional and national level. The sample of respondents is constant, so the comparability of the annual results is ensured. The result that financial sponsorship as well as corporate donations have decreased considerably whereas sponsorship in kind and corporate membership increased is quite interesting. This is due to the concurrent lower expenses, easier contact-keeping and the fact that the direct advantages can also be exploited to the full [Arts & Business, 2011].

Based on the UK survey, I assume that *Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.*

Table 3: The aims and benefits of CSR activities in the arts for the company, the arts organisations and the corporate stakeholders, respectively

Companies		Arts organisations		Stakeholders	
<i>Aim</i>	<i>Benefit</i>	<i>Aim</i>	<i>Benefit</i>	<i>Aim</i>	<i>Benefit</i>
▪ Prestige/attention-raising	▪ Popularity, community presence	▪ Career support	▪ Talent support	▪ Employee involvement	▪ <i>Employees</i> ○ Fostering of contacts, Voluntarism, Creativity promotion
▪ Individuality / distinction	▪ Differentiation, competitive edge	▪ Support / supporter expansion / enhanced commitment	▪ Increasing number of supporter members	▪ Client outreach	▪ <i>Client</i> ○ Higher esteem ○ Loyalty
▪ Enhanced visibility	▪ Publicity, media, transparency	▪ Reinforcement of the educational role	▪ Restoration of the educational role	▪ Support to the locals, the community	▪ <i>Community</i> ○ New community site, tourist destination
▪ Contact-building	▪ New business / art contacts	▪ Expansion of the supply	▪ Enrichment of the supply	▪ Society – elevation of the standards of living	▪ Higher standards of living
▪ Expansion of the range of clients (old and new ones), loyalty-enhancement	▪ Acquisition of new clients, preservation of old ones	▪ Accessibility / attention-raising	▪ Accessibility /Media presence		
▪ Revenue enhancement	▪ Revenue increase	▪ Recognition / appreciation	▪ Public awareness, recognition		
▪ Recognition, Image-enhancement	▪ Prizes / Recognition / Acquisition of prestige, image	▪ Participation / interest / involvement of the public	▪ Higher audience numbers		
▪ Employee contacts / work morale formation	▪ Low fluctuation	▪ Voluntarism realised	▪ Voluntary assistance		

Source: Arts & Business, 2010

***Hypothesis 3: CSR activity targeting classical music is useful for the company in both the social and the business sense.***

I have already shown the drivers of the philanthropic decisions of the company shifting it in the positive direction, with special regard to the arts. It is dubious, however, whether they can realise their objectives, i.e. what profit CSR can yield to the company if they are active in the field of classical music.

In the United States, the department of Private Sector Initiatives has been making efforts to strengthen partnership relations between the arts and companies, foundations and individuals in the private sector. They have developed national programmes to stimulate co-operation. They have also presented best practices to promote the same. They have shown for (small, medium-sized and large) enterprises the objectives a company might pursue with its artistic CSR activities and the relevant benefits they can realise thereby [Arts & Business, 2010]. I collected the objectives being set and the benefits being achieved by the companies based on the case studies (Table 3). In the context of the formulation of the present hypothesis, and restricting the scope of investigation to companies, art organisations and stakeholders, it is obvious how many types and kinds of benefits art sponsorship can produce at the corporate as well as the social level [Arts & Business, 2010].

The main reason for sponsorship of the arts is, also on the basis of American researches that it is “a good thing” (60%). A mere 14% proclaim that it is linked exclusively to business objectives and 23% mention philanthropic and business objectives in combination. That is, a total of 37% net of companies mention business objectives in relation to support for the arts [Business Committee for the Arts, 2010]. This research confirms that CSR activities targeting classical music bring the companies social as well as business benefits.

The companies highlight five reasons for supporting the arts. The two most important ones are pure philanthropy and the realisation of the company’s objectives: in return, the art organisations offer programmes for appearance (68%) and a possibility for raising awareness of the company in the form of symbols, product presentations, programme lists and promotion products. One third of companies focus on corporate objective and two thirds select partners enhancing their visibility. Further reasons have also been listed: artistic education initiative (62%), existing contacts with art organisations (62%), programmes offered by the art institution linked to social issues such as famine, violence or the homeless (61%). The options to appear as supporters is regarded less

important (51%) [Business Committee for the Arts, 2010]. These results also confirm the potential philanthropic as well as business benefits of CSR actions.

The companies mentioned the following potential benefits of artistic donations: awareness of the name of the company (79%), contact and new business development options (74%), creative thinking, problem-solution and team work stimulation (66%), increase of bottom line (50%), special advantages to the employees (45%) and better chances to recruit and retain employees (37%) [Business Committee for the Arts, 2010]. The above list shows what specific benefits CSR in classical music can yield for the company and I assume, on that basis, that *CSR activity targeting classical music is beneficial for the company in both the social and the business sense.*

***Hypothesis 4: Most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music. Strategic CSR is not typical in the field of classical music.***

Far from being simple, the evaluation and monitoring of CSR activities seem almost impossible to many companies and hence they do not study the effectiveness of such activities either. As before, I will start by quoting international case studies to support my hypothesis.

In Table 3 compiled on the basis of case studies from the US, I divided the lists of objectives and benefits into three parts depending on whether they concerned the company, the art organisations or the stakeholders. Benefit realised at the company is business benefit, and that realised at the arts and the other stakeholders is social benefit in my interpretation, that is, corporate support produces both business and social benefits in the domain of the arts. Table 3 compared the companies based on the fulfilment of their objectives, i.e. whether the actual benefits coincide with the planned ones. For the stakeholders, the objectives and benefits coincide, that is, the companies achieved whatever they wanted to achieve. As for the art organisations, the beneficiaries realised much more benefits than expected by the company, whereas for the business objectives, the situation was the inverse: not all of their own objectives were realised, some remained unrealised, including one of the factors of most relevance for my hypothesis, namely they could not fit support for the arts into a strategy and neither has the stimulation of community participation been implemented.

In my opinion, the comparison of the objectives and the benefits is a simple and cost-effective way of determining whether art sponsorship by a given company yields the expected results or not and to what extent it relies on strategic thinking.

Table 4: Corporate classification by the reconciliation of aims and benefits

<b>Aim</b>	<i>Explicit</i>	Being on the wrong track	Ideal
	<i>Implicit</i>	Having no strategy	Surprised
		<i>Unfulfilled</i>	<i>Fulfilled</i>
		<b>Benefit</b>	

Source: Author's compilation

In my subsequent research, I assigned the companies to four categories based on whether they expressed their objectives explicitly and whether their objectives were realised as benefits (Table 4). I call the companies that paid no attention to, and realised no benefits by art sponsorship *companies having no strategy*. The ones that have objectives, but fail to realise them are *on the wrong track*. Those that have no objective, but realise benefits are the *surprised* ones. And, in my classification, the *ideal* company is one that expresses its objectives as to what they expect from their commitment to the arts and can also attain them, i.e. the ones that possess a strategy.

According to the American researches, more than one fifth (22%) of companies say that assessing the efficiency of support for the arts is an issue raising increasing interest, and although that percentage is rather low, it represents a far-from-insignificant ratio [Business Committee for the Arts, 2010]. That is, one can assume that the evaluation and monitoring of CSR targeting classical music also meets with growing attention, even if it is not typical yet among the companies.

Hence the relevant international research, the case studies warrant the following assumption: *Most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music. Strategic CSR is not typical in the field of classical music.*

***Hypothesis 5: The industry determines whether a company pursues CSR activity in classical music or not. There are typical classical music supporter industries.***

Authors tackling the CSR topic say that branch affiliation or the industry itself may determine the attitude of the company to social responsibility [Szegedi, 2006]. There are some Hungarian companies that typically support the sports (MOL Ice Hockey League, MKB Veszprém Handball Team), so I assume that the same may be true for classical music. That is, there are some companies that are typical supporters of classical music.

My research of 2009 presented above [see Ásványi, 2009], investigating the CSR in classical music of the eight domestic large banks corroborates the same. Seven of the eight companies subjected to analysis supported classical music in some form as part of



their CSR activity, hence we may assume that the banking industry, extended to financial service providers, is a typical classical music supporter industry.

I would like to support my assumption by quoting another American research upon which my hypothesis has been built. The 2009/2010 survey of Private Investment in Culture suggests that financial service providers have been the biggest business investors in the arts for years, but the relevant values have been diminishing steadily in the past three years. In terms of industrial branches, the leading art investors were the financial, creative, real estate and construction industries. Education and health care and business services were the two branches that increased their investments targeting the arts. Almost 30% of the FTSE 100 and some 10% of the FT Global 500 invested in the arts in the past two years in the United Kingdom [Arts & Business, 2011].

Based on the above researches, I assume that *the industry determines whether a company pursues CSR activity in classical music or not, so there are typical classical music supporter industries.*

#### **IV. 2. Specification of the research steps and objective**

The objective of the research is to explore the options for CSR activities focusing on classical music, their underlying motives, the reasons of their implementation and their inherent benefits by studying the relevant interpretations of corporate professionals and classical music service providers, respectively, with the help of a qualitative method. The analysis covers the relevant ideas, CSR concepts, opinion of corporate professionals and the practice of corporate social responsibility targeting classical music. I have also visited providers of classical musical services to be able to integrate into the analysis the standpoints of the other party, hoping that it would provide me further assistance to confirm the research results.

I formulated the main research questions and hypotheses primarily on the basis of my personal interest and “upgraded” them based on information obtained from the relevant international literature and studies. I relied as a start on cases, donations to the field of the arts in the United Kingdom and the United States, for that seemed to be closest to my research of CSR in classical music.

#### IV. 2.1. Preliminary description of the methodology

As indicated by previous domestic research results, there are basically four options for the empirical research of CSR activities: indicator-based comparison relying on publicly accessible documents, quantitative research with questionnaires, qualitative research with in-depth interviews and the combination of thereof.

The research is divided into two main steps. In Step 1 I analyse the *secondary sources* treating the markets and industries of the selected companies, and supplement that with *qualitative document analysis*. In Step 2, I conduct primary research consisting of two parts and comprising exclusively qualitative components.

I test four of the five hypotheses (1, 2, 3, 4) based on the differences and similarities of the statements pertaining to CSR in classical music (*Q methodology*). On the other hand, I include further questions, *in-depth interviews*, to see what other motivating factors are present behind CSR activities besides personal interest and what types of CSR activities are pursued by the companies, to see whether financial support has actually become more restrained and product/service-related activities have moved into the foreground in CSR initiatives targeting classical music. I will find out during the research what objectives the companies set for themselves and what benefits they experience through their actions. The interview method gives me an opportunity to obtain also information regarding the evaluation and monitoring of CSR initiatives targeting classical music. I want to show the evaluation methods or, if that issue is not treated at all, to find out what is in the background and to what extent strategic considerations are typical of CSR in classical music.

I will try to prove two other hypotheses (2, 5) by *document analysis*, based on information accessible on the websites of large companies and in public documents. In Hungary, no data is available currently on the number of companies active in CSR in classical music, and nor is that topic being researched in the country; this is one of the reasons why I chose the method of qualitative research. I do not aim at representativeness, only at identifying as many companies (almost 150) as possible to demonstrate my hypotheses, and document analysis is demonstrably the most cost-effective method for that.

#### IV. 2.2. Sample identification

According to the qualitative traditions, representativeness and randomisation are important principles of participant selection, that is, the sample should be statistically representative of the multitude targeted by the study. However, as it is unknown in Hungary which and how many companies support classical music as part of their CSR activities, the basic multitude is unknown and hence the representativeness criterion cannot be met.

The main idea underlying qualitative research is that the world cannot be understood by objective methods alone: one must understand also the people living in it, even though that requirement enhances the uncertainty of planning. However, for the same reason, this approach may provide genuinely new and surprising results [Bokor, Radácsi, 2007]. I analysed the almost 150 companies in the already mentioned *Accountability Rating Hungary* and *Figyelő Top 200* lists with the method of document analysis to see which among them pursue responsible activities in classical music. That is, in the document analysis, I restrict the sample to *large enterprises* which I consider sufficient for establishing the truth of Hypothesis 5 on the industry-specific nature of CSR in classical music and for testing Hypothesis 2 on the types of CSR activities.

The qualitative research method offers the researcher the option to apply so-called *targeted sampling* where the main criterion is not mathematical-statistical representativeness, but the specificity of the potential cases and the exploration of cases that are critical from the point of view of the research questions [Bokor, Radácsi, 2007], a key criterion also for the implementation of the research.

However, when I used *in-depth interviews and the Q methodology*, I extended the range of respondents beyond the large companies, to small and medium-sized ones. I included in the sample SMEs involved that I knew personally and have the information about their CSR activities. I apply targeted sampling also for the providers of classical musical services, i.e. I visit the ones that I have personal contact with.

I consider it justified to apply also the *snowball method* to select companies and classical music service providers; this essentially means that a certain person recommends the researcher to another one, which facilitates contact-making and boosts the propensity to respond [Golnhofer, 2001].

Little information is available on Hungarian enterprises active in CSR in classical music and in particular on SMEs, which are subject to very little attention in this regard.

In the design phase, I strove to include in the sample companies from both Budapest and the countryside and both small and large ones. I am aware that the sampling procedure may be conducive to many distortions in the generalisation of the results in qualitative research, yet I think a good part of my results can be generalised beyond the companies included in the sample and will thus provide a good basis for further research.

Company selection criteria:

- companies committed to CSR, less committed, not treating the issue at all,
- if possible, not only large companies but also small and medium-sized ones, and
- the sample is to include companies from Budapest and also from the countryside.
- I want to include in the research companies that are likely to co-operate, sincere answering being of special importance in my case.

Based on the above criteria and thanks to the efficiency of the snowball method, the following companies were included in the sample (Table 5). In the research phase, my objective was to raise the number of sample elements to 15-20, sufficient already for the evaluation of the Q methodology. Finally, I reached 16 companies, and three of them completed the Q methodology survey via e-mail and 13 people personally. I managed to conduct interviews with 12 of the 16 companies; one interview was realised via e-mail.

Table 5: The sample of the corporates

	<i>Large company</i>	<i>SME</i>
<i>from Budapest</i>	Erste, FHB, MagNet, MÁV, MFB, MKB, MOL, PWC, Vodafone, Siemens	MrSale, NetPositive, Nexon
<i>from the countryside</i>	ÉMÁSZ, TVK	Cogox Kft.

Source: Author's compilation

By *domestic classical musical service providers*, I mean the institutions, organisations and individuals contributing to the performance of classical musical concerts, pieces, be they orchestras, choirs, associations, schools or independent artists.

I took into account the following selection criteria:

- service providers, persons involved/less involved in CSR in classical music,
- if possible, not only professional but also amateur classical musicians,
- the sample is to include classical music service providers from Budapest and also from the countryside.

- I want to include in the research companies that are likely to co-operate, sincere answering being of special importance in my case.

On the basis of the above, the following providers of classical musical services were included in the sample (Table 6). A total of 22 persons completed the Q-methodology-based survey; I met four persons among them personally and the remaining 18 were contacted via the Internet and returned the completed table by e-mail.

Table 6: The sample of people from classical music providers

	<i>Professional</i>	<i>Amateur</i>
<i>from Budapest</i>	Franz Liszt Chamber Orchestra (1 person), Liszt Academy of Music (1 person), Hungarian National Philharmonic (1 person) Zugló Philharmonic (1 person)	Budapest Bach Consort & Choir (1 person) Budapest Academic Choir Society (2 people) Budapest University Orchestra (5 people) Budapest Youth Choir (1 person) Amateur musician (2 people)
<i>from the countryside</i>	Cziffra György Music School, Pilisvörösvár (1 person) Pannon Philharmonic (1 person)	Borsos Miklós Primary School -- faculty of vocal and instrumental music, Ajka (1 person) Kühne Wind Band (4 people)

Source: Author's compilation

### IV. 3. Description of the research methods

As described already, I decided to explore the specificity of the classical musical CSR industry and the types of CSR activities based on the method of *document analysis*. I made interviews consisting of two main parts, a *semi-structured in-depth interview and qualitative research with the Q methodology* with the majority of corporate professionals in the sample. I involved the professionals of classical music and the amateur musicians only in the Q method research. The advantages and disadvantages of the methods and the rationale of their use will be expounded in more detail in the sections to come.

#### IV. 3.1. Presentation of the characteristics of document analysis

I chose the method of document analysis as an option to explore CSR activities targeting classical music by studying past events. I interpret as document any official source of information accessible at the company websites made for the public. I use *public* documents (press news, programmes, brochures, and statistics) and *archived* ones (reports, files comprising corporate data) for the purpose of document analysis. These documents allow to study the CSR activities so far of the companies and they are

easily and quickly accessible via the Internet, which makes this research method highly economical. In some cases, such materials are the only sources of information. Another advantage of this method is that it does not affect the research results in itself, but the materials concerned are not always comparable. The documents may reflect a unilateral view as they represent the approach of their authors; to eliminate this problem, I analyse materials of diverse types, i.e. archived and public materials presenting corporate social responsibility in the area of classical music from the insider's and the outsider's point of view, respectively [Golnhofer, 2001]. The method provides for the thorough and prudent analysis as the materials concerned can be reviewed repeatedly. It is suitable for data collection and analysis and for compiling statistics (the latter being a particularly important criterion to verify Hypotheses (2) and (5)). However, these sources are sometimes difficult to access and/or deficient, and coding may also be a serious problem [Krippendorff, Klaus, 1980]. My preliminary research has also shown that many companies provide no information at all on their CSR activities on the website, and even if they do, CSR actions targeting classical music may be difficult to identify.

As a first step, I try to find out whether a company is active in CSR in classical music at all. To do so, I use *keywords* that may point to the domains being searched within the given document: classical music, music, art, concert, concerto, festival etc.

In the second step, if the search is successful, the context is analysed in more detail to find out whether the company concerned is really a supporter or the keyword was in the document for some other reason. This step contributes to the testing of my *fifth hypothesis*, namely to what extent support for classical music can be regarded as a CSR activity and whether there are some typical classical music supporter industries.

As a third step, I collect every piece of information suggesting commitment to classical music in relation with the companies and I classify them.

I classify corporate social responsibility actions in classical music according to the following.

I group the CSR activities by the object of the CSR:

- *Individual*: CSR concerns a person who is famous in the given field or someone who is “only a student” and will be an advantage for the company and the individual from the point of view of HR investment.
- *Organisation/Institution*: CSR is directed at an organisation or institution.
- *Concert*: The company supports classical music by financing a concert.

- *Event/Programme*: The company gives preference to the implementation of an event or a programme in its CSR strategy.

I classify the companies also by the frequency of their support for classical music. *Ad hoc* support means CSR activity once in a while, without any underlying commitment. *Regular supporters* are companies thinking in a longer perspective, in a strategic way, that support a provider of classical music for years, permanently; this is most positive for the artists since it facilitates their planning activities.

I classified the companies by their status as *primary* or *mass supporters*, the first acting as dedicated supporters of a certain artist, orchestra or musical event and the latter having a list of beneficiaries whom they might support, without any priority ranking.

One of the essential components of the research of CSR actions is the exploration of financial support and of activities associated with the core activities that might help me demonstrate *my second hypothesis*.

I intend to use document analysis to prove my second and fifth hypotheses in the first place, and this method is used as a first step towards the selection of the interviewees and the Q methodology subjects, to be detailed in the following chapters.

#### **IV. 3.2. Presentation of the characteristics of the in-depth interview**

Interviews with companies are suitable for querying details and information not revealed by the documents of the organisations and to shed light on specific points to disclose personal commitment to CSR in classical music.

The advantages of the interview method include the options to collect complementary information, to ask extra questions and make specifications if something is not clear to the interviewee or if the sub-area concerned turns out to be more important for the researcher than expected, so this can be deemed a flexible method. The interviewees usually answer more openly and honestly than they would in a questionnaire and they also find this form more convenient. The disadvantage of the method is that it is cumbersome and expensive, as preparations and processing take time, and subjectivity may exert a major influence on the outcome of the interview [Golnhofer, 2001].

#### **Data collection**

During my primary research, I planned to make 8-15 in-depth interviews and to address domestic companies only. However, when I defended my draft thesis, the idea of extending the research to international cases was raised; I deemed that important

myself, but in view of the financial and time limits of the research, I could only extend my research to cover the classical-music-related CSR attitude of the parent companies of multinational ones. I selected the interviewees based on predefined criteria, in line with the research conditions outlined already above. I contacted by e-mail the people (company leader, CSR executive, communication or marketing manager) involved somehow in the CSR activities according to the documents I analysed. I identified through the analysis of the documents 48 large companies treating classical music as part of their CSR activities, and I invited them by e-mail to take part in my PhD research. The response rate was lower than I expected on the basis of the CSR researches presented in Chapter 3, and since I was looking in particular for companies willing to provide information on their CSR, addressing a specific target group, supposedly open to this topic, seemed encouraging. I distinguished four company types based on the responses: those that did not answer those that would not take part in the research due to lack of time or their corporate policy, those that no longer concerned themselves with the field of classical music and those that were willing to take part in the research. Finally, 12 large companies provided positive feedback, and I succeeded in making in-depth interviews with nine (via e-mail with one), since the business sites of two were in the countryside and one (PWC) did not pursue CSR activities in classical music, so they took part only in the Q methodology part of the research. However, my research objectives included also contacting small and medium-sized companies besides the large ones. As for the SMEs, however, I made no document analysis in their case, since few among them communicate their CSR activities in any way, which makes it even more difficult to explore them, so I contacted only SMEs (4 of them) that I was in personal contact with and I made interviews with three.

The interviews took place in January-February 2013; they lasted for 30-90 minutes and the average duration was 45 minutes.

I conducted *semi-structured interviews* with the companies: I had some questions, but I assigned greater significance to improvisation. In the context of the in-depth interviews, I strove to formulate open questions to influence the interviewees as little as possible [Golnhofer, 2001]. However, in some cases I had to query directly certain categories that were not discussed spontaneously. I included interview questions that revealed clearly the importance of personal interest as a motivating factor of CSR action targeting classical music. Another way to make the interviewees answer as precisely as possible was to present fictitious situations in connection with which they could tell e.g.



what their process for deciding on allocating support to a specific provider of classical musical services looked like. Editing the fictitious situations was a problem, but my questions were answered in the first interviews and thus I could ask questions concerning the specific topic easier later on. Obviously, each situation is unique and there are many influencing factors (personal acquaintance, interest, novelty), but my question pertained primarily to the factors representing the most objective means to implement a specific CSR activity related to classical music.

I applied the same draft semi-structured interview (Annex 2) for all of the interviewees, asking its questions on every occasion, and I complemented that scenario with special questions addressed to various corporate professionals, depending on the situation, as illustrated below.

1. General introductions, brief summary of the thesis topic and the objective of the interview.
2. Name of the position and professional history of the interviewee.
3. Please tell me about the company's activities pertaining to classical music.
4. Why did you choose this particular form for CSR in classical music?
  - a. How did you select it?
  - b. Whom did you involve in decision-making?
5. What is the goal of the company with activities of this type?
  - a. Do you take into account corporate as well as social objectives?
  - b. How important is it for the company to generate visible business benefits through the co-operation: How do you see that?
  - c. What benefit does this co-operation yield in the world of classical music and in society?
6. Why did you choose the field of classical music? Why not something else?
  - a. It seems that classical music can be used to influence certain stakeholders. What is your attitude to that?
7. Do you evaluate or monitor CSR activities in classical music?
  - a. If the answer is positive, how do you evaluate them?
  - b. If it is negative, how do you make decisions in their absence?
8. What do you think is the task of a responsible company and how does classical music fit in the picture?

