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CURRENT SITUATIONS AND FUTURE
PERSPECTIVES OF APPLYING
CORPORATE RESPONSIBILITY IN
FINLAND

Cases: Alma Media, Finnair, Finnvera, Metso, UPM

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FOREWORD

I have read some foreword and acknowledgement texts from other theses with the intention of learning how to write one. However, I quickly realised that this part is where the authors should use their own approach. Therefore, I decided not to follow any format and make it personal.

Conducting this research is a great experience in my life. Throughout the process, I learn and understand more about many things. I also found out inside me some characteristics, skills, and traits etc. that had never been discovered before. In addition, I had a chance to meet more people, especially the interviewees. They are successful and professional individuals with a lot of knowledge and experiences. They opened my eyes, metaphorically talking. And interestingly, at some points of the researching stages, I felt so eager, motivated, and even happy; while at some other points, I felt bored, discouraged, and quite depressed. I suppose that is normal for this kind of work. Also, someone comments that my writing process was too long. That is true, but that was not my plan at all. Nevertheless, I finally finished my work. I am proud of myself for that, no matter what.

I would like to express my deep thankfulness towards my supervisor: Mrs Rosmeriany Nahan-Suomela; and five interviewees from the case companies: Ms Riikka Poukka (Alma Media), Ms Laura Kantanen (Finnair), Mrs Virve Tulenheimo (Finnvera), Mr Jukka Seppälä (Metso), and Ms Kaisa Vainikka (UPM). I also would like to send my sincere appreciations to my dear friends who followed and supported me as much as they could. Especially, I'm so grateful having my families standing behind me, giving me strength, confidence, and courage. Besides, I would like to thank all the people that I should be thankful for but cannot remind of right now. Without any single of you, I might not be able to do as well as I did. Thank you very much!

Another stage of my life is coming to an end. I do not hesitate to take my step forwards. Future has a lot of surprises to offer. Everything starts from today.

Vaasa, 01st May, 2012

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ABSTRAKT

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Corporate Responsibility (CR) är nuförtiden ett mycket populärt begrepp inom näringslivet. Intressenter använder CR för att övervaka och utvärdera ett företags verksamheter. Företagen använder CR som en metod för riskhantering, strategisk marknadsföring, och även för att locka nya investerare. Framväxandet av CR i hela världen går mycket snabbt och är nu en självklarhet. Inom loppet av 50 år har CR utvecklats från ett litet initiativ till att vara en viktig del av varje företag. I Finland har begreppet CR antagits och används.

Detta lärdomsprov försöker utvärdera den nuvarande situationen för CR i Finland och ta reda på framtidsutsikterna för användande av CR bland finländska företag. Denna studie försöker även göra några förutsägelser angående potentiella trender inom området CR samt erbjuda förslag på hur man kan använda CR i framtiden.

En kvalitativ metod användes som främsta verktyg för studien. Data, siffror, och information har samlats in genom olika källor. Fem intervjuer genomfördes med representanter från företagen - Alma Media, Finnair, Finnvera, Metso och UPM. Dessa intervjuer gav denna studie primärdata. Sekundärdata samlades in från relevanta böcker, tidskrifter, dokument m.m.

Resultatet visar att finländska företag numera integrerar CR mer och mer i sina dagliga verksamheter. De har planerat, utfört, och kontrollerat CR aktiviteter mycket bra. De har åstadkommit positiva resultat. Dessutom har de tydliga och ambitiösa planer, strategier och förväntningar angående CR i framtiden. Lärdomsprovet behandlar även flera potentiella trender och förslag till CR applikationer i Finland under de närmaste åren. Dessutom behandlas också för fortsatta studier vissa frågor gällande CR inom Finlands företagsmiljö.

Sammanfattningsvis kan det konstateras att tillämpningsprocessen av CR i Finland har fått positiv feedback och begreppet CR förväntas anpassas och användas mera i framtiden.

Nyckelord Corporate responsibility, Finland, finländska företag

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ABSTRACT

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Corporate Responsibility (CR) has been a very popular concept these days in business life. Stakeholders use CR to monitor and evaluate a company's operation(s). Companies use CR as a method of risk management, strategic marketing, and even in attracting new investors. The emerging of CR worldwide is really fast and obvious. Within 50 years, CR has developed from a small initiative to be an important part of every business. In Finland, the concept of CR was also adopted and utilised.

This paper tries to evaluate the current situations of CR in Finland and find out the future perspectives of using CR among Finnish enterprises. The study would also like to make some predictions about possible trends in CR field and offer some suggestions of how to apply CR in future.

The study employed qualitative method as the main tool. The data, figures, and information were collected through different sources. The researcher conducted five in-depth interviews with representatives from five case companies – Alma Media, Finnair, Finnvera, Metso, and UPM. Those interviews gave this study primary data. Secondary data were collected from relevant books, journals, and documents etc.

The findings show that Finish companies nowadays integrate CR more and more into their daily businesses. They have planned, executed, and controlled CR activities very well. They have accomplished positive results. Besides, they have clear and ambitious plans, strategies, and expectations for CR in future. The paper comes up with several potential trends and suggestions for CR applications in Finland in the next several years. In addition, for further studies, some CR issues in Finnish business environment are listed.

In conclusion, the CR applying process in Finland has seen positive signals; and the concept of CR is expected to be adapted and utilised more in future.

Keywords	Corporate responsibility, Finland, Finnish enterprises
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1. INTRODUCTION

1.1