I essentially strove to touch on every question during the interviews, but in some cases the interviewees were very busy and I had to focus on the questions directly related to my hypotheses.

### **Data recording**

In almost half of the interviews, I recorded the conversation by dictating machine and by noting down some ideas and my observations. In some of the cases I had no opportunity to use the dictating machine, because we met at noisy places (bistro, restaurant). After one or two interviews I experienced that the interviewees were more sincere and told more about their CSR activities when I did not use the machine, so after a while I based recording mainly on my notes, reading them through, typing them and supplementing them with the missing pieces right after the interview (the transcripts make up almost 30 pages). To see the whole picture, I made efforts to meet the interviewees at their workplace, because I could observe the circumstances this way and draw important conclusions (e.g. the headquarters of a bank was such a classical and fascinating building that it made commitment to classical music a matter of course).

### **Data analysis**

I analysed the interviews via the following steps:

1. As mentioned already, I typed the audio recordings and notes of the interview.
2. In the beginning, I processed the interviews with continuous open coding, classifying by various analytical criteria the data provided by the interviews, collecting utterances referring to CSR in classical music and separating facts and conjectures obtained from the interviews to avoid any misunderstanding.
3. Given the high number of codes and topics at that point, in the next step I adjusted the codes to my hypotheses. To analyse the relevant information, I used the method of sample collation, i.e. I compared the information obtained from the interviews with my hypotheses (Golnhofer, 2001) and made a matrix of the results. The rows comprise the corporate professionals and the columns information concerning my hypotheses.
4. The sample size (9 people) was not suitable for the statistical analysis of the information I obtained, but I tried to show the relative ratios of the opinions of the interviewees in an effort to prove my hypotheses.

I told the interviewees my conclusions in retrospect, to enhance the validity of my research further thereby, and to satisfy their request for feedback.

#### **IV. 3.3. Presentation of the characteristics of the Q methodology**

The in-depth interview is suitable for highlighting such issues and interesting points that are accessible only through the power of personal meetings, but it does not provide for the deeper analysis of the underlying factors. Therefore, apart from the interviews, I use the Q methodology to investigate the manifestations of commitment to CSR in classical music within the company. I find the Q methodology suitable for verifying the hypotheses (1, 2, 3, 4) and for understanding the attitude of corporate professionals and artists active in classical music to the relevant CSR activities; this has been confirmed by the experiences of other researches [see Pósvai, 2001; Nemcsicsné Zsóka, 2005]. The Q methodology is considered a good qualitative method for disclosing subjectivity, for examining diverse viewpoints and opinions and for analysing personal convictions and attitudes [Hofmeister-Tóth, 2005]. It differentiates and describes similar and different opinions; at the same time, it specifies the respondent types by applying quantitative analytical techniques. The method cannot be regarded as a quantitative research procedure, because the minimum sample size is definitely small and would not satisfy the reliability and representativeness criteria. It is an interesting feature of this methodology that it assigns the respondents, not the variables, into groups, that is, it conducts a so-called “inverse” factor analysis. Normally, 10-50 persons are included in a sample in one investigation, and they are selected by the researcher based on some definite criteria. The above features warrant the statement that the Q methodology actually bridges the quantitative and qualitative research methods and combines their advantages [Nemcsicsné Zsóka, 2005].

It can determine the issues subject to general agreement or radical disagreement among the respondents based on the preference rankings of the corporate and classical musical stakeholders, respectively. This reveals those aspects of the attitude to CSR focusing on classical music in regard of which the stakeholders agree or disagree completely.

As Step 1 of using the Q methodology I formulated my research hypotheses, as detailed in Section IV.1. above. As Step 2, I identified the crucial issues to which my statements would refer according to the hypotheses:

- Drivers of CSR activities in classical music,
- Means of implementing CSR activities in classical music,

- Reasons of the commitment to CSR activities in classical music,
- Benefits of CSR activities in classical music.

By applying the Q sort technique, I expressed statements regarding the identified issues; this was important and significant for two reasons: the statements had to be comparable and suitable for ranking by pair. It is up to the researcher to decide whether he/she wants to select a fixed or an open allocation in the application. In the fixed allocation, the respondent is to assign a pre-defined number of statements to categories in the evaluation scale; this ensures the close-to-normal distribution of the preference ranking and makes the results of the method suitable for statistical processing even if the number of respondents is low. However, attention should be paid to avoid having too many positive or negative statements, because that makes it more difficult for the respondents to decide and may also distort the results. Since the attitude to CSR activities keeps developing, and it is in an embryonic state in Hungary, the research subjects are probably not fully aware of their own preferences [Hofmeister-Tóth, 2005] and, therefore, I consider the use of the fixed allocation justified.

I finalised the statements suitable for hypotheses testing in two steps. First I tested the 36 statements formulated in advance with the assistance of 15 people. Preliminary testing helped me filter out the statements carrying little added value for my research and highlighted sentences that essentially referred to the same thing, but were expressed differently so as to filter out any duplications. I applied a semi-structured Q sample to formulate the final statements, that is, I compared the theoretical consideration, the information obtained from document analysis and the testing experiences to produce the 36 statements, but I assigned a certain number of statements corresponding to the weights of the topic ever, so the final distribution was not even. The statements of the Q methodology are shown in Annex 3.

I have reviewed already the list of companies and classical musical service providers participating in the research. The research subjects had to rank the 36 statements with the help of randomly numbered cards. (Annex 3) The subjects were first introduced to the topic and the statements, then they set out to classify them. Upon my proposal, first they assigned the statements to three categories: I agree with that; I do not agree; I am indifferent. Then they ranked the sentences based on the categories of the evaluation scale. In line with the method of fixed allocation, I determined in advance how many statements could be assigned to a given scale (Table 7).

Table 7: The Q-sort

<b>-3</b> (4 <i>pcs</i> )	<b>-2</b> (5 <i>pcs</i> )	<b>-1</b> (6 <i>pcs</i> )	<b>0</b> (6 <i>pcs</i> )	<b>+1</b> (6 <i>pcs</i> )	<b>+2</b> (5 <i>pcs</i> )	<b>+3</b> (4 <i>pcs</i> )

Source: Author's compilation

That is, in my case, the statements were assigned to the categories of a scale ranking from -3 to +3, and this has shown the preference rankings of the respondents concerning the various topics at hand. Then the individual ranking of each respondent, the so-called Q-sorts, evolved. After the loading of the statements with the help of a programme (PQMethod<sup>1</sup>), the comparison by pairs of the preference rankings and the establishment of their correlations, an inter-correlation matrix is produced, from which factors/typical Q sortes can be compiled by applying a main component or the centroid method. Then the factor structure can be simplified further by varimax rotation, and that makes it easier to interpret the results. The creators of the method also propose in rotating method in cases where the research is more of an exploratory type, that is, it intends to highlight the differences in opinions. That is, the factors are constituted by assigning people into the most homogeneous groups possible based on the similarities and differences of their answers, and hence the individual opinions are processed in a structured and statistically well-interpretable form [Nemcsicsné Zsóka, 2005].

The Q methodology is thus no substitute for representative surveys, but it is well suited for those cases where the attitude is difficult to communicate or no deliberate positions or viewpoints have been developed yet concerning the topic at hand [Hofmeister-Tóth, 2005]. I think that the investigation of domestic CSR activities concerning classical music represents such a case, and this is why I consider this method suitable for verifying my hypotheses.

<sup>1</sup> The programme and its guide can be downloaded for free from the Internet: <http://www.rz.unibw-muenchen.de/~p41bsmk/qmethod/>

## **CHAPTER V.**

### **EVALUATION OF RESEARCH RESULTS**

In the following, the results obtained during the research are presented, separately by the research methods and in the last subsection the acceptability of hypotheses is assessed.

#### **V. 1. The results of the document analysis**

During the prior research, in August 2011, 60 companies in the ARH ranking were studied concerning their CSR activities for classical music through the information from their websites. Only the first two steps of document analysis was performed, i.e. CSR activities targeting classical music have not been categorized in the prior study, and only the fifth hypothesis could be tested in advance, that is, whether there are typical classical music supporter industries. However, in autumn 2012, companies from TOP 200 were analyzed (142) and with the third step of the research together, both (2, 5) hypothesis could be proven, which were analyzed by the method of document analysis.

#### **The prior results**

In any of the ten sectors categorized in the ARH there were not enough companies that the sample size could ensure the representativeness, so anyway these shortcomings of prior research are important to highlight. However, the number of the companies (60) in prior research was sufficient to be able to test the hypothesis (5). The study findings are presented in detail based on the sequence of ARH sector ranking.

The keyword search listed in the presentation of the method was the first step, its prior results will be briefly summarized now. 25 of the 60 companies have CSR initiatives in classical music. Those who do not support the classical music (25), they absolutely do not support the culture, or if so, not the music, or they are committed to sports, or simply do not deal with this field. In the case of ten companies there is no telling to perform CSR activities concerning classical music or not, because they do not write about their responsibility or there is an implicit signal that they do but I could not find a

specific action. Sectors classified on the basis of the ARH are presented according to the most recent, 2008, respectively.

There are only two companies in the *other*, or can be called a *public* sector which showed different results regarding responsibility in classical music. Magyar Posta deals with CSR in classical music only through stamp issues while MÁV has an own symphony orchestra. It is considered definitely important that other state-run companies compete the public sector (eg. Szerencsejáték Ltd., MFB Bank (Hungarian Development Bank)) to turn out whether it can be regarded as classical music supporter. Two surveyed companies of the *basic materials industry* sector are not characteristic of CSR appearance in classical music. Dunafer does not provide any information about their responsibility, but the website clearly shows that they support sports, and Alcoa Kőfém also does not deal with the field of music. TVK (Tiszai Vegyi Kombinát) as part of the MOL participates in the support of classical musicians. The BorsodChem as important provincial company aims to support talented local artists and musicians, the urban culture and local festivals.

*Energy* and *public utilities* is the sector where more than half (6) of the companies in the industry (10) are committed to the classical music. There are some who support orchestras, programs, some companies want to increase the role of music education, and there is also a company who wishes to strengthen the international relations through the support for the classical music. In case of three companies, it was clear that they do not have CSR activities targeting classical music because these companies only focus on environmental protection.

As also found in prior researches [Ásványi, 2009], the *financial* sector and, within the *banks* are particular supporters for classical music, as six of the seven large banks in the list perform CSR activities in this direction. However, it can not be said the same about the *insurance industry*, only one of the four previously analyzed companies, the Generali Providencia sponsored classical music. As a result, during analysing CSR in classical music, the *banks* and *insurance* industry will be separate sectors.

In *oil industry* MOL is the only major music supporter company, which constitutes “business” based support of artists. Schell clearly does not support the culture, the other companies do not write about their responsibility, or if they do, as in the case of Mabanaft, initiative referring to classical music does not appear in the report.

The *telecommunication* and *electronic* companies are one sector in ARH ranking, but in the field of classical music these two industries sharply separates, and therefore the

subsequent research I interpret them as two separate categories: *telecommunications* and *electronics*. Two of the three *telecommunication* companies (Magyar Telekom and Vodafone) do major classical music-related CSR activities, Telenor (formerly Pannon) deals with a different area. In the *electronic industry*, IBM and Samsung appear to support classical music, one managed the digitalization of music documents of the National Philharmonic Orchestra, Choir and Music library, and the other had cultural events for children. The other companies in the sector do not provide any information about their actions in this field or their target group is clearly another area.

In the *automotive industry*, except Audi, there is no other company who deals with responsibility in this regard. However, Audi is a key supporter of classical music, which could not be proven better than that since 1997 it has been a major sponsor of the Győr Ballet Company, and more recently has been the main sponsor. In the view of the company it is worth to support such events which are similar to the products, simulate the future and represent high values. Based on the classification of the TOP 200 companies, this sector will be subsequently appreciated as *vehicle manufacturing industry*.

The *medicine industry*, and *consumer and industrial products* are such industries that are explicitly non-supporter in the field of classical music.

Among the four companies in the *commercial* sector, CSR activities concerning classical music appear only at Auchan, including support for the Gospel Festival, where choirs can occur.

In the course of the document analysis - which is not representative, but perhaps somewhat generalizable results can be served - it turned out that the energy and public utilities, banks and telecommunication companies are likely to '*classical music supporter*' sectors, while other industries rather be called '*non-supporters*', since there are only some exceptions where CSR activities related to classical music appeared at the analysed companies. We can say that industries are strictly separated at a level that deals with responsibility in classical music, or not.

So the prior results have already partly proven the hypothesis (5) that *the industry determines whether a company pursues CSR activity in classical music or not, so there are typical classical music supporter industries*.



## **The results of the document analysis**

In 2012, Autumn, based on the prior researches, my aim was to work with a larger element number of sample, so the following companies have been in the sample using the „Figyelő TOP 200” ranking list:

- TOP 40 companies by maximum revenue,
- TOP 31 Banks by total assets,
- TOP 28 Insurance companies by fee income,
- TOP 10 Vehicle manufacture by net income,
- TOP 10 Electronic industry by net income,
- TOP 10 Trade industry by net income,
- TOP 10 Energy industry by net income,
- TOP 10 Food industry by net income,
- TOP 10 Transportation and logistics by net income and
- other larger companies, about which were known to support the classical music.

Following the classification of the Figyelő, 10 categories have been created based on the analyzed 142 companies. The distribution of the industries is not uniform, for example, only 6 companies are in the medicine industry, while there are 32 banks. Banks and insurance companies are predominated because the financial sector is known as greater supporter for classical music which was also turned out in the prior research. Certainly, I am fully aware of that the survey is not representative, which has already been reminded earlier, but despite this I think the ratios demonstrate well the potential industry-dependence.

There is one more non-categorized group (public sector), which is also analyzed separately. In the prior research I drew attention to the importance of its analyzing. Altogether 142 companies were examined concerning CSR types of classical music.

In the first step of the method *keywords/codes* were used to find out if the company deals with CSR targeting classical music or not. Based on the prior research the codes were the following ones: instrument, concert, festival, classical music, music, art. In the second step, the context of the codes was analyzed, which showed, that the company is really a supporter of the classical music, or the keyword was in the document for other reason. The codes proved to be appropriate to explore the classical music activities.

The companies were assigned to three groups based on the codes, as in prior research. Group 1 was that of the supporter companies (48); Group 2 (48) comprised those which

do not treat classical music as part of their CSR activity and Group 3 companies (46) that failed to supply information on their CSR activity and hence a clue as to whether they do or do not support classical music. (Table 8.) Altogether 34% of analysed companies deal with classical music in some way as part of their CSR activity. (Annex 4.)

Table 8: Examination of the industry-dependence of the analyzed companies

<b>Industry/Number of Companies</b>	<b><i>Supporter</i></b>	<b><i>Non-Supporter</i></b>	<b><i>No information</i></b>
<b>Public sector</b>	2	0	0
<b>Banks</b>	17	6	9
<b>Insurance companies</b>	6	8	14
<b>Electronic industry</b>	2	2	7
<b>Energy industry</b>	6	5	1
<b>Food industry</b>	1	8	2
<b>Pharmaceuticals industry</b>	1	2	3
<b>Vehicle manufacture</b>	6	1	5
<b>Trade industry</b>	3	7	0
<b>Transportation and logistics</b>	1	6	1
<b>Telecommunication industry</b>	3	3	4
	<b>48</b>	<b>48</b>	<b>46</b>

Source: Author's research

The industry-dependence could be analysed from two sides. To explore the role of the industry, I took a look at the shares of supporters and non-supporters, respectively, within the industry. This time I did not deal with the third group since I have no information about them, so they could also be supporters or non-supporters. So hereafter only the remain 96 companies were analyzed. The share of supporters exceeded 50% in three of the ten industry categories (*banks, energy industry, vehicle manufacture*), and in two categories exactly 50 % (*electronic and telecommunication industry*), warranting the conclusion that these industries are more likely to assume responsibility for classical music, that is, they are supporters of classical music. (Table 8.) In two industries (*food industry, and transportation and logistics*), the opposite was experienced, i.e. the share of supporter companies was less than 20%, that is, they represented the *non-supporter industries*.

On the other hand the industry-dependence could be analysed based on the proportion of the supporters in each industry. Because the ratio of industries is not uniform, the result would be distorted. However, in further research with the fulfillment of the uniform distribution the role of industry could be examined in this way.

After the evaluation of the first two steps of document analysis *the fifth assumption was proved* that the industry determines whether a company pursues CSR activity in classical music or not. There are typical classical music supporter and non-supporter industries.

The *public industry* was also examined separately, beyond the originally classified two companies, the followings are in this sector: MFB, MVM, Mavir and Szerencsejáték Ltd. Basically, stakeholders have other expectations from a public company than a private company in the field of CSR, that's why it is particularly interesting to rate these companies. Their cash distribution practices are not regulated except the general economic law, and they do their responsible activity taking into account those requirements. The state-run companies are known as major patrons of the culture and the same can be stated based on their documents, so they can be called classical music supporters. But most of the time the company leader's personal preferences and the traditions define their decisions in this way [Ferenczi, 2013], which would support the first hypothesis, but it can not be proven, it is only an assumption.

In order that *the second hypothesis* can be proven, in the third step of the method only 48 supporter companies are analysed on the basis of their CSR activities concerning classical music, which actions are appreciated based on the classifications described at the methodology part. The number of analyzed companies is not enough to draw general conclusion from it, but with qualitative research this is not the goal, but rather to better see into each company's CSR activities targeting classical music and to show direction for further researches by exploring them.

First, I examined what companies choose *the subject of CSR activities concerning classical music*. Most of the companies support classical music by a cultural event, so in most cases they help not only this field, but they can diversify their responsibility. Nearly half of the companies support classical music by an organization or institution, in most cases they give cash assistance to an orchestra and many of them stand in with the Liszt Academy of Music as well. The sponsorship of concerts mostly links to the supported organizations. Financial support for individuals, so musicians and future musicians is the least typical, most of which is funded through a scholarship system or a variety of awards.

In half of the cases there is no information about the *regularity* of CSR actions concerning classical music. However, where it is mentioned which year, or since when they deal with that activity, the regular and continuous support is typical, which refers

to a very exemplary attitude from the companies side, and it shows that they plan long-term co-operations with classical music service providers, which provides much more security for supported ones.

In point of *supporting qualification* those companies were filtered off, which were priority supporters regarding their CSR activities in some respects. They are main sponsors and silver sponsors of an event. Magyar Telekom and Erste Bank cooperate with the Palace of Arts as a strategic partner.

However, in the view of the second hypothesis the most important thing is to spot such CSR activities targeting classical music that relate to a company's product or service, so the company provides not only financial support but also links the responsibility to the main corporate activity that gives an opportunity to familiarize the new products / services , to test them and to promote the company. Below I detail the nine cases based on the companies' documents and websites when we can meet this kind of CSR actions concerning classical music.

*Audi* [2009] gave free run of an own branded car, an Audi A4 to the Ballet Company of Győr, thus further strengthening the closeness of the cooperation. *MVM* [2011] produced the energy demand of the concert wind-solar systems for the Energy 2.0 program to raise young people's awareness of future energy resources. With *E.ON Unplugged* energy saving concert series *E.ON* [2009] company drew attention that much energy can be saved if we pay attention to that. The concerts were linked to useful tips to reduce energy bills. *K&H Bank* [2011] provided to draw cash round-the-clock with six ATM machines in Sziget Festival. With Selling Card (Ajánlókártya) Program *MagNet Bank* [2013] provides an opportunity to customers through selling the financial services, to obtain support for a classical music organization by getting entered new residential and business customers, and they could give up a part of their interest for the benefit of an organization. The *Magyar Posta* (Hungarian Post Office) [2011] has called attention to classical music through one of its core activities, with constantly renewing stamp issues, such as Mozart, Pannon Philharmonic were on stamps. *Magyar Telekom* (Hungarian Telekom) [2013] as a strategic partner of the Palace of Arts (Müpa), has tested several technological solutions in the institution, a touch screen glass panel installation was installed there, which provides an opportunity to gain information in interactive form about the Palace of Arts and its programs. The company helps the programs on cultural events with info-communication solutions, such as an internet café on the Valley of Arts Festival in Kapolcs. *Vodafone* [2010] tested such new services and

technologies on the Sziget Festival as the Szigetfone, the mobile wallet, the mobile media, the “between machine-machine ” solutions, the Sziget Compass and the mobile shopping of day tickets and a variety of products. The *Szerencsejáték Zrt.* (Gaming Ltd.) [2011], similar to other foreign lottery services companies, according to law regulations, i.e., through the National Cultural Fund (NKA), gives the 90 % of the lottery gambling tax for financing cultural programs, so the company can actually contribute to the classical music field through product sales, but this is not voluntary choice, but it is determined by the law.

We can see that in more industries companies found an opportunity to introduce CSR related to the main activity also in the field of classical music, which increasingly comes to the front because of the CSR financial framework’s reduction caused by the economic crisis.

The *second hypothesis* - Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music - is *partly true*. CSR actions targeting classical music which can be linked to companies’ products/services appeared in the past three years, so there is a likelihood of its sweep. As there is little information about the sums of money, therefore their reductions can not be proven by the document analysis.

## **V. 2. The results of the in-depth interview**

During the analysis of the in-depth interviews I strove to obtain as a clear picture as possible of my hypotheses on the basis of conversations with corporate experts. I placed the companies in a matrix designed on the basis of the codes specified with the help of the research questions and hypotheses, and I could thus assess the contents of the interviews in a transparent way. (Annex 5.)

The first research question was: *What is the goal of the company’s CSR activity targeting classical music?* In this context, the aim was to explore the motivations behind CSR action concerning classical music in fact. What are the most important driving forces and whether there is any specific goal with it?

The corporate professionals formulated the following objectives about social and corporate objectives:

- *Social objectives*: value transmission, conservation; advocacy of quality; preservation of traditions; support of noble things; promote social appreciation of classical music; socially useful function.
- *Corporate objectives*: increasing the number of customers; brand, positive creation and strengthening of the image; linking with the corporate brand; marketing and communication tool management; the strengthening of the profile; meet the social requirements; reaching many people; maintain the corporate target group; associate positive attributes to the company; strategic goal; strengthening the loyalty to the company; switching to the main activity.

If the objectives are compared to the motivational factors in the company-typing model (Figure 14) described in the second chapter, the following results are shown. The most objectives relate to gain the corporate benefits, which can increase their profits and the number of their customers. At the same time objectives related to marketing were often mentioned and to achieve useful objectives for society. On the basis of them we can say that in our country similar types of companies can be found in point of motives, such as in international studies, so there are also grabber, media-actor and committed companies. However, the biggest difference is that those domestic companies also have specific objectives for classical music especially to conserve, to raise awareness and to endear classical music as value. They want to serve a noble issue, which almost all the interviewees underlined. As Hungary is the citadel of classical music, so we have to deal with it, and the businesses are aware of that, which objective basically refers to an *altruistic* behaviour.

However, not only positive objectives were formulated. Lots of them *do not consciously aim* classical music, but it is in relation to a program in the companies' responsibility, so basically they do not have any specific objective with this type of CSR activity (See MOL). There are some companies who just support the classical music because it is a tradition at the company or it means an *inherited support* in the company's life (See MÁV). Or there are companies that have not dealt with classical music any more, or it was effaced in their responsibility policy, because their primary objective is to *link to the core business*, which for classical music is often difficult to achieve (See Vodafone). In the hypothesis (1) related to the first research question, I wanted to explore the main drivers for which I assume that it is mostly the personal interest of the company leader. Asking the specific objectives and motivations more corporate professionals also mentioned that "anyway the company leader is a big fan of classical music," but all of

them asked not to be included in the dissertation, so I just wanted to mention it anonymously. However, it is important to note that this would prove the first hypothesis that *the main driver of CSR activities targeting classical music is the personal interest of company leaders*.

Because of the companies' requested anonymity I try to prove my hypothesis in another way. I have approached the question who is the one who initiates the CSR activities targeting classical music and who decides about them, how the company leader's opinion has affected it.

In the case of large companies I was always able to talk to the person who is responsible for the company's CSR activity, thus in most cases they are the ones who initiate the responsibility actions and submits it to the company leaders. Always the company leaders make the decision who almost every time accept the proposals. However, sometimes the top-up initiatives are possible (e.g. FHB), which is more likely to be linked to the personal interest of the company leader, but this is a rarely case.

However, there are companies who are trying to make completely objective decisions in the areas of responsibility as well, they characteristically give support through application, in which case the classical music is only one field among others and not a specific target (e.g. MOL, MKB). We can also meet the combination of these, such as in the MFB a sponsoring committee decides for the applications 4 times a year, but the contracts are signed by the CEO, thus leaving the opportunity for the final decision, but interviewees emphasized that there was no precedent for any change of proposals.

In the case of two companies we can meet a decision-making process, where the frame and the support directions and organizations of the company is determined, but the customers have been involved in distributing the amount (see MagNet, Nexon). They actually only give an opportunity for potential beneficiaries to get support based on customer's choice. The classical music is on the list of both companies, but a smaller proportion of clients considered worthy of support than other fields.

However, unequivocally we can say about *two small companies* that *support for classical music links to the personal interest of the owner*. The owner and the leader of MrSale is a classical music lover, the leader of Netpositive himself sings in the choir, which is supported by the company. They both explained when they tried to involve the staff, they were not really interested in these responsibility activities.

On one hand the first hypothesis is *true*, but on the other hand it is *false*. We can say that it is true for SMEs that *the main driver of CSR activities targeting classical music is the*

*personal interest of company leaders.* The same may happen at large companies, but that is easier to filter out due to the multi-level processes, as company leaders take only the final decision, whereas the initiative comes from the CSR executives. I also asked the interviewees, how much they consider the company's responsibility directions link to their own personality, mostly CSR concerning classical music. They all recognized almost without exception the personal ties, but they are confident that the company's responsibility directions have been integrated in the CSR policy and this would not change even if their absence/exit which is important for long-term co-operations. In regard of *large companies*, I reject the hypothesis that *the main driver of CSR activities in classical music is the personal interest of the company leader*, because of the requested anonymity it can not be proved clearly.

The second research question wanted to find the answer to *what type of CSR activity targeting classical music do the companies pursue*. How much it is typical that the financial aid and its possible decline due to the crisis, and to what extent such CSR actions targeting classical music appear which could link to the company's name, product/service.

*Erste Bank* is responsible for classical music in many ways. It offers scholarship opportunities for the students of The Liszt Academy of Music through the Erste for the Firsts program. Some of them get a single support, while others may receive monthly allowance. The scholarship can be also requested for housing, participation at international competitions and other purposes. The bank has been strategic partner of the Palace of Arts for five years, which is financial support for the institution in large part, but there is also other collaboration work between them, which is confidential in accordance with the contract. In relation to the Palace of Arts the financial background of Metropolitan Opera in HD broadcasting is also provided by the bank. However, there are also opportunities for the bank stores to business-related support in the field of classical music, which are also a small amount of cash contributions. The financial support appears in all CSR activities concerning classical music, as its amount has been halved in the last 5 years, they can be less responsible in this way, and they consider it important that CSR should be more than sponsorship. They aim to help the next generation and they are out for long-term co-operation. [Danks, 2013]

For *FHB Bank* as the family bank the main argument related to the selection of CSR activities that it purposes definitely Hungarian, domestic target and supports rather more small things from the given amount. In most cases, the bank's CSR action concerning



classical music starts with financial support, which can be a choir's travel cost or financing of competition participation. However, later it results more and more the formation of a partnership, and thus the company also gives financial advice to clients. This type of partnership is increasingly typical, the classical music service providers more and more require such assistance in local bank stores because they trust them. FHB's CSR actions targeting classical music start from financial support, which amount also decreases each year, but CSR activities related to the bank's financial services come to the foreground. [Kappéter, 2013]

The *MagNet Bank*, the first community bank of Hungary has a totally different attitude to the area of CSR than other financial service providers have. The classical music does not have a special role in its responsibility, but this field is also among the beneficiaries through the bank's CSR programs. Under the Community Donation Program (CDP), the bank offers the 10% of its profit for non-governmental organizations which happens involving the clients so every single customer can decide its own 10% which was earned by the bank to which non-profit organization he or she wants to give. The classical musical non-profit organizations are supported by the bank in this way, but supporting this field is not specifically a target of the company, however, if they meet the requirements of the application, they could participate in the program. Under the Selling Card Program the classical musical service providers also could be beneficiaries, which advantages have been previously demonstrated at document analysis as well. The Community House of the company also provides opportunity for civil organizations, which they may have resort preferentially. The account management fee is also specific to civilians, which is similar to the retail market as it also allows the clients to decide how much they want to pay for bank account management services. The bank's only one direct support for classical music realized in the form of sponsorship, when Adam Fellegi, the pianist had a concert in the central bank's hall. MagNet Bank participates in the corporate support for classical music in so many levels, as they see its meaning not only in financial donation, but it mostly tries to provide assistance through its financial services. [Roszik, 2013]

The *MFB Bank* is committed to classical music on many levels, but as interviewee formulates, "the company stands for altruistic sponsorship unequivocally", that means, they do not expect any consideration for the support in return, but do not prohibit it, they fully entrusts the decision to the supported people. Cash support is provided by tender, which may be rejected on that quarter of the year, it could be resubmitted in the

next application period. The Gulyas Denes Foundation is supported because they want to endear the opera more and more people, as a part of it is the unconventional music lessons and new versions of 10 opera's appearance are financed mainly. They get complimentary tickets from Weiner-Szász Chamber Symphony Orchestra return in the support, so the bank employees could participate on the orchestra's concerts free of charge. The same is true in the case of the Saint Ephraim Male Choir as well. The bank intends to financial support with the Habilitas scholarship to talented young people who need financial resources to their professional development. One of its priority areas is the arts, so several musicians have already gotten scholarship from the company in this framework. The bank, as a financial services provider highlights the financial support, however, there is no information about its amount or any reduction. [Nyiri, 2013]

The *MKB Bank* is committed to support classical music because of its profile and conservative image such a well-dressed elderly man, all these procure the unequivocality of this field's support. The company has supported financially the Franz Liszt Chamber Orchestra for near 20 years, it has helped them to edit disk and invited them as guests for events and receptions. However, under the crisis the opportunities of these performances have declined, thereby the company has continuously reduced the amount of support, but the proportion of activities related to its services are better appreciated. Hereafter it supports the activity of the orchestra by writing proposals and financial advisory services. The MKB scholarship scheme operated with the National Children's Safety Service is the bank's program, which does not directly link but concerns to classical music. It offers opportunities to develop a total of 100 young, disadvantaged, talented children. The bank intends to help the next generation, which concerns the musical talents as well. Connected with this program there is one night each year, the Christmas concert, when the bank rents the Opera House and invites all fellow students, or those who competed, but did not get the support, thus conducting their cultural opportunities. Financial supports play an important role in the bank's life, but activities related to its services have already played a key role in the company's responsibility as well. [Csák, 2013]

The *MÁV*, as a public company is in a particularly difficult position in the area of social responsibility, specifically regarding financial support, the question arises as how much and what the company spends from public money. However, support for classical music has a very long history in the company's life, MÁV Symphony Orchestra was founded in 1945 by the company, so the continued financial support is evident, which amount

has decreased by 5-10% annually in recent years. Except financial assistance MÁV supports the orchestra with contribution-in-kind (free use of property) and communication (ads, advertising space). The company's staff receives professional tickets to the orchestra's concerts. There is also another responsibility for classical music, 16 cultural centers operate around the country, where members of the association VOKEZ could organize cultural programs. In the case of MÁV, financial support is not exclusive and, as a result of continued reduction contribution-in-kind comes more and more valuable. [Anonymous, 2013]

*MOL* supported the Budapest Festival Orchestra previously, but now it focuses primarily on popular music, classical music is out of focus, it occurs in relation to other programs in the responsibility of the company. One of such programs is the company's cooperation with Kaláka Orchestra, named Music lessons in MOL, they wish to take part in music education of elementary students. The company primarily chose the talents' attendance as an area that is considered extremely important to support. MOL Talent Support Programme supports 10-18 year-old young talents in sport, arts and sciences. Children's age endowments also brought with them the fact that after the sport, the classical music is the second area, about which the most applications arrive in number. The program is managed by the New Europe Foundation. As asset purchases and travel expenses are eligible for support, they can provide significant help for students learning music for example an own instrument. The supported students primarily get financial assistance, but not exclusively. The musician children have the opportunity to play on their own public events (MOL Talent Award ceremony), company parties and other company's cultural co-operation events (e.g. Budapest Spring Festival, Café-Fall contemporary cultural festival). Lots of them have given e.g. their first solo concert at the invitation of the company. In 2012, there was a new initiative, they also released a CD of recordings of talented young musicians, which was also a good opportunity for the children to get a taste in professional performers lives and tasks. [Kelenvölgyi, 2013]

On the 1st of October 2012, *Siemens* changed its previous CSR policy, under which the Budapest Festival Orchestra and the MÁV Symphony Orchestra were supported. From that time, it became prohibited to support for any field that is not connected with the company's core activities, namely zero-tolerance policy was applied, which has cost reduction reasons near rationalization of course. CSR linked to technology in the field of classical music has given the following options. The New York Metropolitan Opera

was supported with the use of a new innovation system and in Hungary they provide the technology of certain festivals, for example the broadcast of Miskolc Opera Festival. The social and educational field remained in the company's responsibility, among which they provide financial support for Snétberger Music Talen Center towards music education of disadvantaged children. The parent company's main CSR activities concerning classical music carried out by the Ernst von Siemens Foundation, which distributes each year the "Nobel Prize for Music" for composers, performers and students, which means financial support for musicians. A Hungarian person has received this award twice. Siemens by making a new start for the responsibility, the financial support are made only through the parent company's foundation, every other CSR activities must be related to technology. [Nevelős, 2013]

For *Vodafone* the music has not been a priority any more, there was a big change in the company's CSR policy and the focus has moved to the sports. The classical music occurs only an ad hoc form in the company's life, as in Debrecen, where the city has close and good relations with Vodafone, so this financial support of Debrecen Philharmonic Orchestra so-called "fits" in responsibility. However, the company's CSR strategy requires that all CSR activities have to be linked to the main activity of the company, which has not been succeeded in realizing in the field of classical music. There was an attempt with a symphony orchestra, where the company wanted to take into the musicians in a new mobile application, but the negotiations were not successful in the end. [Kovács, 2013]

In the case of SMEs there are clearly less opportunities in the realization of CSR, which is also true in the field of classical music.

The *MrSale* business suit store provides free concert opportunities for its customers to Adam Fellegi's home concert with financial support two to three times a year. [Békés, 2013]

The *Netpositive* helps on that way at which the company is the best, so it supports online appearances by its services, creates website and it can help the supported people with online communications and banners in marketing field. Three classical musical website has been created, which projects and developments were carried out free of charge by employees, in an altruistic way. Sometimes it can help in organizing concerts as well. Considering the rational thinking, the company sees that the financial support is less effective, but once they gave money for a concert. [Török, 2013]

The *Nexon*, as human resource services provider also sees the point of the support for classical music in financial assistance. It has been a committed supporter of the Zugló Philharmonic Orchestra for six years. It is the only one company who was able to increase the amount of money intended for that purpose by 1 million to 2 millions in the past few years, which is divided into three parts (one part is the classical music), the customers are involved in the decision by playful voting. In addition, since 2008, the company has bought 15 season tickets to the orchestra's concert series every year. When they started to create the company's CSR, in the first year the Budapest Festival Orchestra was supported, but they realized that it is much more appropriate to be committed to an organization to which they have a personal attachment, as in this case, because a lot of people from Zugló work for the company. [Héray, 2013]

As for the SMEs, they either support for classical music financially or in relation to a service, whereas large companies typically apply both forms.

Based on the corporate interviews, *I partly accept Hypothesis (2)*, i.e. that the share of financial support tends to shrink, in line with the relevant international trends, but that tendency is not always obviously concurrent with the spread of activities associated with the products/services of the company.

The third research question was: *what business and social benefits does CSR targeting classical music generate for the company*. My aim was to explore whether corporate or social benefits dominate, and not at all how benefits could be realized in the responsibility for the classical music.

Companies mentioned the following benefits in the interviews: observing the customers, improving renown, accessing the high-skilled and high-income target group, better awareness, corporate benefit by increasing the quality of corporate events, reaching more people with the value of classical music, increasing the number of clients/customers, creating positive image, promoting positioning, associating the company with positive attributes, facilitating internal PR, competitive advantage. As for utility, the companies indicate primarily the corporate benefits, but in their answers to other questions they refer several times also to social utility, figuring also under their objectives, such as making classical music loved by the broadest possible social circles. However, several companies note that it is not important that CSR in classical music should yield returns, for the reason why they support that area is not to earn benefits of some kind at company level, but to produce social benefits, to pass and familiarize classical music to more and more people (e.g. MFB).

All in all, CSR in classical music may be beneficial both socially and for the company, so I accept the third hypothesis.

The fourth research question was: *How does the company evaluate and monitor the results of its CSR activities in classical music?* During the interviews, I have tried to explore how companies deal with the effect they have achieved with CSR activities concerning classical music, whether they monitor that the objectives they proposed are achieved, or that the CSR action was worth or not.

Most companies believe that there is no possibility that the responsibility could be appreciated, or they do not have the capacity or a developed method for that. If the technique shown by the fourth hypothesis is used, that is set by comparing the company's objectives and benefits, then we can deduct some conclusions about how worth it is for companies to support for classical music.

The aim of the *Erste Bank* is the enhancement of the brand, image, which they also formulated by the benefits that supporting classical music clearly improves the company's renown. New customers are also aimed to achieve, but it can not be measured, however, their retention is confirmed in the company's opinion. Only the press releases are monitored, but they can not do any more for that. However, it is important to point out that the support of classical music is part of the strategic concept of the parent company as well, they aim to have long-term and ongoing collaborations. [Danks, 2013]

The *FHB bank* thinks that CSR targeting classical music can be used well as internal communication, but this impact has not been verified. According to them a bank is supposed to be responsible, so they try to be responsible in a direction that is valuable in Hungary as the classical music as well, thanks to that activity they can achieve such a group that is worth the effort. This social group is characterised by higher qualifications and incomes, i.e. the strong class, and classical music could raise and also raises their awareness of the Bank. There is no major strategic considerations behind it, the point is to be Hungarian and local initiative, and if they can choose, the personal attachment is considered useful. [Kappéter, 2013]

By *MagNet Bank* the monitoring is not an aim, they just have observed that customer activity has increased by 5% from year to year in the CDP program (60-65-70%). Since classical music is not specifically in the focus by the company so the purpose is only to be able to function as a bridge between the society and the culture which they feel they

can perform. It is essential for them that CSR realizes on strategic basis and all responsibility activities are subjected to that. [Roszik, 2013]

Regarding the support for classical music the *MFB Bank* formulated only social goals. They also addressed the social benefits so classical music as a value could be known by more people, but they do not monitor or evaluate it, so there is no strategic goal behind it, bottom line is that it serves a meaningful purpose. [Nyiri, 2013]

The most important objective of *MKB Bank* is to improve the image and create a strong profile, so customers regard the company as an old-fashioned gentleman, for which classical music is proved to be a perfect instrument, they feel they have succeeded to confirm it in people. And they also know about such new clients who joined to the bank after a classical musical event financed by them, which is most typical in the field of private banking. In the insights of the bank "give and take" principle is important, CSR is considered to be business-based, they do it strategically, so the company could gain profit from supports, which is realized as the appearance of the bank's logo or name in most cases. [Csák, 2013]

For *MÁV* the field of classical music is just an inherited support, whose basic initial goal was to have the cultural transmission function, but it remained rather a tradition within the company's CSR activities, they do not encounter any purpose so they do not deal with what benefits they can realize with it, and they do not evaluate the usefulness of these activities either. There is no strategic concept behind it, it is not conscious, but rather a tradition. For them, not the business success is the important in the field of classical music, but also the social benefits that the beauty of classical music could be "transported" / passed to a lot of people. [Anonymous, 2013]

*MOL* deals with the support of classical music just linked to its another program, it does not appear on a strategic level, so they do not deal with the realization of objectives and benefits in corporate level, however, they feel that in the social level they can cultivate tradition, which was formulated also among the goals. [Kelenvölgyi, 2013]

As now *Siemens* links its responsibility to the technology, so in such a sense corporate benefits also can be realized through the familiarization of its product, but as they say these activities do not have to return, this is not their objective. They only want to do CSR linked to their main tasks fitting into their strategy, and consequently they do not appreciate these activities. [Nevelős, 2013]

*Vodafone* supports the field of classical music just in an ad hoc way, which is the result of a good relationship, but it has not been the part of the company's CSR strategy any

more. They do not have aim with it and they can not realize any concrete benefit, so they do not measure it. However, it appears in the monthly reports. [Kovács, 2013]

The *Nexon* also be able to assess the customers' interest towards the support of classical music with the number of votes, which unfortunately is constantly decreasing, but they also get thank-you letters that customers are how happy for the opportunity to have a say in decisions. It is also a positive feedback for them that the employees are waiting for the season ticket concerts each year, and they also push 'like' to the classical music concerts in the internal news portal, so it can be used for internal PR very well. For maintaining the target group it is a clear competitive advantage in their judgement. All these prove that classical music is a strategically important part of the company's CSR policy. [Héray, 2013]

The *MrSale* really sees that all the activities are measured, but just the support for classical music is the one, which they do not really look at, all they know is that there are 1-2 click-throughs per month from Fellegi Adam's website to the company's website. They have less aim with the support of classical music and this direction of responsibility is non-awareness, but also links to personal interests. On social side they reach their goals, corporate clients who have already participated in Fellegi's home concerts financed by MrSale are often returning guests to the concerts. [Békés, 2013]

The *Netpositive* initially approached the responsibility for classical music in an altruistic way, but after a lot of positive feedbacks, they have already felt the company benefit of it, that positive image formed out of them, and it helps them in positioning, and as they are responsible related to their main activity, people become familiar with their services, but there is no strategic thinking behind it. They do not deal with the measure of it. On the level of society carrying the contemporary classical music closer to the people has improved in part in the owner's mind, for example looking at the more positive attitude of concert participants. [Török, 2013]

The companies can be assigned to four categories based on the implications of Hypothesis (4) for the objectives being set and the benefits to be attained: ideal, surprised, being on the wrong track and having no strategy. Each company has formulated targets for CSR activities concerning classical music, if this is in the focus of the responsibility. All companies set objectives for their CSR in classical music, if that are in the focus of their responsibility commitment. Some express business objectives, but it is not clear, for lack of monitoring, whether they manage to fulfil them; they are *on the wrong track* (FHB, Erste). There is only a single company (Netpositive) that



supported classical music without an explicit business objective, but nevertheless generated business profit by it: that is the *surprised* type. In some companies (FHB, Erste, MKB, Nexon) the minimum business objectives have actually been realised for the major part, that is, they realise the benefits they strive for; they represent the *ideal* type. On the other hand, almost every company manages to reach the objectives they set for themselves at the social level, and CSR activity targeting classical music actually proves to be a socially useful activity, so they are *ideal* companies in that sense.

The fourth hypothesis stated that *most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music. Strategic CSR is not typical in the field of classical music*. So I accept the hypothesis, although in one-one case the correspondence of the targets and benefits appears, but their evaluation and monitoring are not typical. As for the strategic CSR, the conclusion is that although it happens that CSR in classical music is part of the corporate social responsibility strategy of the company, strategic thinking tends to be more typical at those companies where classical music is not in the focus.

Overall, the depth interview proved to be an appropriate research methodology to accept or in some cases to reject the hypotheses.

### **V. 3. The results of Q-methodology**

Since I had two samples, I conducted the empirical research based on the Q methodology in two phases: I analysed the corporate professionals and the musicians and, finally, I compared the respective results obtained from the two samples and used them to test my hypotheses. This was feasible since the 36 statements contained the same sentences in both cases, to ensure comparability.

The method produced eight factors for each sample on the basis of the individual preference rankings. In the corporate survey, I kept four factors following VARIMAX rotation, as the factors still explained 62% of the variance, satisfying the 60% variance level criterion. I applied VARIMAX rotation also for the providers of classical musical services, i.e. the musicians, to reduce the eight factors produced by the programme to three, which explain 65% of the variance.

The scoreboards obtained by the Q methodology analyse the factors I received from several aspects. First we could see the correlation matrix showing the similarity in the opinions of the people who completed the surveys and on the basis of which it can be expected that those with high scores would be put in the same factor. Then the

programme determines the rank order of the statements concerning each factor, based on a comparison of the average of the scores assigned to the respective statements. This is shown in two ways: in the order of the statements and by factors. Then the method defines the differences between the individual factors, that is, it compares the factor values by pair for each statement in decreasing order their differences. As a result, the statements subject to the biggest differences of opinions are located at the beginning and the end of the rank order, whereas the ones upon which the people in the same factors agree most are in the middle. The tables below contain the responses typical of the factor concerned, first in the original order of the statements, and then on the basis of the common and divergent values of the opinions. After that, the programme selects the distinctive statements of each factor, it shows the difference relative to the other factors, indicating by asterisk (\*) the values where the difference is biggest between the factors. Finally, the statements reflecting common standpoints are shown, in regard of which all factors express the same opinion.

As for CSR activities targeting classical music, the opinions differ, as shown already by the fact that the respondents can be assigned to several factors, i.e. their opinions differ. In what follows, I will analyse in detail the typical features of people, opinion groups by factor and also the statements that warranted their assignment to different factors and the ones in connection with which they agreed.

Tables 9-10 show the typical opinion groups that can be interpreted on the basis of the rotated factor matrix. X indicates the factor where a given opinion-maker belongs and the total percentage of the variance explained by the factor.

In the following subsections, I will present the opinions of the corporate professionals and the musicians, respectively, and the relevant results, which I will then compare.

### **V. 3.1. Corporate results of the Q methodology**

During the corporate survey, I strove, as presented under the part on sample selection, to include both SMEs and large enterprises, companies from the countryside and from the capital, and companies active and non-active in CSR in classical music. This makes it feasible to examine the attitudes of a rather broad spectrum of respondents. I managed to contact a total of 16 companies by e-mail or personally for the Q methodology survey, in which I asked every respondent to judge the statements in the capacity of a person filling a specific position in the company, not as a private individual. With the

help of factor analysis, I assigned the companies into three factors, since the variance value (62%) attained the expected 60% value at this factor number.

Automatic assignment to factors put all 16 companies, without exception, into one of the groups. The companies are not evenly distributed among the factors (4-7-5), but there is no such extremely high number anywhere that would have warranted the researcher's decision to assign a company elsewhere, so I kept the automatically formed opinion groups.

Table 9: The factor matrix of corporate professionals

<b>QSORT</b>	<b>1. Factor 1</b>	<b>2. Factor 2</b>	<b>3. Factor 3</b>
<b>1 FHB</b>	0.3532	0.0946	0.6634X
<b>2 MÁV</b>	0.1482	0.0943	0.3334X
<b>3 Netpositive</b>	0.8218X	0.0594	0.1209
<b>4 Nexon</b>	0.1702	0.8122X	0.1291
<b>5 MrSale</b>	0.4029	0.7523X	0.0660
<b>6 MagNet</b>	0.3058	0.7861X	0.1464
<b>7 MFB</b>	-0.0245	0.7195X	-0.0441
<b>8 Siemens</b>	0.6179X	0.2308	0.4287
<b>9 MKB</b>	-0.3228	0.6291X	0.4056
<b>10 Cogox</b>	0.2334	0.4992X	0.0030
<b>11 ÉMÁSZ</b>	0.7197X	0.3358	0.2927
<b>12 MOL</b>	0.4553	0.1484	0.7669X
<b>13 TVK</b>	-0.1363	0.0383	0.8723X
<b>14 PWC</b>	0.1336	0.6766X	0.3461
<b>15 Erste</b>	0.6615X	0.3342	0.3717
<b>16 Vodafone</b>	0.3643	0.0606	0.6763X
<b>% expl.Var.</b>	<b>19</b>	<b>24</b>	<b>19</b>
<b>Number of persons by factor</b>	<b>4</b>	<b>7</b>	<b>5</b>
<b>Name of factors</b>	<i>Utility maximizers</i>	<i>Altruistically committed actors</i>	<i>Strategic thinkers</i>

Source: Author's research

In the following, I will describe each factor based on the statements to which the corporate professionals assigned high and low values, respectively. Table 9 shows the groups to which factor analysis assigned the companies.

I will present the specifics of the opinions of the corporate professionals assigned to each factor on the basis of the factor values and typical scores of the statements.

### **Factor 1**

According to those in Factor 1, the corporate-level treatment of support for classical music is worthwhile for the most because the stakeholders associate that with such positive traits as high quality and expertise, and in this case, they confer the same traits

also to the company. That is, people assume that a company supporting high culture and in particular classical music does so because the latter represents values with which the company can identify itself. This is why it is important for the companies concerned to provide support to this area first and foremost if that gives them an opportunity also for linking it to their name. The above arguments are clearly in favour of utility for the company, confirmed by the concurrent statement that they consider CSR targeting classical music a good image-enhancing tool. Furthermore, the focus on corporate interests is corroborated by their advocacy for supporting popular orchestras and their preference for appearing as the single sponsor of classical musical events, since that makes it more obvious that the name of the company will be associated with the initiative concerned. They consider it useful to take a stand in favour of the same thing on every occasion; to show corporate responsibility for the same actors (instead of altering the list of the beneficiaries year by year), in consideration of the interests of not only the company, but also the beneficiaries, aware of the fact that the predictability of funding is crucial for the providers of services in classical music. At the same time, they also deem CSR in classical music a simple solution, confirming their focus on the interests of the company from several sides.

The professionals also consider commitment to classical music one of the most prominent criteria, through which a lot can be done to earn a more positive reputation socially. At a certain level, it is the mission of the company to support an area that represents value, and to make that understood and loved by society. They consider that important at the corporate, but also the personal level; they feel responsible for making classical music loved by their children and grandchildren. The importance of these statements means that if those who take decisions in the CSR field consider themselves personally responsible for classical music, and they keep in mind also the commitment of the company, it is much more likely that the company would carry out CSR activity in that field. These statements purport to the social utility of assuming responsibility, but there are corporate objectives also behind that, since the professionals are of the opinion that the love for classical music manifests itself also in the work culture, that is, if the company staff get acquainted with the beauty of classical music and come to love it, they will be much more creative in their work, behave differently with those around them and be much more loyal to the company.

Those in Factor 1 expect CSR activities targeting classical music to yield primarily corporate benefits, but they also consider the social utility implications important; that's why I call them *utility maximizers*.

## **Factor 2**

For the professionals in Factor 2, individual responsibility is the most important, but they also regard the commitment of the company to classical music indispensable. That is, they feel responsible for making this field loved both at individual and at corporate level. For the same reasons, they consider it an error if support for classical music is directly proportional with the profitability of the company; in their opinion, the deterioration of the business results should not be conducive to relegating this area in the background, as classical music could already hardly survive without corporate support, and a really responsible and committed company cannot let that happen.

In their opinion, classical music has positive characteristics, and by supporting it, the company will be associated with similar positive values. Neither is it important, in their opinion, that classical music and support for it should be related to the core activity of the company, because the value it represents, irrespective of the core activity, may apply to any company in any industry, whether a bank, a consultant or a transporting business. They do not consider corporate support to classical music superfluous at all, but neither do they feel that such activity would project the image of irresponsible conduct on behalf of the company. However, they believe that returns are not important at all in this field: it is quite natural that support for classical music will yield no tangible benefits, and neither does it have to.

They agree that besides the company leaders, others and especially the employees should also have a say in decisions concerning CSR activities.

Overall, we can say that companies in Factor 2 are genuinely committed to CSR in classical music, not because that may be useful for the company, but because they consider it important to support classical music as a value; therefore, I labelled them *altruistically committed actors*.

## **Factor 3**

The opinions of the respondents assigned to Factor 3 underlined that CSR targeting classical music is yet another field that should be implemented strategically. It is important that it should take into account/keep in mind the interests of the company, and

actually produce returns on the investments and have tangible benefits. Therefore, the strategic approach should be put in the limelight and it is only worth providing support to classical music if that means more than just financial support. Several types of CSR activities ought to be realised also in this field, of which they assign priority importance to education and to the establishment of scholarship systems. From a strategic point of view, it is also important that they think in the long term and provide support to the same actors on every occasion and do that as sole supporters, for this is how the benefits can be maximised.

They, too, consider themselves personally responsible for classical music, but in their case, the company can only assume responsibility for classical music at company level if that is beneficial for it, and if it takes the form not only of cash support, but also long-term co-operation with the beneficiary, so they could be called actors adopting the *strategic approach*.

### **Exploration of the differences between the corporate factors**

The differences of the factors highlight the points at which the opinions of the factors differ most markedly (Annex 6, Figure 18).

*Factors 1 and 2* think totally differently in regard of many things: according to the first, it is only worth treating classical music in the context of CSR if that provides for association with the name, products / services of the company. They agree that the activity should be treated as a marketing tool, and consider it one of the simplest ways of its realisation in practice. They consider it imperative that their expenditure should yield returns; that their support should yield tangible benefits. Corporate utility is thus their main objective, so if their economic situation deteriorates, they will be able to spend less also on this field. They think that they can reach many people by CSR activities in classical music, which also supports their utility-maximising approach. Those in *Factor 2*, on the other hand, focus on the interests of society and on the preservation of the value represented by classical music. It is not their goal that the beneficiary of the support should be associated with the company at once and, therefore, neither do returns and corporate utility figure among their primary objectives. They regret that the profitability of the company is directly proportional with the amount of support provided to classical music, for that means that a lower CSR budget means less expenditure on classical music.

There are most similarities between the opinions of *Factors 1 and 3*. As for the implementation of CSR in classical music, on the other hand, they are in conflict in certain respects. Whereas those in *Factor 1* consider support for classical music one of the simplest CSR activity, those in *Factor 3* stress that this is not a question of simplicity, but should be viewed with a strategic eye: an effort should be made to exit the world of financial support and to promote classical music along a concept, and they suggest that education might be the solution. Their opinions differ also in regard of the ideal degree of contribution to decision-making on CSR activities by others than the company managers: *Factor 1* would give a say to others, whereas *Factor 3* is opposed to that idea.

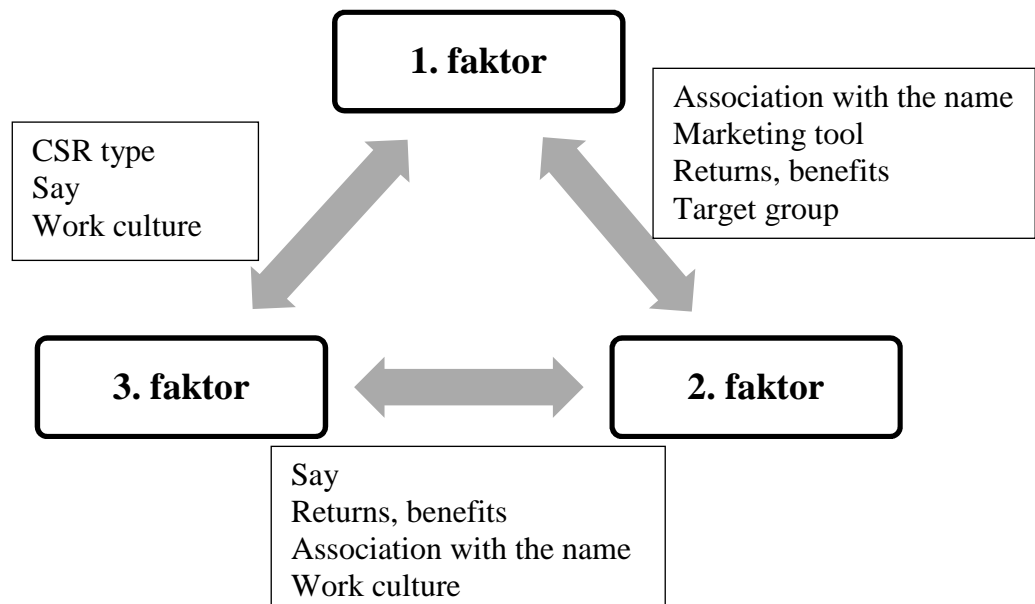


Figure 18: The differences between the corporate factors

Source: Author's research

The gaps are widest between the opinions of *Factors 2 and 3*. They disagree most markedly on who should be given a say in decisions concerning CSR in classical music; those in Factor 3 are definitely against involving anyone but the company leaders. Another point where their opinions are very different concerns the relevance of the returns: in the opinion of those in *Factor 2*, support for classical music should be motivated not by the potential returns, but by the fact that classical music represents value to be preserved for the future generations, whereas *Factor 3* deems this field worthy of support only if that is clearly profitable for the company, and the beneficiary can be associated with the name of the company.

The most marked differences occur in the following areas. Factor 2 deems returns on investment almost irrelevant, whereas Factor 3 considers profitability imperative. Except for those in Factor 2, all respondents think that the support should be such as can be associated with the name, products/services of the company. And they (Factor 2) are also the ones who take a position in favour of giving others a say in decision-making, instead of relegating that task exclusively to the company leaders. Only Factor 3 is of the opinion that the love for classical music will not manifest itself in the work culture.

### **Common points of the factors**

Of course, there are certain statements in regard of which the members of the factors are in complete agreement. They all consider themselves personally responsible for making classical music loved by their children and grandchildren. They also agree that support for classical music is not superfluous at all, and the stakeholders would not consider them irresponsible for spending on that, especially since the company is associated with positive traits due to its promotion of classical music. However, there is unanimous agreement that, within CSR, corporate responsibility for classical music is the field that is least likely to yield any tangible benefits and, therefore, they consider it preferable to combine it with other CSR actions.

### **V. 3.2. Q methodology results in the category of musicians**

As indicated in connection with the sampling procedure, I invited professional and amateur musicians from Budapest and from the countryside to complete the survey test. A total of 22 persons aged 20-55 completed the Q methodology survey. With the help of factor analysis, I assigned the individuals into four factors, since the variance value (65%) attained the expected 60% value at this factor number. Automatic factor assignment failed to place four of the 22 people, so a researcher's decision was needed to decide whether to place them in one of the existing factors or to create a separate, fifth, factor for them. The distribution by factor is not even equable at 7-2-4-5, but I considered the criteria of applicability and evaluation more important and, therefore, I did not alter the distribution manually, but preserved the automatically formed groups. As for the four unassigned people who did not belong to any of the factors, I analysed them separately, to see whose opinion they shared by topic.



Table 10: The factormatrix of musicians

Q-SORT	1. Factor 1	2. Factor 2	3. Factor 3	4. Factor 4
1 Aron	0.3434	0.3157	0.3493	0.5517
2 Geza	0.6474X	0.0291	0.3343	0.1783
3 Tamas	-0.1343	-0.0635	0.7180X	0.3843
4 Szilvia	0.5286	0.4463	0.3283	0.1759
5 Dia	0.4964	0.1075	0.0688	0.6301X
6 Jozsef	-0.0310	0.8799X	0.0635	0.0088
7 Krisztina	0.7081X	-0.2538	0.0571	0.0718
8 JPeter	0.0998	0.0884	0.0731	0.7623X
9 BPeter	0.7149X	-0.0630	0.1315	0.3910
10 Judit	0.1455	0.6159X	0.1054	0.2370
11 ZAndras	0.4526	0.0905	0.1134	0.4860X
12 AJanos	0.7530X	0.2137	0.2018	0.1916
13 BZsofia	0.0823	0.4204	0.7235X	-0.0016
14 Kornelia	0.5157	0.2929	0.6595X	0.0733
15 PNiki	0.6390X	0.3708	0.1203	0.4421
16 PKorus	0.3243	-0.0697	0.3773	0.5858X
17 Robert	0.5277	0.0111	0.5321	0.3751
18 AVera	0.2437	0.4034	0.4568	0.2986
19 FZsolt	0.3288	0.0044	0.7948X	0.1850
20 VBenedek	0.8317X	0.2712	0.1137	0.1426
21 Gyongyver	0.6308X	0.3950	0.0123	0.1168
22 JBarat	0.0952	0.3025	0.2984	0.6233X
% expl. Var.	24	11	15	15
Number of persons by factor	7	2	4	5
Name of the factors	<i>Actors focusing on value creation</i>	<i>Actors in favour of commitment</i>	<i>Actors adopting the marketing approach</i>	<i>Strategic thinkers</i>

Source: Author's compilation

Table 10 shows the groups into which factor analysis assigned the musicians; I described the factors based on their agreement/disagreement with the statements. I will present the specifics of the opinions of the persons in each factor on the basis of the factor values and typical scores associated with the statements.

### Factor 1

Those in *Factor 1* are all amateur musicians or heads on institutions, whose opinion reflects the great importance of the love for music in their work. Respondents assigned to Factor 1 deem personal responsibility and corporate commitment the most important to make classical music known and loved by as many people as possible, with its inevitable implications for work culture: a person who loves music will relate to things

differently also in his/her work. In their opinion, people associate classical music with positive properties, and that is an asset also for the company which will also be associated with the characteristics of quality and expertise. They believe that CSR in classical music may yield benefits which may manifest themselves also in commitment/loyalty to the company, but they do not deem association with the name of the company so very important. Given the fact that support for classical music may mean a lot in regard of the employees in terms of work culture and loyalty, as mentioned before, they think that the employees should also have a say in CSR decisions to feel owners of the whole initiative.

Factor 1 is alone in thinking that CSR serves exclusively social objectives, without any underlying corporate ones; they assume that corporate support for classical music is meant to preserve classical music as a value and to make it loved by all, which might make the people themselves more valuable. Accordingly, I call those in this factor *actors focusing on value-creation*.

## **Factor 2**

*Factor 2* comprises only 2 people, an amateur and a professional musicians, both of them living/playing in an orchestra in the countryside, as reflected also by the statements they rank highest, namely that it is more worthwhile for companies to support local classical musical projects, which is probably the form they encounter most often and that is more advantageous for them. They do not consider it relevant that classical music must be related to the core activity of the company; since this is the case with their supporters, and that should imply no disadvantage. They think that CSR in classical music is not something the companies are active in for the returns, as they presumable respond to the needs of a small target group; instead, they stress the social aspect, i.e. that people should adopt a positive attitude to classical music but, although not of primary importance, they do not consider corporate benefits to be out of the question either.

Only the two people in this factor think that support for classical music yields no tangible results at corporate level, as it is not suitable for image-enhancement or commitment-promotion, and it raises the attention of a few people only. Those in Factor 2 believe that the long-term commitment of the company leader and hence the company itself to CSR in classical music and its implementation at local level is the best solution

for the providers of classical musical services, so they make up the group of *actors in favour of commitment*.

### **Factor 3**

Those in *Factor 3* also consider personal as well as corporate commitment important. They see support for classical music as a marketing option. In their opinion, the returns on CSR in classical music are of necessity smaller than in pop music and, therefore, the first should take place in a form that offers the company some benefits. Therefore, they are in favour of dedicated corporate support in the capacity of single sponsor for certain target group (whether an orchestra, an institution or an individual) as opposed to being one of many sponsors. They believe that support for popular orchestras promises higher yields and, therefore, consider the sponsoring of concerts a better idea than support for classical musical education. That is, if the company applies CSR in classical music as a marketing tool, that may become a good image-enhancing tool and, in addition to the social benefits, it may also generate profits for the company, but only if the entire support scheme is subordinated to that consideration.

The actors in Factor 3 are those who stress most markedly that support for classical music yields less returns than that for pop music, and they are alone in disagreeing with the assumption of correlation between work culture and the love for classical music. These people think that CSR targeting classical music ought to be treated as a marketing tool, since this is the only way to make this type of activity profitable for the company, so they are those who *adopt the marketing approach*.

### **Factor 4**

Persons making up *Factor 4* feel personally responsible for making classical music loved by others, and they expect the companies also to assume that responsibility for they are of the opinion that the latter can do a lot for this cause. They are aware that the company is not a charity institution, that is, returns are expected in CSR targeting classical music the same as elsewhere and, therefore, they think that single and continuous support to popular orchestras and local projects ought to be in the focus. Efforts should also be made to see corporate responsibility for classical music as more than just cash donations, but to implement it in a complex way and in several forms. They believe that CSR in classical music may be a good image-enhancing tool also if

the company regards it as part of its strategy; this way, the activity will be profitable at both the social and the corporate level.

In Factor 4 it is most important that support for classical music should provide an opportunity for the appearance of the name and/or products/services of the company, and that it should be related to its core activity, since many people can be reached by the diverse, i.e. not only financial CSR actions. So I call them *strategic thinkers*.

### **Exploration of the differences and common points of the factors**

In identifying the differences, I want to highlight the points where the opinions of the various factors differ the most (Annex 7, Figure 19).

*Actors focusing on value-creation* (1) and *those in favour of commitment* (2) disagree most on who should have a say in CSR decisions; the latter trust the personal commitment of company leaders, whereas the former vote for the more extensive involvement of others. Those in Factor 1 show more understanding for the negative implications of deteriorating profitability for support to classical music and, therefore, they deem other activities than cash support (scholarship, education) useful as well. According to Factor 2, on the other hand, the company will not be judged more positively in any respect if it supports classical music, which generates less tangible benefits anyway, and should be pursued out of commitment and not for the hope of some returns. Factor 1 sees value-creation and Factor 2 commitment as the ultimate reason for CSR in classical music.

The opinions of *Factors 1* and *3* differ most in the ideal degree of interference by the company in the use of the support amount, set at zero by the advocates of the marketing approach who, however, would define the amount itself in function of the business results of the company. Those who focus on value-creation believe more in the positive correlation between work culture and classical music and in support for education, less useful for the corporate objectives deemed important by the representatives of the marketing approach. Factor 3 would put CSR in classical music at the service of marketing in every respect.

The opinions of the members of *Factors 1* and *4*, respectively, differ most in the way they express the objectives: the first give priority to the social objectives, i.e. that people should see classical music as a value, independently of whether the relevant expenditure yields any results, whereas for the latter support for classical music is conceivable only at the strategic level, at the service of the corporate objectives.

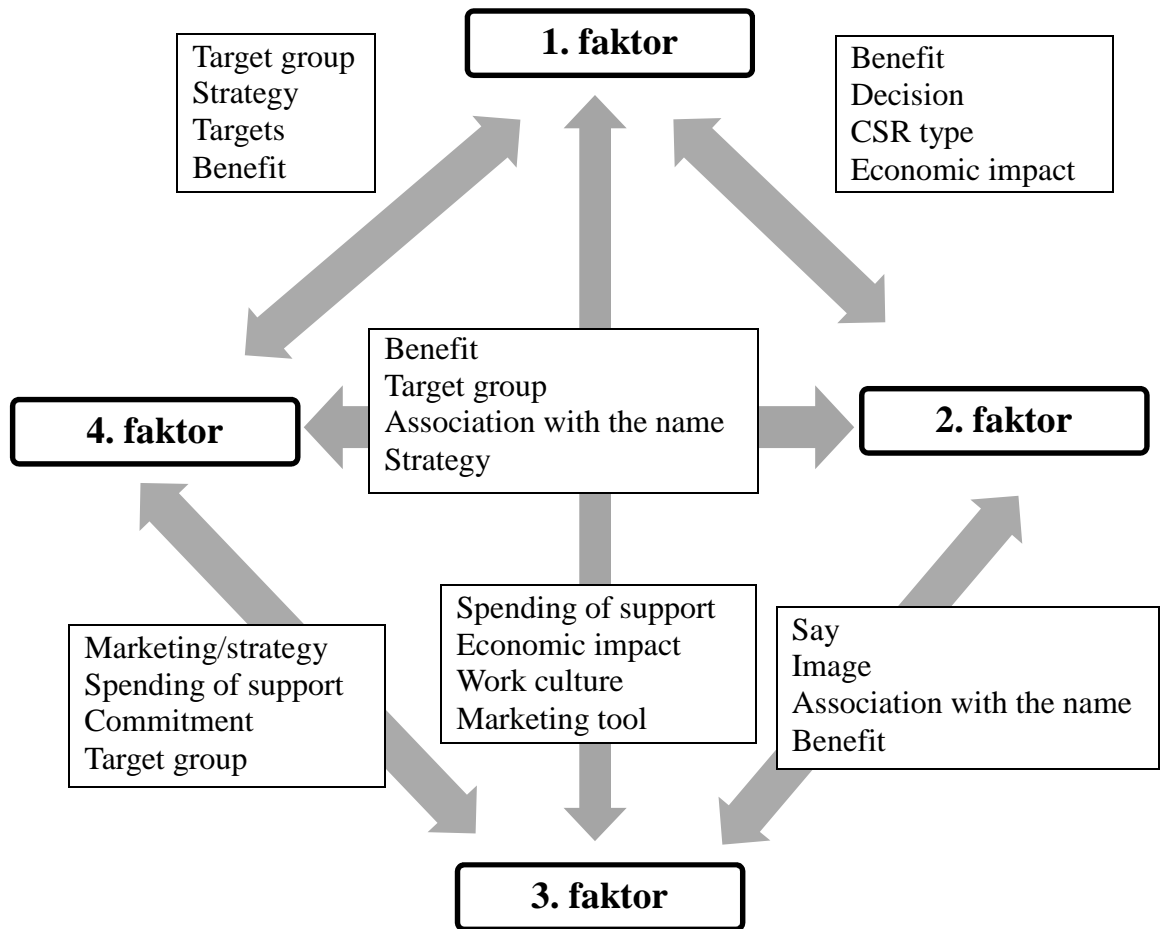


Figure 19: The determinants of of the factors' disagreement in the case of musicians

Source: Author's research

The opinions of *Factors 2* and *3* differ most in the assessment of the image-boosting role of CSR targeting classical music: for the latter, this is almost the only argument in favour of such support, for they see this activity primarily as a marketing tool. Factor 2, on the other hand, assumes that it is best if no one but the company leader has a say in decisions on CSR in classical music, since the commitment and interest of the leader makes corporate returns less important and hence not the decisive factor.

*Factors 2* and *4* also differ most in terms of the profits to be realised and their relevance. Those in *Factor 4* trust that it is worthwhile to deal with classical music at strategic level, because if many people can be reached and the support can be linked to the name of the company, such activity will be worth it also from the business point of view.

*Factors 3* and *4* have different opinions on the potential of CSR in classical music for raising the commitment of the employees to the company: the latter believe that it does

raise it and employees are interested in the philanthropic activity of the company, through which many people can be reached. However, they deem it important for success that the company can tell to the classical musical organisation what it should use the support amount for, to secure its own interests thereby. Factor 3 focuses exclusively on the interests of the company, but tends to think in short term and to treat CSR in classical music only from the point of view of marketing.

As for the people *left out* by the automatic classification, Respondent No. 1 is closest to Factor 4 based on the responses, i.e. agrees most with the strategic approach. Respondent No. 4 agrees most with those in Factor 1, considering support for classical music representing value the most important. Respondents No. 17 and 18 are the most difficult to classify, for their opinions fluctuate between those expressed by the members of the two factors. No. 17 considers support for classical music a value, but also a suitable marketing tool, whereas No. 18 hesitates between commitment and marketing, but considering the highest scores, they would both belong to Factor 3 characterised by the marketing approach.

*All four factors* agree on certain issues. There is unanimous agreement on the weight of personal responsibility, and no factor considers CSR in classical music a superfluous or irresponsible activity, arguing that it does carry certain benefits anyway, whether social or corporate.

### **V. 3.3. Conclusion and prognosis based on a comparison with the Q methodology research results**

I assigned the companies to three factors based on the answers of the 16 corporate professionals to the Q methodology survey, and the musicians were assigned to four factors, and the relevant results helped me test the following hypotheses. The statements let me assess the attitudes relative to three hypotheses (1, 2, 3), i.e. personal commitment, financial support and service-related CSR, and social and business benefits. As for the second part of Hypothesis 4 pertaining to having a strategic CSR, I could demonstrate that with this methodology in part only.

#### **Proof of Hypothesis 1**

*Personal commitment* appeared in all three corporate factors, that is, the respondents think that they can do a lot personally for the more positive judgement of classical music in society, and to introduce that genre to people and to make them love it. Three

of the respondent corporate professionals were also the leaders of their company, so in their case their personal interest in classical music could obviously mean a lot in regard of support for classical music. However, I made efforts at the other companies, too, to have the Q methodology statements completed by people involved in the relevant decision-making process or representing the last step before the company leaders. This way I can say that *I partly accept Hypothesis (1)* – the main driver of CSR activities targeting classical music is the personal interest of the company leaders –, but personal interest applies not so much to the company leaders, but rather to decision-makers in general, who may be the same persons in SMEs, but who are different persons in the large companies.

According to the musicians, one might say that those in Factors 1 and 2 deem the interest and commitment of the company leader indispensable for the realisation of CSR in classical music, whereas according to the other two factors, companies tend to turn to classical music much rather by considerations driven by their business interests. Persons focusing on value-creation trust that awareness of the company and its leader of the values carried by classical music, and the relevant personal interest of the latter will mean a lot in decision-making. Those in favour of commitment, on the other hand, clearly base their hope for support being allocated to classical music on the decision/personal interest of the company leader. The musicians' reviews suggest that *Hypothesis (1) is true in part only*, for if a company thinks in terms of business, its CSR decisions will not be influenced by the personal interest of the company leader.

## **Proof of Hypothesis 2**

As for the relative weights of financial vs. product/service-related CSR actions within CSR in classical music, the opinions of the corporate factors are different. They all consider financial support important and those in Factors 2 and 3 actually deem it the CSR action that is the easiest to realise. Factor 3 is of the opinion that diverse corporate responsibility programmes and initiatives are needed also in classical music, stressing the importance of education and scholarships. They agree with Factor 1 in that it is worthwhile to support classical music if it gives an opportunity to introduce/use the product/service of the company. Obviously, financial support plays a major role in corporate social responsibility targeting classical music, but both the possibility and the need exists for implementing other actions which might imply less expenditure for the companies, decreasing thereby the strength of the correlation between CSR and

profitability and strengthening long-term strategic thinking. Based on the attitude survey of the corporate professionals, *Hypothesis (2)* is considered to be *true*, i.e. Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.

The opinion of the musicians confirms the truth of *Hypothesis (2)* but partly, for financial support is often indispensable on the side of the beneficiaries for their operation proper. However, some among them see the economic situation realistically, and understand that it will only be worthy for a company to support classical music if that provides it an opportunity to showcase its products/services.

### **Proof of Hypothesis 3**

The corporate factors agree that CSR targeting classical music improves the image of the company, but the returns are smaller than those in popular music or other areas, whereas their opinions on the *social and business benefits* of CSR in classical music and on its importance differ. Factor 1 deems social responsibility targeting classical music suitable for attaining business aims. They feel that it may be definitely fruitful for the company to treat that area as part of its CSR. The primary objective is to realise business benefits, and the concurrent social utility ranks second only. Factor 2 sees support to classical music as a means of value preservation, not of profit-generation, and it does not consider it important at all that it should generate benefit that can be realised by the company. Their CSR activities are meant to create value for society, that is, the primary goal is to produce social benefits, whereas corporate profit is secondary. Factor 3 attributes a major role to supporting classical music in both the company and in society. They consider the relevant returns indispensable, but they examine the option of support for classical music from the strategic point of view, and are of the opinion that CSR activities taking into consideration the interests of the company and of society alike and producing value for both are as necessary in classical music as elsewhere. These attitudes *confirm Hypothesis (3)*, as it is obvious for all three factors that CSR activities targeting classical music are useful for the company from the social as well as the business point of view, with differences only their priority ranking.

Each of the four factors composed of musicians agrees that CSR activities targeting classical music are useful. Factors 1 and 2, however, deem their social benefit more



important, whereas Factors 3 and 4 explicitly vote for their business benefits. Thus *Hypothesis (3) is confirmed* also among the musicians.

#### **Proof of Hypothesis 4**

The Q methodology statements include none on monitoring and evaluation, but one may nevertheless draw conclusions regarding the second part of Hypothesis (4), i.e. how typical strategic CSR is, on the basis of that methodology.

The proponents of the strategic approach, i.e. those who think CSR can be fruitful to the company and would like to exploit that, were assigned to Factor 3 for the corporate professionals and Factor 4 for the musicians. In their opinion, the activities targeting the field of classical music should also be put on a strategic basis and the relevant methods of support should be subordinated to that strategy. That is to say that strategic CSR thinking is present also in the field of classical music, but it is not widespread yet, so I consider *Part 2 of Hypothesis (4)* – i.e. that strategic CSR is not typical in the field of classical music – *true*.

#### **V. 4. Combination of the empirical research results**

I chose three qualitative research methods to prove the hypotheses: document analysis, semi-structured in-depth interview and Q methodology. All three methodologies helped me prove my hypotheses, but for the sake of obtaining a complete picture, I combine their results and draw my conclusions on that basis (Table 11).

Hypothesis 1 is proved by the results of the interviews and the Q methodology research. The interviews have shown that in small businesses, personal interest in and commitment to classical music on behalf of the company leaders (also the owners of the SME) was quite marked. They acknowledged that they loved classical music and this was one of the reasons why they supported it via CSR. Therefore, in their case, I definitely accept Hypothesis 1. As for the large companies, however, although the issue of the personal interest of the company leaders was raised in the interviews with the CSR executives, they did not want to make that public. And, their multi-level initiative-taking and decision-making systems also suggest that I must reject this hypothesis for the large companies. The Q methodology research confirmed the personal commitment results of the interviews. Therefore, *I accept Hypothesis 1 for the SMEs*, where the main driver of CSR activities in classical music is the personal interest of the company leader

indeed, but in regard of *large companies*, I *reject* the hypothesis because it cannot be proven beyond doubt.

Hypothesis 2 could only be proved by the combination of the three research methods, which could only prove part of the hypothesis one by one. The interviews revealed that financial support has been diminishing steadily over the past years, since the economic crisis. Document analysis yielded little information on the amounts concerned, so neither could their decline be studied with that method. We can say, however, that CSR in classical music linked to the core activity appeared at several companies in the past three years and seems to be gaining ground. The Q methodology has shown that corporate professionals deem financial support an easy and good solution to a decreasing extent, and they tend to shift in favour of CSR related to the core activity also in the field of classical music. On the basis of the above, I accept *Hypothesis 2*, namely that Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.

Hypothesis 3 and 4 are also supposed to be demonstrated by the interview and the Q methodology.

Hypothesis 3 was supported by both research methods, as the interviewees named both business and corporate benefits in connection with CSR in classical music, and in the exploration of the opinions, both corporate professionals and musicians agreed that both business and corporate benefits can be realised by a company supporting classical music. Therefore, I definitely accept *Hypothesis 3*, as CSR activity targeting classical music is useful for the company in both the social and the business sense.

In relation to Hypothesis 4, the Q methodology supplied information only on the strategic approach to CSR, visible in the opinions of the respondents, as both samples comprised a factor of the advocates of strategic thinking, but cannot be labelled “general” yet. The interviews gave an opportunity to inquire into monitoring an evaluation; these are not typical/hardly treated at all of the companies, at least not in the field of classical music, and the strategic approach is also less marked behind such support: indeed, where strategic CSR is visible at the company, classical music tends to be relegated into the background. On the basis of the above, I *accept Hypothesis 4*, for most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music, and neither is strategic CSR typical of classical music.

Hypothesis 5 was proved with the help of document analysis. I analysed the documents and websites of a total of 142 large companies, almost one third of which were active in classical music. In a breakdown by industries and considering the ratio of classical music supporter/non-supporter companies, it can be stated that the majority of banks, energy companies and vehicle manufacturers treat classical music as part of their CSR. Food industry, transportation and logistics, on the contrary, typically do not treat this field at all. Based on the above, I *accept Hypothesis 5*, namely that the industry determines whether a company pursues CSR activity in classical music or not, so there are typical classical music supporter industries.

Table 11: Summary of the thesis results

Hypotheses/Methodology	Document analysis	Interview	Q methodology	Aggregate results
(1) The main driver of CSR activities targeting classical music is the personal interest of company leaders.		<i>True</i> for the <i>SMEs</i> and <i>false</i> for <i>large companies</i> .	There is no doubt as to the personal commitment and interest of the corporate respondents, but they are not all company leaders as well at the same time, so: <i>true for the SMEs</i> and <i>false for large companies</i> .	SMEs: <b>True</b> ; Large company: <b>False</b> .
(2) Hungarian companies typically adhere to the international trend, i.e. the share of financial support decreases, and that of product/service-related CSR activities comes to the foreground in CSR targeting classical music.	<i>Partly true</i> , as the method provides information only on the second half of the hypothesis, that is, CSR in classical music linked to the core activity appeared at several companies in the past three years.	<i>Partly true</i> , as the share of financial support has actually decreased, but that does not necessarily imply the spread of CSR linked to the core activity.	<i>True</i> , for this is what the attitude of the professionals indicates.	<b>True</b> : The decreasing share of financial support is demonstrated by the interviews and the spread of CSR linked to the core activity by document analysis.
(3) CSR activity targeting classical music is useful for the company in both the social and the business sense.		<i>True</i> : according to the interviewees, CSR in classical music is useful in both the business and the social sense.	<i>True</i> : all factors see the inherent business and social advantages.	<b>True</b>

Hypotheses/Methodology	Document analysis	Interview	Q methodology	Aggregate results
<b>(4) Most domestic companies do not evaluate the outcomes of their CSR activities targeting classical music. Strategic CSR is not typical in the field of classical music.</b>		<i>True</i> , because they do not check the outcomes of the CSR activities in the field of classical music, and strategic CSR is not typical in this area. <i>Partly true</i> , because this method provides no information on the first part of the hypothesis, but as far as the second part is concerned; strategic CSR does appear, although it is not general.	<i>Partly true</i> , because this method provides no information on the first part of the hypothesis, but as far as the second part is concerned; strategic CSR does appear, although it is not general.	<b>True:</b> According to the interviews there is no monitoring, and both the interviews and the Q methodology verify that strategic CSR is not typical.
<b>(5) The industry determines whether a company pursues CSR activity in classical music or not. There are typical classical music supporter industries.</b>	<i>True:</i> banks, energy companies and vehicle manufacturers are typical classical music supporter industries, whereas the food industry and transportation and logistics are typical non-supporters.			<b>True</b>

Source: Author's research

## **SUMMARY**

### **Generalization, validity and reliability**

The generalization, validity and reliability are all critical points in the field of qualitative research, which require continuous attention to the researcher.

The generalization is one of the most contentious issues in qualitative research, so my goal is not to generalize the research results but to explore CSR activities concerning classical music and the motivations behind them, which could provide a basis for further researches.

Towards the validity and reliability, the undermentioned devices were used in the course of research's plan, process and analysis. The definitions and the main research questions were precisely defined which were consistently applied and constructed according to the hypotheses. Accurate research project was made, as a first step large companies dealing with CSR concerning classical music were filtered out by document analysis so they were specifically contacted in next steps of the research. The interviews were recorded using dictaphone and I continuously took notes, then refined them. Any of the companies requested anonymity, only one expert asked to remain anonymous, so every claims and codes exactly can be retrieved and the results were sent them at their request. In the analysis the coding was inspired to ensure objectivity. The results were compared to the theoretical hypotheses and prior international research results.

The generalization, validity and reliability are such problems during the qualitative research, which means limits, despite the fact that I tried to eliminate them, but I am confident that the research and its results conduce to develop further research.

### **Thesis summary**

Classical music and its survival have been got into trouble in recent years due to the desire of the state which used to adopt a paternalistic approach to culture to shed that role, with the implication of major fund losses for the providers of classical musical services. The main alternative for offsetting the losses was the intensification of the companies' role, i.e. the growing emphasis on the support policy of the business sector.

At the same time, the role of corporate social responsibility has gained ground in the 20th century and even more these days, and the stakeholders tend to give voice to their growing expectation that companies should actually assume responsibility and do

something good for their surroundings, for which CSR initiatives in the field of classical music might offer a solution. That is, the reason for existence of the domestic CSR activities concerning to classical music is present on both the demand and the supply side.

In the *first chapter* the study of literature has shown how many ways and how many points of view the CSR could be interpreted. Based on previous researches through analysis of the concepts corporate responsibility was interpreted along four dimensions: profit, marketing, volunteering and stakeholders. The definition of responsibility was essential in terms of my thesis, since to be measured and researched the subject, it is absolutely necessary.

In the *second chapter* the issues were more narrowed and areas of research were in the focus so the literature of corporate philanthropy, donation and sponsorship was processed. I have shown the motivational factors that could influence a company when it decides to support for the arts. The presentation of the theoretical background has given the opportunity to explain theories and models belong to the research questions and to clarify the main research question further: *Why does the corporate sector support classical music and how does it pursue its CSR activity targeting classical music?*

In the *third chapter* the national researches related to the CSR were presented, which helped to choose the research method. I decided on basis of them that the qualitative research method is the most suitable for my research topic to evaluate the domestic CSR activities concerning classical music.

In the *fourth chapter*, I formulated the hypotheses, for which international studies about support for the arts were used as the hypotheses were set up in a deductive way on the basis of the theory and the international experiences. Three qualitative research methods were used to prove them: in-depth interviews, Q-methodology and document analysis. The semi-structured in-depth interviews and the Q-methodology were applied for domestic SMEs and large companies as well as for classical music service providers, so by asking both sides more complex and also more useful information for practical life could be obtained. These methods were used to search the motivational factors behind CSR activities for classical music, to explore changes in the rate of financial support, to show the realization of the social and business benefits and to prove the presence or even the absence of the strategies. Document analysis is considered to be the most appropriate and the most cost-effective research method to determine industry's

dependence on CSR concerning classical music and to explore the changing gravity of financial support and the responsibility directly linked to the company's core activity.

In the *fifth chapter* the results of the researches were introduced.

In *document analysis* there were 142 companies, so on the basis of the analyse of the companies in my research it can be concluded that the banks, the energy companies and vehicle manufacturing companies are likely to be classical music-supporter industries, but the food industry and transport and logistic sector are typically non-supporter industries, the fifth hypothesis has been proved that the industry can be a key factor for CSR activities concerning classical music. The method of document analysis also provided an opportunity for examining the sweep of CSR activities related to the product/service, which in the past three years nine companies were appeared, so the second hypothesis was partly proved.

*Q-methodology* was filled in by 16 corporates and 22 professional musicians, on which the respondents were grouped in to three and four factors. These results can be concluded as the following: The individual's commitment has an important role in CSR activities for classical music so the managers' personal interest can be indeed an important driving force in the course of making decisions. In practice, however, this motivational factor is only true for SMEs, while at large companies it is dwarfed by the multi-level decision-making process of CSR. The financial support will not necessarily satisfy the musicians' expectations and because of the crisis, companies also can offer less financial support, so the need has been appeared to roll back them and to replace them to other CSR activities forms, mainly to CSR linked to company's product or service on the field of classical music. The business and social benefits of CSR concerning classical music is obvious for companies and musicians too, although in the judgement of different factors the realization of the benefits is variant. The assessment and monitoring of activities is not at all typical for the companies and they believe that responsible behavior towards this area is less realized on the basis of strategic decision-making, although its existence is considered to be important by some factors.

Based on the results the selected research methods were considered appropriate to examine the research targets and test the hypotheses.

I hope that by the evaluation of domestic CSR activities targeting classical music my research have helped the field of classical music that companies' commitment to classical music can develop and strengthen, so the current unresolved situation of classical music service providers could be improved.



## **Relevance and benefits of the research**

Based on the processing of the theoretical background materials and on the empirical research, the thesis contributes to the theoretical and empirical understanding of CSR in regard of the following points.

Results obtained from the *theoretical background*:

1. Definition of the scope of the concept of CSR (corporate social responsibility) and assignment of the relevant special literature to dimensions.
2. Interpretation of corporate philanthropy and exploration of its drivers.
3. Typing of companies through the systematic classification of the motivation factors.
4. Exploration of the methodology and results of domestic researches about CSR and international researches about corporate support for the arts.

Results obtained from the *empirical research*, summarised also in Table 11:

1. Development of opinion groups through the investigation of the ranges of companies and musicians, respectively.
2. Exposition of the main drivers underlying CSR targeting classical music.
3. Examination of the types of CSR, in particular financial support and activities associated with products/services.
4. Exposition of business benefits and social utility accessible through CSR in the field of classical music.
5. Examination of the issue of evaluation and control and search for the existence of strategic CSR.
6. Exposition of the industry-dependence of CSR targeting classical music.

## **Proposals for further research**

If CSR activities targeting the field of classical music will be determined in the future even more by industrial affiliation and the strength of the link between corporate social responsibility activities and the core activity of the company, it will be worthwhile to examine the means for facilitating such product/service-related CSR actions in classical music so as to ensure that the broadest possible range of companies should provide support for classical music at that level.

Furthermore, little is known about how open the providers of classical musical are in this regard, and this research could disclose that in part only. To assess these circumstances, it would be useful to explore the actual and potential domestic CSR activities targeting classical music also by quantitative method.

## LIST OF REFERENCES

- Abratt, R., Clayton, B., Pitt, L. [1987]: Corporate Objectives in Sports Sponsorship. International Journal of Advertising 6: pp. 299–311.
- Accountibility Rating Hungary [2009]: A legnagyobb magyar vállalatok elszámoltathatósági rangsora. (Accountibiity Rating of the Largest Hungarian Companies.)  
[http://www.arhu.hu/index.php?option=com\\_content&view=article&id=54&Itemid=53&lang=hu](http://www.arhu.hu/index.php?option=com_content&view=article&id=54&Itemid=53&lang=hu), download time: 8. September 2010.
- Alternate [2011]: Magyarországon megjelent nem-pénzügyi jelentések a kiadás éve szerint. (Non-financial Reports in Hungary by the year of publication.)  
<http://www.alternate.hu/index.php/component/content/article/1-alternate/177-adatbazis-statisztika.html#%C3%B6sszes>, download time: 23. August 2011.
- Angyal, Á. [2005]: Vállalati felelősség, mint érték. (Corporate responsibility as value.) Vezetéstudomány, 1. sz., pp.2-12.
- Angyal, Á. [2009]: Vállalatok Társadalmi Felelőssége, Felelős Társaságirányítás. (Corporate Social Responsibility, Corporate Governance.) Kossuth Kiadó, Budapest
- Arts & Business [2001]: Sponsorship Manual. (4th edition), Arts & Business, London
- Arts & Business [2010]: Business Committee for the Arts. Case studies.  
[http://artsusa.org/information\\_services/arts\\_and\\_business\\_partnerships/bca/case\\_studies/default.asp](http://artsusa.org/information_services/arts_and_business_partnerships/bca/case_studies/default.asp), download time: 20. January, 2011
- Arts & Business [2011]: Private investment in culture 2009/10. What next for the arts? Arts & Business, London,  
<http://artsandbusiness.org.uk/media%20library/Files/Research/pics-0910/artsandbusiness-PICS0910-3-1.pdf>, download time: 20. April, 2011
- Azer, A. [2001]: The Ethics of Corporate Responsibiliy: Management trend of the New Milleniuim?, <http://www.chumirethicsfoundation.ca/files/pdf/azeralison1.pdf>, download time: 20. December 2012.
- Audi honlapja (Audi webpage) [2009]: Harmóniában a művészet és a járműgyártás. (Arts and vehicule manufacture in harmony.),  
[http://audi.hu/hu/csr/aktualis/reszletek/166\\_harmoniaban\\_a\\_muveszet\\_es\\_a\\_jarmuugyartas/](http://audi.hu/hu/csr/aktualis/reszletek/166_harmoniaban_a_muveszet_es_a_jarmuugyartas/), download time: 20. December 2012.

- Ásványi, K. [2009]: Komolyzenei CSR válság idején. (CSR concerning classical music in times of crisis.) LI. Georgikon Napok, 1-2. October 2009., Keszthely
- Australia Foundation for Culture and the Humanities [1999]: Making Arts & Culture Work in Business. Australia Foundation for Culture and the Humanities, Melbourne
- Bába, Sz. [2008]: Szponzorálás és karikatúra. (Sponsorship and caricature.) Napút, X. évf., 8. szám, pp. 40-48. <http://www.mka.hu/naput10.pdf>, Download time: 9. June 2011.
- Babbie, E. [2008]: A társadalomtudományi kutatás gyakorlata. (The Practice of Social Research.) (6. kiadás) Balassi Kiadó, Budapest
- Barát, T. [2010]: Társadalmi felelősségvállalás a BNV-n. (Social responsibility in BNV.) Kerekasztal Konferencia, 2010.szeptember 8., Budapest, <http://www.muosz.hu/print.php?id=2617>, Download time: 10. July 2011.
- Barrett, R. [1998]: Liberating the Corporate Soul. Building a Visionary Organisation, Butterworth- Heinemann, Boston, Mass.
- Basu K., Palazzo G. [2005]: An inductive typology for Corporate Social Responsibility. Academy of Management Best Conference Papers 2005
- Bennett, R. [1998]: Corporate philanthropy in France, Germany and the UK: International comparisons of commercial orientation towards company giving in European nations. International Marketing Review, Vol. 15 Iss: 6, pp.458 – 475.
- Bernauer, T., Engels, S., Kammerer, D., Seijas, J. [2006]: Explaining Green Innovation – Ten years after Porter’s win-win proposition: How to study the effects of regulation on corporate environmental innovation? Center for Comparative and International Studies, Swiss Federal Institute of Technology, Zürich.
- Boda, Zs, Radácsi L. [1996]: Vállalati etika. (Corporate ethics.) Budapesti Közgazdaságtudományi Egyetem Vezetőképző Intézet, Budapest
- Bodorkós, B., Matolay, R., Pataki Gy., Szántó R. [2006]: Vállalati társadalmi felelősség értelmezései Magyarországon. (Interpretations of Corporate Social Responsibility in Hungary.) Kutatási összefoglaló a „Versenyben a világgal” kutatási program részeként, Budapesti Corvinus Egyetem, Vállalatgazdaságtan Intézet
- Bokor, A., Radácsi, L. [2007]: Aranykalitkában – Fiatal vállalatvezetők a rendszerváltás utáni Magyarországon. (In golden cage - Young corporate leaders after the change of regime in Hungary.) Alenia Kiadó, Budapest.

- Bowen, H. R. [1953]: *Social Responsibilities of the Businessman*. Harper & Row, New York.
- Brammer, S., Millington, A. [2003]: The Evolution of Corporate Charitable Contributions in the UK between 1989 and 1999: Industry Structure and Stakeholder Influences. *Business Ethics: A European Review*, 12(3): pp. 216-228.
- Braun & Partners [2006]: TOP50, Kutatási jelentés (Research report), Budapest
- Braun & Partners [2011]: CSR 24/7 – a felelős működés rangsora. (CSR 24/7 - Ranking of responsible operation.)  
<http://www.braunpartners.hu/index.php?menu=1063&langcode=hu>, Download time: 12. June 2011.
- Braun & Partners, GfK Hungária Piackutató Intézet (GfK Hungária Market Research Institute) [2006]: CSR a pénzügyi szektorban - A társadalmi felelősségvállalás helyzete, jelentősége és lehetőségei a pénzügyi szektorban. (CSR in the financial sector - the position, the importance and the opportunities of social responsibility in the financial sector.) Kutatási beszámoló (Research report), Budapest
- Bruch, H., Walter, F. [2005]: The keys to rethinking corporate philanthropy. *MIT Sloan Management Review*, 47(1), pp. 49-55.
- Burlingame, D.F., Frishkoff, P.A. [1996]: How Does Firm Size Affect Corporate Philanthropy? in Burlingame, D.F., Young, D.R. (Editors), *Corporate Philanthropy at the Crossroads*. Indiana University Press, Bloomington, pp. 86-104
- Business Committee for the Arts [2010]: The BCA Executive Summary: 2010, National Survey of Business Support to the Arts, July 2010, [http://www.artsusa.org/pdf/information\\_services/arts\\_business\\_partnerships/bca/BCA%202010%20Survey%20Executive%20Summary.pdf](http://www.artsusa.org/pdf/information_services/arts_business_partnerships/bca/BCA%202010%20Survey%20Executive%20Summary.pdf), 2011. március 19.
- Campbell, D., Moore, G., Metzger, M. [2002]: Corporate Philanthropy in the U.K. 1985-2000 Some Empirical Findings. *Journal of Business Ethics*, Vol. 39, pp. 29-41.
- Carroll, A. B. [1979]: A three-dimensional conceptual model of corporate social performance. *Academy of Management Review*, 4, pp. 497-505.
- Carroll, A. B. [1991]: The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34, pp. 39-48. (July/August)

- Carroll, A. B. [1996]: Ethics and Stakeholder Management. (3th edition), South-Western College Publishing, Cincinnati, OH.
- Carroll, A. B. [1996]: Ethics and Stakeholder Management, (3rd edition), South-Western College Publishing, Cincinnati, Ohio
- Carroll, A. B. [1999]: Corporate social responsibility: Evolution of a definitional construct. *Business and Society*, Vol. 38, No. 3, pp. 268-295.
- Carroll, A. B., Buchholtz, A.K. [2000]: Business & Society: Ethics and Stakeholder Management. (4th edition), South-Western College Publishing, Cincinnati, Ohio.
- Carter, C.R., Jennings, M.M. [2004]: Role of purchasing in corporate social responsibility: a structural equation analysis. *The Journal of Business Logistics* 25(1), pp. 145-187.
- Chikán, A. [2008]: Vállalati versenyképesség és társadalmi felelősség. (Corporate Competitiveness and Social Responsibility.) *Harvard Business Review Magyar Kiadás* 11:(10) pp. 6-13.
- Clark, E. C. [2000]: Differences Between Public Relations and Corporate Social Responsibility: An Analysis. *Public Relations Review*, Vol 26(3) pp. 363-380.
- Clarkson, M. [1995]: A Stakeholder Framework For Analyzing and Evaluating Corporate Social Responsibility. *The Academy of Management Review* 20(1), pp.92-118.
- Colbert, F., Nantel, J., Poole, W. [1994]: Marketing Culture and the Arts. Morin, Montreal.
- Collins, M. [1995]: Corporate Philanthropy - Potential Threat or Opportunity? *Business Ethics: A European Review*, Vol. 4, No. 2, pp. 102-108.
- Committee for Economic Development (CED) [1971]: Social Responsibilities of Business Corporations. New York:
- Cowton, C. J. [1987]: 'Corporate Philanthropy in the United Kingdom', *Journal of Business Ethics*, Vol. 6, pp. 553-558.
- Cutlip, S. M., Center, A. [1978]: Effective Public Relations. Prentice-Hall, Englewood Cliffs, NJ.
- Csáfor, H. [2008]: Corporate Social Responsibility in central and Eastern Europe. in: Carmona, M., Szilávik, J., Zám, É. [2008]: *Periodica Oeconomica*. University of Paris-Sorbonne IV, Eszterházy Károly College, Eger
- Csáfor, H. et al., Szilávik J. (szerk) [2009]: A vállalatok társadalmi felelősségvállalás. (Corporate social responsibility.) *Complex Kiadó*, Budapest p. 291.

- Csillag, S. [2008]: A vállalatok társadalmi felelőssége című tanulmánya. (Study about corporate social responsibility.) Versenyképesség kutatás című műhelytanulmány sorozat, 50. számú kötet, [http://unipub.lib.uni-corvinus.hu/191/1/50\\_Csillag\\_S%C3%A1ra\\_CRS.pdf](http://unipub.lib.uni-corvinus.hu/191/1/50_Csillag_S%C3%A1ra_CRS.pdf), Download time: 3. May 2010.
- Dahlsrud, A. [2008]: How corporate social responsibility is defined: an analysis of 37 definitions, *Corporate Social Responsibility and Environmental Management*, Vol. 15, 1, pp.1-13.
- Davis, K. [1960]: Can Business Afford to Ignore Corporate Social Responsibilities? *California Management Review* 2, pp.70–76.
- Davis, K. [1973]: The case for and against business assumption of social responsibilities. *Academy of Management Journal* 16, pp.312–322.
- De la Cruz Deniz Deniz, M., K., Cabrera Suarez [2005]: Corporate Social Responsibility and Family Business in Spain. *Journal of Business Ethics*, 56, pp.27–41.
- DiMaggio, P. J., Powell, W. W. [1983]: The Iron Cage Revisited; Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, Vol. 48, April, pp. 147-160.
- Donaldson, L., Davis, J. H. [1991]: Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16 (1): pp. 49-64.
- Donaldson, T. [1983]: Constructing a social contract for business. in T. Donaldson, Werhane (Eds.), *Ethical issues in business*: pp. 153-165 New York: Oxford University Press.
- Donaldson, T., Dunfee, T.W. [1999]: *Ties That Bind*. Harvard Business School Press, Boston.
- Donaldson, T., Preston, L.E. [1995]: The stakeholder theory of the corporation: concepts, evidence, and implication. *Academy of Management Review* 20 (1), pp. 65-91
- Driscoll C, Starik M. [2004]: The primordial stakeholder: advancing the conceptual consideration of stakeholder status for the natural environment. *Journal of Business Ethics* 49(1): pp. 55–73.
- Drucker, P. F. [1954]: *The practice of management*. Harper Perennial Publications, New York

- Drucker, P. F. [1984]: The new meaning of corporate social responsibility. California Management Review, Vol. (26), pp.53–63.
- Eels, R., Walton, C. [1974]: Conceptual Foundations of Business. (3rd edition) Burr. Ridge, Ill.:Hill
- Eilbert, H., Parket, I.R. [1973]: The current status of corporate social responsibility. Business Horizons, vol. 16, pp. 5-14. (August)
- Elkington, J. [1998]: Cannibals with forks: The triple bottom line of 21st century business. Gabriola Island, BC Canada: New Society Publishers.
- E.ON honlapja (E.ON. website) [2009]: Színpadon a takarékoság! - E.ON Unplugged Energiatakarékos Koncertek (Economy on stage! - E.ON Energy Saving Unplugged Concerts), [http://www.eon-hungaria.com/sajtoszoba/informaciok/2009/szinpadon\\_a\\_takarekossag\\_eon\\_unplugged\\_energiatakarikos\\_koncertek](http://www.eon-hungaria.com/sajtoszoba/informaciok/2009/szinpadon_a_takarekossag_eon_unplugged_energiatakarikos_koncertek), Download time: 16. January 2013.
- European Commission [2001]: Promoting a European Framework for Corporate Social Responsibility – Green Paper. Office for Official Publications of the European Communities, Bruxelles
- Fazekas, I., Nagy, A. [2000]: Szponzorálás. (Sponsorship.) Nemzeti Tankönyvkiadó, Bp., p. 237.
- Ferenczi, A. [2013]: Miért kapott milliókat a mi pénzünkéből Mága Zoltán? (Why did Zoltán Mága get millions from our money?), <http://www.origo.hu/itthon/20130113-allami-vallalatok-kulturalis-szponzoracioi.html>, Download time: 16. January 2013.
- File, K. M., Prince, R. A. [1998]: Cause Related Marketing and Corporate Philanthropy in the Privately Held Enterprise. Journal of Business Ethics, Vol. 17, No. 14, pp. 1529-1539.
- Frank, B., Geppert, K. [2004]: Arts Small Recipients Overlooked by Sponsors? An empirical note. Journal of Cultural Economics, 28 (2), pp. 143-156.
- Frederick, W. C. [1960]: The Growing Concern Over Business Responsibility. California Management Review, Vol. 2/4, pp. 54-61.
- Frederick, W. C. [1987]: Theories of Corporate Social Performance. In Sethi S.P., Flabe C.M. (ed.), Business and Society: Dimensions of Conflict and Cooperation. pp. 142–161. Lexington Books, New York.
- Frederick, W. C., Post, J. E., Davis, K. [1992]: Business and Society: Corporate Strategy. Public Policy, Ethics, (7th edition), McGraw Hill.



- Freeman, R. E. [1984]: Strategic Management: A Stakeholder Approach. Pitman (Boston) p. 276 Magyarul: in: Kindler, J, Zsolnai, L. [1993]: Etika a gazdaságban. (Ethics in economy.) 3. fejezet, Keraban Kiadó
- Friedman M. [1962]: Capitalism and Freedom. University of Chicago Press, Chicago.
- Friedman, M. [1970]: The Social Responsibility of Business Is to Increase its Profits. New York Times. September 13. 1970. pp.122-126.
- Fry, L.W., Keim, G.D., Meiners, R.E. [1982]: Corporate Contributions: Altruistic or For-Profit? Academy of Management Journal, Vol. 25, No. 1, pp. 94-106.
- Galaskiewicz, J. [1985]: Professional Networks and the Institutionalization of a Single Mind Set. American Sociological Review, Vol. 50, October, pp. 639-658.
- Galaskiewicz, J. [1997]: An Urban Donations Economy Revisited: Corporate Charitable Contributions in the Twin Cities. 1979-81, 1987-89', Administrative Science Quarterly, Vol. 42, pp. 445-471.
- Garriga, E., Melé D. [2004]: Corporate Social Responsibility Theorise: Mapping the Territory. Journal of Business Ethics, 53: pp.51-71.
- GKI Gazdaságkutató Intézet (GKI Institute for Economic Research) [2009]: Vállalatok, elemzések. (Corporates, analyses.)  
<http://www.gki.hu/elemzesek/vallalatok?page=2>, Download time: 10. December 2010.
- Golnhofer, E. [2001]: Az esztanulmány. (The case study.) Műszaki Kvk., Budapest, p.107.
- Grunig, J. E., Hunt, T. [1984]: Managing Public Relations. New York: Har-court Brace Jovanovich College Publishers. p.47.
- Győri, Zs. [2011]: CSR-on innen és túl. (CSR and beyond.) Ph.D. értekezés, Budapesti Corvinus Egyetem, Gazdálkodástani Doktori Iskola, Budapest
- Gyulavári, T. [2011]: A CSR helye a marketing elméletben. (CSR place in the theory of marketing) In: Felelős marketing – A Magyar Marketing Szövetség Marketing Oktatók Klubja 17. Országos konferenciájának előadásai, Pécs, 2011. augusztus 29-30. (Responsible Marketing Conference Proceedings). Pécsi Tudományegyetem, Közgazdaságtudományi Kar, Pécs, pp. 350-360 ISBN 9789636423919
- Habitat for Humanity & Newsbreakers Communication [2010]: CSR kutatás. (CSR research.)  
[http://www.kreativ.hu/pr/cikk/a\\_fogyasztokat\\_nem\\_erdekli\\_felelosek\\_e\\_a\\_cegek](http://www.kreativ.hu/pr/cikk/a_fogyasztokat_nem_erdekli_felelosek_e_a_cegek), Download time: 10. December 2010.

- Harsányi, E., Révész, É. [2005]: A vállalati adományozás modelljei és gyakorlata. (Models and practice of corporate donation.) In: Kuti Éva (szerk.) A jótékonyság vállalati stratégiája. Vállalati adományozás Magyarországon. Tanulmányok, Nonprofit Kutatócsoport Egyesület, Budapest, pp. 13-42.
- Heslin, P. A., Ochoa, J. D. [2008]: Understanding and developing strategic corporate social responsibility. *Organizational Dynamics*, 37, pp. 125-144.
- Himmelstein, J. L. [1997]: *Looking Good and Doing Good. Corporate Philanthropy and Corporate Power*. Indiana University Press, Bloomington.
- Hofmeister-Tóth, Á. [2005]: A Q-módszer és alkalmazása a marketingkutatásban. (The Q-methodology and its application in marketing research.) Műhelytanulmány, Budapesti Corvinus Egyetem, Marketingkutatás és Fogyasztói Magatartás Tanszék
- Houghton, S. M., Gabel, J. T. A., Williams, D. W. [2009]: Connecting the two faces of CSR: Does Employee Volunteerism Improve Compliance? *Journal of Business Ethics*, (2009) 87: pp. 477-494.
- International Federation for Human Rights (FIDH) [2006]: *An Overview of Corporate Social Responsibility in Hungary*. FIDH Report 458/2, September
- Johnson, H. L. [1971]: *Business in Contemporary Society: Framework and Issues*. Belmont, Ca.: Wadsworth.
- Johnston, K., Beatson, A. [2005]: Managerial conceptualisations of corporate social responsibility: an exploratory study. Australian and New Zealand Marketing Academy (ANZMAC) Conference, Fremantle, 2005.
- Joyner, B. E., Payne, D. [2002]: Evolution and Implementation: a study of values, business ethics and corporate social responsibility. *Journal of Business Ethics*, Vol. 41 (4), pp. 297-311.
- Kassay, L. [2008]: Szponzoráció – kommunikációs eszköz és médium. (Sponsorship - means of communication and media.), [http://gyomrofan.ucoz.com/\\_ld/0/6\\_Kassay\\_Lili\\_Szp.pdf](http://gyomrofan.ucoz.com/_ld/0/6_Kassay_Lili_Szp.pdf), Download time): 10. December 2010.
- Katamba, D. [2011]: Corporate social responsibility & Corporate Philanthropy: the thin line between, The 2nd East African Donation Makers Conference, „State and nature of philanthropy in East Africa”, 29th-30th September 2011

- Kerekes, S., Wetzker, K. [2007]: Keletre tart a „társadalmilag felelős vállalat” koncepció. (The "socially responsible company" concept is to the east.) Harvard Business Manager, Magyar Kiadás, IX. évf. 4. szám, április, pp. 36-47.
- K&H Csoport (K&H Group) [2011]: Fenntarthatósági jelentés (Sustainability report.), p. 29.,  
[https://www.kh.hu/publish/kh/hu/khcsoport/media/dokumentumok/fenntarthatosagi\\_jelentesek/K\\_H\\_Csoport\\_fenntarthatosagi\\_jelentes\\_2011.download.pdf](https://www.kh.hu/publish/kh/hu/khcsoport/media/dokumentumok/fenntarthatosagi_jelentesek/K_H_Csoport_fenntarthatosagi_jelentes_2011.download.pdf),  
 Download time: 20. december 2012.
- Kirchberg, V. [1995]: Arts Sponsorship and the State of the City. Journal of Cultural Economics, Vol. 19, pp. 305-320.
- Koch, F. [1979]: The New Corporate Philanthropy. Plenum Press, New York.
- Kotler, P., Lee, N.[2007]: Vállalatok társadalmi felelősségvállalása. (Corporate social responsibility.) Budapest, HVG Kiadó, pp.32-34.
- Kotler, P., Scheff, J. [1997]: Standing Room Only: Strategies for Marketing the Performing Arts. Harvard Business School Press, Boston.
- Kourula, A., Halme, M. [2008]: Types of corporate responsibility and engagement with NGOs: an exploration of business and societal outcomes. Corporate Governance, 8 (4), pp. 557-570.
- KPMG [2010]: Felelősségvállalás és fenntarthatóság a magyarországi nagyvállalatoknál. (Responsibility and sustainability at Hungarian large companies.) A 2008-2009-es jelentések tükrében.  
[http://www.kpmg.com/HU/hu/IssuesAndInsights/ArticlesPublications/Documents/Fenntarthat%C3%B3s%C3%A1g%20a%20mo.i%20nagyv%C3%A1llalatokn%C3%A1l\\_csr\\_jelentesek\\_20100309.pdf](http://www.kpmg.com/HU/hu/IssuesAndInsights/ArticlesPublications/Documents/Fenntarthat%C3%B3s%C3%A1g%20a%20mo.i%20nagyv%C3%A1llalatokn%C3%A1l_csr_jelentesek_20100309.pdf), Download time: 10. December 2010.
- Kreatív Online [2010]: A fogyasztókat nem érdekli, felelősek-e a cégek. (Consumers are not interested in responsibility of the companies.)  
[http://www.kreativ.hu/pr/cikk/a\\_fogyasztokat\\_nem\\_erdekli\\_felelosek\\_e\\_a\\_cegek](http://www.kreativ.hu/pr/cikk/a_fogyasztokat_nem_erdekli_felelosek_e_a_cegek), Download time: 10. June 2011.
- Krippendorff, K. [1980]: Content Analysis. An Introduction to Its Methodology. Sage Beverly Hills, London 1980. pp. 13-51.
- Kuhndt, M., Tuncer, B., Andersen, K. S., Liedtke, C. [2004]: Responsible Corporate Governance. An Overview of Trends, Initiatives and State-of-the-art Elements, What Sort of Globalisation is Sustainable? Wupperthal Papers, Wupperthal Intézet, Január, pp. 1-72.

- Lantos, G. P. [2001]: The boundaries of strategic corporate social responsibility. *Journal of Consumer Marketing*, Vol. 18 Iss: 7, pp. 595 – 632.
- Lerbinger, O. [1977]: Corporate uses of research in public relations. *Public Relations Review*, 3 (4), pp.11-20.
- Levitt, T. [(1958): The dangers of social responsibility. *Harvard Business Review*, Vol. 36 No.5, pp.41-50.
- Ligeti György [2006]: Belátáshiány. (Lack of insight.) *HVG*, XXVIII. (20), pp. 78–79
- Ligeti, Gy. [2007]: A társadalmi felelősségvállalásról (About social responsibility), *Civil szemle*, 2007/1, pp.5-18.
- Ligeti, Gy., Oravecz, Á. [2009]: CSR Communication of Corporate Enterprises in Hungary. *Journal of Business Ethics* 84: pp. 137-149.
- Ligeti, Gy.[2007]: CSR Vállalati felelősségvállalás. (CSR Corporate responsibility) *Kurt Lewin Alapítvány*
- Logan, D. [1993]: Transnational Giving: An Introduction to the Corporate Citizenship Activity of International Companies in Europe. *Directory of Social Change*, London.
- Luetkenhorst, W. [2004]: Corporate Social Responsibility and the Development Agenda. *Intereconomics*. 39 (3), pp.157–168.
- MagNet Bank honlapja (MagNet Bank website) [2013]: Ajánlókártya (Selling Card), <http://www.netbank.hu/ajanlokartya>, Download time: 20. December 2012.
- Magyar Adományozói Fórum (Hungarian Donors' Forum) [2009]: Társadalmi befektetések 2008 – esettanulmányok. (Social investments 2008 - case studies) <http://www.donorsforum.hu/hu/szolgaltatasok/publikaciok/esettanulmanyok>, Download time: 7. July 2011.
- Magyar Adományozói Fórum (Hungarian Donors' Forum) [2010a]: Nagyvállalatok támogatói tevékenysége (Supporter activity of large companies), [http://www.nonprofit.hu/sites/default/files/article/2011/1/kutat%C3%A1s-nagyv%C3%A1llalatok-t%C3%A1mogat%C3%B3i-gyakorlat%C3%A1r%C3%B3l/MAF\\_kutatas\\_0.pdf](http://www.nonprofit.hu/sites/default/files/article/2011/1/kutat%C3%A1s-nagyv%C3%A1llalatok-t%C3%A1mogat%C3%B3i-gyakorlat%C3%A1r%C3%B3l/MAF_kutatas_0.pdf), Download time: 7. July 2011.

- Magyar Adományozói Fórum (Hungarian Donors' Forum) [2010b]: „Legkiemelkedőbb Üzleti Adományozó 2009” – összefoglaló jelentés a felmérés eredményeiről („Pre-eminent Business Donor 2009” - A summary report on the results of the survey), 2010. február 15.,  
<http://www.donorsforum.hu/hu/szolgaltatasok/publikaciok/melyek-a-legnagyobb-magyarorszag-adomanyozo-vallalatok>, Download time: 7. July 2011.
- Magyar Környezetgazdaságtani Központ (MAKK) (Hungarian Environmental Economics Centre) [2004]: Report on a Survey of Corporate Social Responsibility of the Largest Listed Companies in Hungary. <http://www.makk.zpok.hu>, Download time: 15. April 2009.
- Magyar Posta honlapja (Hungarian Post website) [2011]: Jeles magyarok: 200 éve született Liszt Ferenc, (Famous Hungarians: Franz Liszt was born 200 years ago)<http://www.telekom.hu/fenntarthatosag/tarsadalom/kultura>, download time: 20. december 2012.
- Maignan, I., Ralston, D.A. [2002]: Corporate social responsibility in Europe and the U.S.: Insights from businesses' self-presentations. *Journal of International Business Studies*, Vol. 33, No. 3, pp. 497-515.
- Mandl, I., Dorr, A. [2007]: CSR and Competitiveness. European SMEs' Good Practice. Consolidated European Report. KMU Forschung Austria, Vienna.
- Manne, H. G., Wallich, H. C. [1972]: The modern corporation and social responsibility. Washington, DC: American Enterprise Institute for Public Policy Research.
- Marston, J. [1979]: *Modern Public Relations*, McGraw-Hill, New York
- Matolay, R., Petheő, A., Pataki, Gy. [2007]: Vállalatok társadalmi felelőssége és a kis- és középvállalatok. (Corporate social responsibility and SMEs.) Nemzeti ILO Tanács, Budapest, 2007. május.  
<http://www.szmm.gov.hu/download.php?docID=20059&ctag=download>,  
Download time: 5. February 2011.
- Matten, D., Crane, A. [2005]: Corporate citizenship: toward an extended theoretical conceptualization. *The Academy of Management Review* 30(1), pp. 166-179.
- McGuire, Joseph W. [1963]: *Business and Society*. New York: McGraw-Hill, p. 144.
- McWilliams, A., Siegel, D. [2001]: Corporate Social Responsibility: a theory of the firm perspective. *Academy of Management Review*, Vol. 26, No. 1, pp. 117-127.
- Meenaghan, T., Flood, P. [1983]: *Commercial Sponsorship: The misunderstood Corporate Art*. Corporate Image, Dublin

- Mescon, T. S., Tilson, D. J. [1987]: Corporate Philanthropy: A Strategic Approach to the Bottom-Line. *California Management Review*, Vol. XXIX, No. 2, pp. 49-61.
- Miles, R. H. [1987]: *Managing the Corporate Social Environment: A Ground Theory*. Prentice-Hall, Inc, Engewood Cliffs, NJ
- Mitnick, B. M. [2000]: Commitment, Revelation, and the Testaments of Belief: The Metrics of Measurement of Corporate Social Performance. *Business and Society*, Vol. 39, No. 4, pp. 419-465.
- Moir, L. [2001]: What do we mean by corporate social responsibility? *Corporate Governance* 1 (2): pp.16-22.
- Moir, L. [2004]: Why does business support the arts? Philanthropy, marketing or legitimization? PhD Thesis, Cranfield University, School of Management, Finance and Accounting Group
- Moir, L., Taffler, R. J. [2004]: Does Corporate Philanthropy Exist?: Business Giving to the Arts in the U.K. *Journal of Business Ethics*, 54, pp. 149-161.
- Moore, G. [1995]: Corporate Community Investment in the UK - Investment or Atonement? *Business Ethics: A European Review*, Vol. 4, No. 3 July, pp. 171-178.
- Munkaadók és Gyáriparosok Országos Szövetsége (MGYOSZ) (Confederation of Hungarian employers and industrialist) [2009]: Beszámoló az MGYOSZ X. közgyűlése óta végzett tevékenységről. (Review about the activities undertaken since the X. General Assembly of MGYOSZ.) Budapest, 2009.október 2.
- MÚOSZ Kommunikációs és Public Relations Szakosztály, Társadalmi Kommunikációs Tagozat (MÚOSZ Communications and Public Relations Department, Social Communication Department): V. Európai PR-vitanap (Vth European PR-debate day) [2007]: Szervezetek Társadalmi Felelősségvállalása. (Corporate Social Responsibility.) [www.fibraco.hu/images/v\\_eu\\_pr\\_vita\\_csr.ppt](http://www.fibraco.hu/images/v_eu_pr_vita_csr.ppt), Download time: 1. June 2009.

- MVM Csoport (MVM Group) [2011]: Fenntarthatósági Jelentés 2011 (Sustainability Report 2011), p.154., [http://www.mvm.hu/hu/szakmai-informaciok/szakmai\\_kiadvanyok/eves-jelentes/Documents/MVM\\_CSR\\_2012\\_teljes\\_11.pdf](http://www.mvm.hu/hu/szakmai-informaciok/szakmai_kiadvanyok/eves-jelentes/Documents/MVM_CSR_2012_teljes_11.pdf), Download time: 1. June 2012.
- Navarro, P. [1988]: Why Do Corporations Give to Charity? *Journal of Business*, Vol. 61, No. 1, pp. 65-93.
- Neiheisel, S. R. (1994), *Corporate Strategy and the Politics of Goodwill: A Political Analysis of Corporate Philanthropy in America*, Peter Lang Publishing Inc., New York.
- Nemcsicsné Zsóka, Á. [2005]: Következetesség és rések a környezettudatos szervezeti magatartásban. (Consistency and niches of environmental organizational behavior.) Doktori értekezés. BCE Gazdálkodástani Doktori Iskola, Budapest, p. 239. [http://phd.lib.uni-corvinus.hu/196/1/nemcsicsne\\_zsoka\\_agnes.pdf](http://phd.lib.uni-corvinus.hu/196/1/nemcsicsne_zsoka_agnes.pdf), Download time: 10. August 2010.
- Novak, M. [1996]: *Business as a Calling: Work and the Examined Life*. The Free Press, New York, NY.
- O'Hagan, J. és Harvey, D. [2000] „Why companies sponsor art events: Some evidence and a proposed classification”, *Journal of Cultural Economics*, 24, pp.205-224.
- Owen, D. L., Swift, T. A., Humphrey, C., Bowerman, M. [2000]: The New Social Audits: Accountability, Managerial Capture or the Agenda of Social Champions? *The European Accounting Review*, Vol. 9, No. 1, pp. 81-98.
- Parsons, T. [1961]: An Outline of the Social System. In T. Parsons, E. A., Shils, K. D. Naegle, J. R. Pitts (eds.): *Theories of Society*. Free Press, New York.
- Pava, M. L., Krausz, J. [1996]: The Association Between Corporate Social Responsibility and Financial Performance: The Paradox of Social Cost. *Journal of Business Ethics*, Vol. 15, No. 3, pp. 337-347.
- Porter, M. E., Kramer, M. R. [2002]: The Competitive Advantage of Corporate Philanthropy', *Harvard Business Review*, December, pp. 57-68.
- Porter, M. E., Kramer, M. R. [2006]: Strategy and Society. The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard Business Review*, December, pp.1-15.
- Post, F. R. [2003]: A response to "the social responsibility of corporate management: A classical critique". *Mid - American Journal of Business*, Vol. 18, No. 1, pp. 25-35.

- Pósvai, A. [2001]: Vezetők környezeti attitűdjének összehasonlító elemzése a Q-módszer felhasználásával (Comparative analysis of environmental attitudes of leaders using the Q-method), szakdolgozat, BKÁE, vezetőképző Központ, Budapest
- Quazi, A., D. O'Brien [2000]: An Empirical Test of a Cross-National Model of Corporate Social Responsibility. *Journal of Business Ethics*, 25, pp.33–51.
- Quester, P. G., Thompson, B. [2001]: Advertising and promotion leverage on arts sponsorship effectiveness. *Journal of Advertising Research*, 41 (1), pp. 33-47.
- Radácsi, L. [1996]: A vállalatok stakeholder-elmélete. (Stakeholder-theory of corporates) In: Boda, Zs, Radácsi L.: Vállalati etika. (Corporate ethics.) Budapesti Közgazdaságtudományi Egyetem Vezetőképző Intézet, Budapest
- Rayner, J. [2003]: Managing Reputational Risk: Curbing Threats, Leveraging Opportunities. Institute of Internal Auditors Risk Management Series, Wiley, pp.340
- Saia, D. H. [1999]: Strategic Philanthropy - Corporate Resources for the Public Good? Unpublished doctoral dissertation: University of Georgia.
- Saia, D. H. [2001]: Philanthropy and Corporate Citizenship: Strategic Philanthropy Is Good Corporate Citizenship. *The Journal of Corporate Citizenship*, No. 2, pp. 57-74
- Saia, D. H., Carroll, A. B., Buchholtz, A. K. [2003] Philanthropy As Strategy: When Corporate Charity “Begins at Home”. *Business and Society*, Vol. 42, No. 2, pp. 169-201.
- Sanchez, C. M. [2000]: Motives for Corporate Philanthropy in El Salvador: Altruism and Political Legitimacy. *Journal of Business Ethics*, Vol. 27, No. 4/2, pp. 363-376.
- Schmidheiny, S., Holliday, Jr., C. O., Watts, P. [2002]: Walking the talk: The business case for sustainable development. Greenleaf Publishing, Sheffield & Berrett-Koehler Publishers San Francisco
- Schwartz, M. S., Carroll, A. B. [2003]: Corporate Social Responsibility: A Three-Domain Approach. *Business Ethics Quarterly*, (13): pp. 503-530.
- Sethi, S. P. [1975]: Dimensions of corporate social responsibility. *California Management Review*, 1975, 17 (3), pp.58-64.
- Shaw, B., Post, F. R. [1993]: A Moral Basis for Corporate Philanthropy. *Journal of Business Ethics*, Vol. 12, No. 10, pp. 745-751.



- Shaw, P. [1999]: *Re-Creating Communities: Business, The Arts and Regeneration*. Arts & Business, London.
- Siegfried, J. J., McElroy, K. M., Biernot-Fawkes, D. [1983]: The Management of Corporate Contributions. *Research in Corporate Social Performance and Policy*, Vol. 5, pp. 87-102.
- Simon, J. G., Powers, C. W., Gunnemann, J. P. [1983]: The responsibilities of corporations and their owners. in Beachamp, T. L., Bowie, N. E.(Eds), *Ethical Theory and Business*, Second Edition, Prentice-Hall, Inc., Englewood Cliffs, NJ.
- Singh, S. [2010]: Philanthropy to Corporate social responsibility: an Indian Perspective, *Review of international Comparative management*, december 2010, Volume 11, issue 5, pp.990-1000.
- Smith, N. C., Quelch, J. A. [1993]: *Ethics in Marketing*. Irwin, Homewood, IL.
- Stone, J. D. [2005]: Public Relations and Public Responsibility. *Public Relations Quarterly*, 50(1), pp. 31-34.
- Stemler, S. Bebell D. [1999]: An empirical approach to understanding and analyzing the mission statements of selected educational institutions. Paper presented at the annual meeting of the New England Educational research Organization, Portsmouth, NH, 1999.
- Swanson, D. L. [1995]: Addressing a theoretical problem by reorienting the corporate social performance model. *Academy of Management Review*, 20, pp. 43-64.
- Swanson, D. L. [1999]: Towards an Integrative Theory of Business and Society: A Research Strategy for Corporate Social Performance. *Academy of Management Review*, 24(3): pp. 506–521.
- Swift, T., Zadek, S. [2002]: *Corporate Social Responsibility and the Competitive Advantage of Nations*. The Copenhagen Centre and AccountAbility
- Szabóné Kiss, E. [2009]: *Értékek a társadalom, a gazdaság és a szervezetek életében*. (Values in the life of society, economy and corporates.) Az egyéni és szervezeti felelősségvállalás szerepe a fenntartható gazdaságban. A 2009. júniusi kutatási fórum anyaga
- Szegedi, K. [2006]: *Üzleti etika (Business ethics)*, Perfekt Gazdasági Tanácsadó, Oktató és Kiadó Zrt., Budapest. p. 256.

- Szerencsejáték Zrt. (Gambling Ltd.) [2011]: Szerencsés húrokat pengettek a Kaposfesten (Lucky chords were bladed in Kaposfest, <http://www.szerencsejatek.hu/szerencses-hurokat-pengettek-a-kaposfesten>, Download time: 20. December 2012.
- Szvetelszky, Zs. [2008]: Noé márkája. (Brand of Noé.) Budapest, PONT Kiadó – Tudatos Vásárlók Egyesülete.
- Tate, N. [1987]: Sponsorship. Longman Intelligence Reports, London.
- Terra Idea Kkt. [2006]: CSR Online 2006, A társadalmi felelősségvállalás online kommunikációja a 100 legnagyobb árbevételű magyarországi vállalkozás körében. (CSR Online 2006, Online communication of social responsibility at the 100 largest income hungarian companies.) [http://www.terra-idea.hu/download/terraidea\\_csr\\_online\\_2006\\_summary.pdf](http://www.terra-idea.hu/download/terraidea_csr_online_2006_summary.pdf), Download time: 6. February 2010.
- Tóth, G. [2007]: A valóban felelős vállalat. (The real responsible company.) KÖVET-INEM Hungária, Budapest, p.83.
- Török, A. [2002]: Az etikus vállalati magatartás, es annak filantróp csapdája. (The ethical corporate behavior, and its philanthropic trap.) Közgazdasági Szemle, XLIX, évfolyam, 2002. május
- Trivedi, T., Kaur, R. [2007]: Cause Related Marketing, International Marketing Conference on Marketing & Society, 8-10 April, 2007, IIMK, pp. 193-201
- Turgeon, N., Corlbert, F. [1992]: The Decision Process Involved in Corporate Sponsorship for the Arts. Journal of Cultural Economics, 16, pp. 41-51
- Turner, R. J. [2006]: Corporate Social Responsibility: Should disclosure of social considerations be mandatory? Submission to the Parliamentary Joint Committee on Corporations and Financial Services Inquiry.
- Tuzzolino, F., Armandi, B. R. [1981]: A need-hierarchy framework for assessing corporate social responsibility. Academic Management Review, Vol. 6 No.1, pp.21-28.
- United Nations Industrial Development Organization (UNIDO) [2002]: Corporate Social Responsibility: Implications for Small and Medium Enterprises in Developing Countries. Electronic Web site of the United Nation Industrial Development Organization.
- Useem, M. [1984]: The Inner Circle. Oxford University Press, New York.

- Useem, M. [1991]: Corporate Funding of the Art in a Turbulent Environment. *Nonprofit Management & Leadership*, Vol. 1, No. 4, pp. 329-343.
- Van Marrewijk, M. [2003]: Concepts and definitions of CSR and corporate sustainability: between agency and communion. *Journal of Business ethics* 44, pp. 99-105.
- Világbank (World Bank) [2005]: Hogyan vélekednek az üzleti élet szereplői a vállalatok társadalmi felelősségvállalásáról? (What is the opinion of the business community about corporate social responsibility?) Elmélet és gyakorlat összehasonlítása Magyarországon, Lengyelországban és Szlovákiában, Kutatási összefoglaló
- Vodafone honlaja (Vodafone website) [2010]: A Sziget Fesztivál szponzorációért kapott díjat a Vodafone a hatodik Mecénás Napon (The Sziget Festival received an award for sponsorship on the sixth Vodafone Philanthropic Day), <http://www.vodafone.hu/sajto/kozlemenyek/2010-11-19-a-sziget-fesztival-szponzoracioert-kapott-dijat-a-vodafone-a-hatodik-mecenas-napon>, Download time: 20. December 2012.
- Votaw, D. [1972]: Genius Became Rare: A Comment on the Doctrine of Social Responsibility. *California Management Review*, 15(2), pp.25–31.
- Waddock, S., Bodwell, C., Graves S. [2002]: Responsibility: The New Business Imperative. *The Academy of Management Executive* 16(2), pp.132–147.
- Walton, C. C. [1967]: Corporate social responsibilities. Wadsworth, Belmont, California.
- Wartick, S. L., Cochran, P. L. [1985]: The evolution of the corporate social performance model. *Academy of Management Review*, 10, pp. 758-769.
- Waters, I. [1989]: Entertainment. Arts and Cultural Services. Longman, London.
- Watts, P., Holme, L. [1998]: Meeting Changing Expectations - Corporate social responsibility. Geneva, WBCSD Report.
- Williams, E. [2010]: The Difference Between Corporate Philanthropy & Corporate Social Responsibility, [http://www.ehow.com/info\\_7756972\\_difference-philanthropy-corporate-social-responsibility.html#ixzz2J7FqGTL9](http://www.ehow.com/info_7756972_difference-philanthropy-corporate-social-responsibility.html#ixzz2J7FqGTL9), letöltés ideje: 2011. szeptember 8.
- Windsor, D. [2001]: The future of corporate responsibility. *International Journal of Organizational Analysis*, Vol. 9, no. 3, pp. 225-256.

- Wood, D. [1991]: Corporate social responsiveness revisited. *Academy of Management Review*, 1991. (16), pp.691-718.
- Wood, D. J., Jones, R. E. [1996]: Research in Corporate Social Performance. What Have We Learned?' in Burlingame, D.F. Young, D.R. (Editors), *Corporate Philanthropy at the Crossroads*, Indiana University Press, Bloomington, pp. 41-85
- World Business Council for Sustainable Development (WBSCD) [1998]: Stakeholder dialogue on CSR, <http://www.wbcsd.ch/corp1.htm>, Letöltés ideje: 5. February 2011.
- WWF [2010]: WWF kutatás a hazai nagyvállalatok körében. (WWF research among domestic corporations.) Összefoglaló. 2010. január 14., [http://wwf.hu/media/file/1264088260\\_kutatas\\_2010.01.14.pdf](http://wwf.hu/media/file/1264088260_kutatas_2010.01.14.pdf), Download time: 5. February 2011.
- Young, D. R., Burlingame, D. F. [1996]: Paradigm Lost. Research Toward a New Understanding of Corporate Philanthropy. in Burlingame, D.F. and Young, D.R. (Editors), *Corporate Philanthropy at the Crossroads*, Indiana University Press, Bloomington, pp. 158-176.
- Zadek, B. [2001]: *Third Generation Corporate Citizenship: Public Policy and Business in Society*. Foreign Policy Centre in Association with AccountAbility, London, <http://www.accountability.org.uk/uploadstore/cms/docs/3rdGenCorpCitizenship.pdf> download time: 18 March, 2005
- Zollo, M. [2004]: *Philanthropy or CSR: a strategic choice*, London: European Business Forum.

**Interviews (January-February 2012.):**

- Anonymous, MÁV Group
- Zoltán Békés, Managing Director, MrSale Business Suit
- Csongor György Csák, Marketing and Communication Directorate speciality leader, MKB Bank Zrt.
- Emese Danks, Communication Director, Erste Bank Hungary Zrt.
- Katalin Héray, marketing director, NEXON
- Béla Kappéter, Communications Department, Press Officer, FHB Bank Zrt.
- Ágnes Kelenvölgyi, Head of Corporate Giving and Functional Control, MOL GROUP
- Katalin Kovács, Senior Brand PR Manager, Vodafone Hungary
- Orsolya Nevelős, Head of communication, Sustainability officer, Siemens Zrt.
- János Nyiri, spokesman, MFB Zrt.
- Dániel Roszik, Civil Relations Program, Project Coordinator, Interior trainer, corporate developer, MagNet Hungarian Community Bank
- Mátyás Török, owner, Netpositive

## Publications of the author (co-author) in the field

### Hungarian publications:

#### Book, book chapter:

Ásványi Katalin [2012]: A hazai komolyzenei CSR tevékenységek értékelése (*The valuation of CSR concerning classical music*) In: Fenntartható fejlődés. Élhető régió, Élhető települési táj, 2. kötet, Budapesti Corvinus Egyetem, Budapest, 199-212. old

Marjainé Szerényi Zsuzsanna - Ásványi Katalin - Zsóka Ágnes [2011]: A társadalmi - gazdasági forgatókönyvek kialakítása - 5.2. A vízigény-forgatókönyvek elméleti megalapozása, 5.3. A helyi érdekek érvényesítése - a Q-módszer elméleti háttere. (5.2. *The theoretical background of water demand scenarios*, 5.3. *Validation of local interests – the theoretical background of the Q-method*) In: Koncsos László (szerk): Jövőképtől a vízkészlet-kockázatig. Budapesti Műszaki és Gazdaságtudományi Egyetem, Budapest. 81-85 old.

#### Reviewed article:

Ásványi Katalin [*in press*]: A komolyzenére irányuló CSR vállalati megítélése. Vállalati attitűd vizsgálat Q-módszerrel (*CSR concerning classical music in the view of corporates. Analysis of corporate attitude by Q-methodology*), Marketing és Menedzsment

Ásványi Katalin [2012]: CSR marketing-mix a gyakorlatban, A CSR marketing-mix lehetőségeinek bemutatása egy hazai nagyvállalat példáján keresztül (*CSR marketing mix in practice: An introduction to the possibilities of CSR marketing-mix through the example of a Hungarian large bank*), Marketing és Menedzsment, XLVI/3. pp.32-41.

#### Conference papers and/or presentations:

Ásványi Katalin [2012]: A hazai komolyzenére irányuló CSR tevékenységek értékelése. (*The valuation of CSR concerning classical music*), Fenntartható fejlődés, Élhető régió, Élhető települési táj, Záró konferencia. 2012. január 18-19. BCE, Budapest. [Absztraktfüzet p. 24.]

- Ásványi Katalin [2011]: A hazai komolyzenére irányuló CSR tevékenységek értékelése. (*The valuation of CSR concerning classical music*), Doktorandusz továbbképzés, Kutatási szeminárium, 2011. október 7-8. Kőszeg. [Absztraktfüzet p. 8.]
- Ásványi Katalin [2010]: A komolyzenei CSR értékelése (*The valuation of CSR*), Magyar Tudomány Napja, Dunaújváros, 2010. november 11.
- Ásványi Katalin [2010]: A vállalatok társadalmi felelősségvállalásának megközelítései (*Concepts of Corporate Social Responsibility*), Magyar Tudomány Napja, Dunaújváros, 2010. november 9.
- Ásványi Katalin [2010]: CSR marketing-mix válság idején (*CSR marketing mix in times of crisis*), Jánossy Ferenc Emlékkonferencia 2010, Budapest, 2010. március 19.
- Ásványi Katalin [2009]: A hazai nagybankok CSR marketing-mixe (*CSR marketing mix of Hungarian large banks*), BGF Magyar Tudomány Napja 2009, „Válság és megújulás”, Budapest, 2009. november 7., p.32.
- Ásványi Katalin [2009]: Versenyképesség és felelősségvállalás hazánkban (*Competitiveness and Responsibility in Hungary*), Gazdaság és társadalom, Nemzetközi tudományos konferencia, Sopron, 2009. november 3.
- Ásványi Katalin [2009]: Komolyzenei CSR válság idején (*CSR concerning classical music in times of crisis*), LI. Georgikon Napok, Keszthely, 2009. október 1-2,
- Ásványi Katalin [2009]: A CSR kommunikáció szerepe a növekedésben (*The role of CSR communication in growth*). Pannon Gazdasági Konferencia, Veszprém 2009. szeptember 4.
- Ásványi Katalin [2009]: A hazai nagybankok CSR kommunikációja (*CSR communication of Hungarian large banks*), Marketing Oktatók Klubja – 15. Jubileumi Országos Konferencia, Kaposvár, 2009. augusztus 25-26.
- Ásványi Katalin [2009]: A hazai bankok komolyzenei CSR tevékenysége (*CSR activities of Hungarian banks*), Tavaszi Szél Konferencia, Szeged, 2009. május 21-24., pp.135-146.
- Ásványi Katalin [2009]: A komolyzenei CSR tevékenységek magyarországi kommunikációja (*Communication of CSR activities concerning classical music in Hungary*), II. Nemzetközi Gazdaságtudományi Konferencia, Kaposvár, 2009. április. 2-4.

## English publications:

### Reviewed article:

Zsuzsanna Marjainé Szerényi - Ágnes Zsóka - Katalin Ásványi - Zsuzsanna Flachner<sup>†</sup>  
[2011]: The role of adaptation to climate change in rural development. Regional  
and business studies Suppl. 1, 189-198.  
<http://journal.ke.hu/rbs/index.php/rbs/article/viewFile/37/35>

### Conference papers and/or presentations:

Katalin Ásványi [2012]: Community Volunteering of Hungarian Large Banks, 12<sup>th</sup>  
International Scientific Conference, the Day of Hungarian Science, Budapest, 8-  
9.November 2012.

Katalin Ásványi [2012]: The approaches of the Corporate Social Responsibility, Tomsk  
Polytechnic University, The international youth conference, “The priorities and  
interests of modern society, 17 May, 2012.

Ágnes Zsóka - Zsuzsanna Marjainé Szerényi - Katalin Ásványi - Zsuzsanna Flachner<sup>†</sup>  
[2011]: Integrating small communities’ willingness of adaptation to climate  
change into the local relevance of IPCC scenarios. 10th European Sociological  
Association Conference: Social Relations in Turbulent Times. 07-10. September  
2011., Genf/Svájc.

Zsuzsanna Marjainé Szerényi, Ágnes Zsóka, Katalin Ásványi, Zsuzsanna Flachner<sup>†</sup>  
[2011]: The role of adaptation to climate change in rural development, Sustainable  
economics – community strategies, 3rd International Conference of Economic  
Sciences. 19-20 May, 2011., Kaposvár University.

Katalin Ásványi [2011]: CSR in the 21st century, Jánossy Ferenc Memorial Conference  
2011, Budapest, March 2011.

Ágnes Zsóka, Zsuzsanna Marjainé Szerényi, Katalin Ásványi, Zsuzsanna Flachner<sup>†</sup>  
[2011]: Combating the effects of extreme weather phenomena in small areas,  
EMAN\_EU 2011 Conference, Accounting for Climate Change – What and How  
to Measure, 24-25. January 2011, Budapest, Corvinus University of Budapest

Katalin Ásványi [2010]: Corporate Social Responsibility and CSR Communication  
according to the Society, FIKUSZ 2010 – Symposium for Young Researchers,  
Budapest, 2010. november10. November 2010. pp.7-16.



Katalin Ásványi [2009]: CSR Communication of a Large Bank, FIKUSZ 2009 – Symposium for Young Researchers, Budapest, 2009. november 13. pp.17-28.

## ANNEXES

### Annex 1: Summary of Hungarian CSR researches

Name of the research	Research leader	Year of the research	Object of the research	Number of researched companies	Research method
ARH research	csrnetwork, Accountability organisation, Braun & Partners Hungary	2006-2008, annually	CSR integration in the strategy, stakeholder involvement in decision-making	40 + 20	Rank order on the 0-100 scale, based on public information in four fields
CSR 24/7	Braun & Partners Hungary	2010	Transparency, CSR communication of companies	4x25	Use of website information, along seven dimensions, CSR 24/7 CEE-100 Composite Index
CSR Online	TerraIdea Research and Consulting	2006	Online CSR communication	100	Website analysis based on indicator system
Responsibility and sustainability at large companies in Hungary	KPMG	2008-2009	Non-financial transparency, report-making practice	100	Report analysis
TOP 50	Braun & Partners Hungary	2006	CSR interpretation, practice, communication	27 (50)	Questionnaire survey, statistical analysis
Business donation	Civil Társadalom Fejlődésért Alapítvány (Foundation for the Development of Civil Society)	1998	Donation policy and practice	46 (1400)	Questionnaire survey
CSR: Comparison of theory and practice	World Bank, TÁRKI	2005	CSR theory and practice	150 (500)	Questionnaire survey (oral) comprising 36 closed questions
Supporter activity of large companies	Hungarian Donors' Forum	2010	Mapping of supporter practice	69 (192)	Questioning by phone, self-declaration via e-mail
Pre-eminent Business Donor	Hungarian Donors' Forum	2006-2009, annually	Presentation of donor's activity	24 (508)	questionnaire
Sponsoring – communication device and medium	European Sponsorship Association	2008	European sponsoring practice	385	Online questionnaire

<b>Name of the research</b>	<b>Research leader</b>	<b>Year of the research</b>	<b>Object of the research</b>	<b>Number of researched companies</b>	<b>Research method</b>
CSR in the financial sector	Braun & Partners, GFK Hungária Market Research Institute	2006	CSR: its situation, relevance, options	32	Structured in-depth interview comprising 18 basic questions
Interpretations of corporate social responsibility in Hungary	Corvinus University of Budapest, Institute of Business Economics	2006	CSR interpretation	5+5	Semi-structured interview
CSR and competitiveness	Corvinus University of Budapest, Institute of Business Economics	2007-2009	Investigation of the correlation between CSR and competitiveness	27	27 interviews at 10 companies
Socially sensitive companies	Habitat for Humanity Hungary	2010	Social responsibility	17 (87)	In-depth interview
WWF research among large companies in Hungary	WWF	2009	Presence of CSR at companies	31	interview
Report on a Survey of Corporate Social responsibility of the Largest Listed Companies in Hungary	Hungarian Environmental Economics Centre (MAKK)	2004	Release of CSR-related information	27	Questionnaire survey, websites, reports, personal interviews Publicity Index
An Overview of Corporate Social Responsibility in Hungary	FIDH	2006	CSR documentation, analysis	16	Interview and questionnaire
Social investments	Hungarian Donors' Forum	2008	Survey of donation practices	8	Case study: questionnaire and interview
Corporate Social Responsibility (CSR)	GKI Institute for Economic Research	2008	CSR interpretation, practice, plan	1500 and 45	Questionnaire and interview

Source: Author's compilation based on information obtained from researches

## **Annex 2: Draft of the questions of the semi-structured corporate interviews**

Introduction, and presentation of the topic of the Thesis, i.e. interpretation and analysis of CSR activities in classical music of domestic companies as social responsibility not directly linked to the core activity of the company.

Review of the objective of the interview, exploration of the special, classical-music-related CSR of the company, understanding of its motivation, the relevant objectives and benefit, collection of the available documentations and sources.

Name of the position and professional history of the interviewee.

Identification of the problem areas, in two steps:

### **Part 1**

- Please tell me about the company's activities pertaining to classical music.
- Why did you choose this particular form for CSR in classical music?
  - How did you select it?
  - Whom did you involve in decision-making?
- What is the goal of the company with activities of this type?
  - Do you take into account corporate as well as social objectives?
- Why did you choose the field of classical music? Why not something else?
- If not mentioned:
  - Do you evaluate or monitor CSR activities in classical music?
  - If the answer is positive: How do you evaluate them?
  - If it is negative: How do you make decisions in their absence?

### **Part 2**

- Depending on the answers to the questions in Part 1.
- What do you think is the task of a responsible company and how does classical music fit in the picture?
- It seems that classical music can be used to influence certain stakeholders. What is your attitude to that?
- How important is it for the company to generate visible business benefits through the co-operation: How do you see that?
- What benefit does this co-operation yield in the world of classical music and in society?

Thanks expressed for the interview and offer to send the thesis

## Annex 3: Q methodology statements

“Companies, CSR supporters of classical music/  
Providers of classical musical services, CSR beneficiaries”

## Research

Corvinus University of Budapest

Please evaluate the following statements on a scale of -3 to +3 based on the extent of your agreement with their content.

Meaning of the score values:

- **-3:** I do not agree at all
- **0:** I partly agree, partly not (it is indifferent to me)
- **+3:** I fully agree

Please place the 36 statements in the annexed table by putting one statement in each cell (Corrections and replacements permitted.) When you are ready, write in the table the respective serial numbers of the statements.

-3	-2	-1	0	+1	+2	+3

**Q methodology statements:**

1. I am personally responsible for the degree of openness to classical music of my children and grandchildren.	2. I can't do much for the socially positive judgement of classical music.	3. The returns on CSR in classical music are smaller than those on CSR in pop music.	4. CSR activities in classical music should be treated as a marketing device.	5. It is more worthwhile for companies to support a different classical musical ensemble or concert on every occasion.	6. The corporate scholarship system created for musicians is profitable for companies.
7. To make the companies better known, it is not enough to focus on classical music within CSR; it is better to connect it to some other CSR action.	8. It is more worthwhile for companies to support local than national classical musical CSR projects.	9. Employees should not be given a say in company decisions concerning CSR activities.	10. Within the CSR activities, the benefits of those targeting classical music are the least realisable.	11. Support for classical music entails the risk that the stakeholders regard the company as irresponsible.	12. Support for classical music does not boost commitment to the company.
13. It is quite natural that support for classical music brings no tangible benefit to the company.	14. Company employees are not interested in such corporate philanthropic activities as CSR in classical music.	15. It is better if others than the company leaders also have a say in decisions concerning CSR targeting classical music.	16. By supporting classical music, companies take into account the interests of a small target group.	17. It is difficult to imagine that support for classical music is implemented with a strategic objective.	18. Corporate support for classical music is needless.

19. Support for the tuition of classical music makes better service to the interests of the companies than sponsoring concerts.	20. CSR activities targeting classical music serve exclusively social objectives.	21. The love for classical music manifests itself in the work culture.	22. It is no disadvantage for the company if support for classical music does not follow from its core activity.	23. If the company gets committed to classical music, it can do a lot to make it understood and loved by a broader circle of people.	24. It is worth supporting classical music through the sales of company products/services (e.g. spend on classical music HUF1 of the price of every product they sell).
25. Support for popular orchestras significantly improves the image of the company.	26. The supporters of classical music are first and foremost the companies that see financial support as the essence of CSR.	27. Support for classical music is one of the simplest solutions for the realisation of CSR.	28. It is worthwhile to support classical music if it gives an opportunity to introduce/use the product/service of the company.	29. It is not CSR targeting classical music is not the ideal image-enhancing device for the companies.	30. Returns on investments are important also for CSR in classical music.
31. Supporting classical music is only worthwhile for companies if it can be related to the name, products or services of the company.	32. It is better if a company is the sole supporter of a classical musical event than if it is one of many supporters.	33. Companies should pursue CSR activities of several types (in cash, in kind, voluntary, strategic etc.) in classical music.	34. It is good if the companies can have a say in how the beneficiary organisation is to use the support they provide.	35. It is an error if companies reduce first the amounts allocated to CSR in classical music upon the deterioration of their economic activity.	36. Support for classical music improves the assessment of the company's products/services due to the positive features (high quality, professionalism etc.) associated with it.

**Annex 4: Classical music supporter companies participating in the document analysis**

<b>Company</b>	<b>Industry</b>	<b>Company</b>	<b>Industry</b>
Aegon Magyarország Általános Biztosító Zrt.	insurance company	Lear Corporation Hungary Kft.	vehicle manufacture
Allianz Hungária Zrt.	insurance company	MagNet Magyar Közösségi Bank Zrt.	bank
Antenna Hungária Zrt.	telecommunication industry	Magyar Export-Import Bank Zrt.	bank
Auchan Magyarország	trade	Magyar Hipermarket Kft.	trade
Audi AG	vehicle manufacture	Magyar Posta Zrt	state-owned
Banco Popolare Hungary Bank Zrt.	bank	Magyar Suzuki Zrt.	vehicle manufacture
BorsodChem Zrt.	pharmaceuticals industry	Magyar Telekom	telecommunication industry
Bosch	vehicle manufacture	MÁV Zrt.	transport
Budapest Bank Zrt.	bank	MFB Zrt.	bank
Budapesti Elektromos Művek – ELMŰ-ÉMÁSZ	energy industry	MKB Bank Zrt.	bank
CIB Bank Zrt.	bank	MOL Magyar Olaj-és Gázipari Nyrt	energy industry
Citibank Magyarország	bank	MVM Magyar Villemosművek Zrt.	energy industry
Commerzbank Zrt.	bank	OTP Bank Nyrt.	bank
DENSO Gyártó Magyarország Zrt.	vehicle manufacture	Porsche Hungaria Kereskedelmi Kft.	vehicle manufacture
DRB Dél-Dunántúli Regionális Bank Zrt.	bank	Posta Biztosító	insurance company
E.ON Hungária Zrt.	energy industry	Raiffeisen Bank Zrt.	bank
Erste Bank Hungary Zrt.	bank	Samsung Hungary	electronic industry
FHB Bank Zrt.	bank	Siemens Magyarország	electronic industry
GDF Suez	energy industry	Szerencsejáték Zrt.	state-owned
Generali-Providencia Biztosító Zrt.	insurance company	Tesco	trade
GRÁNIT Bank Zrt.	bank	Tiszai Vegyi Kombinát Nyrt.	energy industry
K&H Bank Zrt.	bank	UNIQA Biztosító Zrt.	insurance company
K&H Biztosító	insurance company	Vodafone Magyarország Zrt.	telecommunication industry
Kinizsi Bank Zrt.	bank	Zwack Unicum Nyrt.	food industry



## Annex 5: Preliminary results of the document analysis

<b>Company / Research question</b>	<i>What is the goal of the company's CSR activity targeting classical music?</i>	<i>What type of CSR activity targeting classical music do the companies pursue?</i>	<i>What business and social benefits does CSR targeting classical music generate for the company?</i>	<i>How does the company evaluate and check the results of its CSR activities targeting classical music?</i>
<b>Erste</b>	to mediate value, increase client numbers, ensure the positive development/reinforcement of the brand/image	Erste for the first - LFZE scholarship - cash; MŰPA strategic partner - financial + other co-operation, but confidential; bank branch - business-type support - minor sum; Metropolitan HD - in cash, budget halved over 5 years	to keep clients, improve the company's reputation	no opportunity, only the marketing campaigns are measured, only press appearances
<b>FHB</b>	value-mediation, meeting social expectations	children choir Nyíregyháza -- in cash; local initiatives - in cash, but beneficiaries visit the local branches for counsel with increasing frequency	through classical music, they can reach a social group that is worth the effort as it is characterised by higher qualifications and incomes, i.e. the middle strata, and classical music raises their awareness of the Bank	they know what they spend money on; trend research is carried out to query awareness raising, in-house information supply is established, but these are not monitored
<b>Magnet</b>	to fill a socially useful function	10% of profits allocated to NGOs -- KAP programme, clients may allocate their own 10% at their discretion; Community House NGO programme under preferential conditions; NGO account-keeping; recommendation card programme interest offered, new client: HUF2-7000; Ádám Fellegi's concert at the bank branch - sponsorship in the form of financial support	not in the focus	impact assessment exists, but monitoring is no objective, 60-65-70% vote, 13-21 thousand people

<b>Company/ Research question</b>	<i>What is the goal of the company's CSR activity targeting classical music?</i>	<i>What type of CSR activity targeting classical music do the companies pursue?</i>	<i>What business and social benefits does CSR targeting classical music generate for the company?</i>	<i>How does the company evaluate and check the results of its CSR activities targeting classical music?</i>
<b>MÁV</b>	nurturing of traditions, support scheme inherited	MÁV Symphonic Orchestra - in cash, in kind, real estate, communication co-operation; 16 culture houses - VOKEZ society; budget shrinking by 5-10% year on year	could not quote any example	they cannot measure it
<b>MFB</b>	value-preservation, support for a noble cause	Gulyás Dénes Foundation - to familiarise people with the opera, financial support, irregular singing lesson, 10 operas in new versions; Weiner Szász Chamber Symphonic Orchestra - complimentary ticket in return; Szent Efrém Male Choir; Habilitas scholarship study support	altruistic sponsorship - no publicity value, no profit, society - number of persons to be reached should be high	no monitoring, but statement of accounts provided
<b>MKB</b>	consolidation of the profile	Liszt Ferenc Chamber Orchestra - records, events, but that has been terminated, in cash - little money, application, financial consulting; MKB scholarship with NGYSZ (National Children's Safety Service), 100 persons intellectual next generation, Christmas concert young Hungarian talent, Nutcracker concert, financial amounts reduced	give and take, it should be profitable for the company to be worthwhile	new clients - retail and business; visibility of the logo and the name
<b>MOL</b>	not an explicit target, value-preservation, nurturing of traditions, pro-quality approach, let's reach many people	previously BFZ, today pop music rather; music lessons with Kaláka at MOL; Talent Support programme, purchase of assets, travel expenses, classical music: the 2nd highest number of applications - in cash, performance, cd	not in the focus	not assessed

<b>Company/ Research question</b>	<i>What is the goal of the company's CSR activity targeting classical music?</i>	<i>What type of CSR activity targeting classical music do the companies pursue?</i>	<i>What business and social benefits does CSR targeting classical music generate for the company?</i>	<i>How does the company evaluate and check the results of its CSR activities targeting classical music?</i>
<b>MrSale</b>	marketing, treated as communication tool, support for a noble cause	Fellegi home concert - financial support	to raise number of buyers	marketing tool measurable, this is not really monitored, a monthly 1-2 hits on the fellegi website
<b>Netpositive</b>	promote the social recognition of classical music, secondary objectives: positive brand/image-building/reinforcement	support of online appearance via their services, website creation, marketing activity - online communication, banner; 1x money for Balázs Horváth's concert; projects - development in an altruistic way; assistance for concert organisation; would provide also financial support in a good financial situation, but thinking rationally, that is less justified	people are grateful, positive feedback, positive image, promotes positioning, started out from altruism but resulted in a positive image, association of positive characteristics	not measured
<b>Nexon</b>	positive brand/image building/reinforcement, keeping of the corporate target group, positive features associated with the company, reinforcement of loyalty to the company via personal attachment	Zugló Philharmonic Orchestra, support in cash for 6 years, grew from HUF 1 to 2 million, divided into three parts; 15 concert tickets since 2008; Pastoral concert series for children; 1. year - BFZ - the relationship was not good; from 2. year on: Zugló Philharmonic, better objective	internal PR, child education, not a marketing tool, may be used to acquire competitive edge	voting 600/4000, but tends to decrease, letter of thanks for involvement in the decision-making process, staff members await the tickets eagerly, internal news portal - 18-20 likes/event, 1-10 clients deemed it a marketing trick and unsubscribed to the newsletter

<b>Company/ Research question</b>	<i>What is the goal of the company's CSR activity targeting classical music?</i>	<i>What type of CSR activity targeting classical music do the companies pursue?</i>	<i>What business and social benefits does CSR targeting classical music generate for the company?</i>	<i>How does the company evaluate and check the results of its CSR activities targeting classical music?</i>
<b>Siemens</b>	strategic objective, not a goal, only a tradition	BTF, MÁV symphonic orchestra: the past; change as of 01 October 2012 prohibited, zero tolerance, efficiency, cost-trimming, rationalisation, CSR linked to technology, innovation - system utilisation, Metropolitan, New York; Schnétberger Foundation, in cash; foundation - Ernst von Siemens, Musical Nobel Prize; musical festival - continuation, because broadcasting is ensured, Miskolc Opera Festival	transactions -- cultural events as a means, feedback, no returns required	not assessed
<b>Vodafone</b>	association with the corporate brand, linked to the core activity	musical support terminated, ad hoc if contacts with a city are good, as in Debrecen, but attempts to support an orchestra have not met the expectations	not in the focus	monthly reports, not measured

## Annex 6: Illustration of factor differences in the category of corporate professionals

Factor Q-Sort Values for Statements sorted by Consensus vs. Disagreement (Variance across normalized Factor Scores)

		Factor Arrays			
No.	Statement	No.	1	2	3
10	Within the CSR activities, the benefits of those targeting	10	-1	0	0
1	I am personally responsible for the degree of openness to	1	2	3	3
14	Company employees are not interested in such corporate philan	14	0	1	0
11	Support for classical music entails the risk that the stakehol	11	-2	-3	-3
18	Corporate support for classical music is needless.	18	-3	-3	-3
3	The returns on CSR in classical music are smaller than those	3	0	1	1
23	If the company gets committed to classical music, it ca	23	3	2	1
22	It is no disadvantage for the company if support for classic	22	1	3	2
33	Companies should pursue CSR activities of several types (in	33	0	1	2
25	Support for popular orchestras significantly improves the ima	25	3	2	1
26	The supporters of classical music are first and foremost the	26	-1	-1	-2
36	Support for classical music improves the assessment of the	36	3	3	2
17	It is difficult to imagine that support for classical music	17	-2	-1	-2
7	To make the companies better known, it is not enough to focus	7	1	2	2
20	CSR activities targeting classical music serve exclusively	20	-1	0	-2
16	By supporting classical music, companies take into account	16	-1	1	0
8	It is more worthwhile for companies to support local than	8	0	-1	1
5	It is more worthwhile for companies to support a different	5	-3	-1	-3
24	It is worth supporting classical music through the sales	24	-2	0	-1
12	Support for classical music does not boost commitment to the	12	-3	0	-1
4	CSR activities in classical music should be treated as a	4	1	-2	-1
29	It is not CSR targeting classical music that is the good	29	-3	-1	-1
6	The corporate scholarship system created for musicians is	6	0	1	2
32	It is better if a company is the sole supporter of a	32	3	1	3
34	It is good if the companies can have a say in how the	34	1	0	-1
21	The love for classical music manifests itself in the work	21	2	0	-1
35	It is an error if companies reduce first the amounts	35	-1	2	0

2	I can't do much for the socially positive judgement of classic	2	-2	-1	0
9	Employees should not be given a say in company decisions conce	9	-1	-3	1
13	It is quite natural that support for classical music brings no	13	0	2	-2
19	Support for the tuition of classical music makes better servi	19	-2	-2	3
15	It is better if others than the company leaders also have a	15	1	3	-2
28	It is worthwhile to support classical music if it gives an	28	2	-2	1
30	Returns on investments are important also for CSR in classica	30	1	-2	3
31	Supporting classical music is only worthwhile for companies if	31	2	-3	0
27	Support for classical music is one of the simplest solutions	27	2	-2	-3

## Annex 7 Illustration of factor differences in the category of musicians

Factor Q-Sort Values for Statements sorted by Consensus vs. Disagreement (Variance across normalized Factor Scores)

			Factor Arrays			
No.	Statement	No.	1	2	3	4
13	It is quite natural that support for classical music brings	13	-1	-1	-1	-1
11	Support for classical music entails the risk that the	11	-3	-3	-3	-3
1	I am personally responsible for the degree of openness to	1	3	2	3	3
18	Corporate support for classical music is needless.	18	-3	-3	-3	-3
26	The supporters of classical music are first and foremost the	26	-1	0	0	0
7	To make the companies better known, it is not enough to focus	7	0	1	1	1
33	Companies should pursue CSR activities of several types	33	2	1	2	3
2	I can't do much for the socially positive judgement of classi	2	-3	-2	-3	-1
14	Company employees are not interested in such corporate	14	0	1	1	-1
28	It is worthwhile to support classical music if it gives an	28	-2	-1	-1	-3
24	It is worth supporting classical music through the sales of	24	2	0	0	0
23	If the company gets committed to classical music, it can do a	23	3	2	2	3
4	CSR activities in classical music should be treated as a	4	0	1	1	0
25	Support for popular orchestras significantly improves the	25	1	0	2	2
27	Support for classical music is one of the simplest	27	0	0	0	-3
5	It is more worthwhile for companies to support a different	5	-1	-3	-1	-2
3	The returns on CSR in classical music are smaller than those	3	1	0	3	0
20	CSR activities targeting classical music serve exclusively	20	0	-2	-2	-2
19	Support for the tuition of classical music makes better	19	1	-1	-2	0
17	It is difficult to imagine that support for classical music	17	0	1	-1	-2
16	By supporting classical music, companies take into account	16	1	2	3	-1
30	Returns on investments are important also for CSR in	30	-1	-2	1	2
29	It is not CSR targeting classical music that is the	29	-2	2	-2	-1
36	Support for classical music improves the assessment of the	36	3	-1	2	1
22	It is no disadvantage for the company if support for classical	22	1	3	1	-1
9	Employees should not be given a say in company decisions	9	-2	1	-2	1

8	It is more worthwhile for companies to support local than	. 8	-1	3	0	2
21	The love for classical music manifests itself in the work	21	3	2	-1	2
15	It is better if others than the company leaders also have	15	2	-2	2	0
6	The corporate scholarship system created for musicians is	6	2	-3	1	1
35	It is an error if companies reduce first the amounts	35	2	-1	-2	1
34	It is good if the companies can have a say in how the	34	1	0	-3	1
31	Supporting classical music is only worthwhile for companies	31	-2	-2	0	2
12	Support for classical music does not boost commitment to the	12	-2	3	0	-2
32	It is better if a company is the sole supporter of a	32	-1	-1	3	3
10	Within the CSR activities, the benefits of those targeting	10	-3	3	-1	-2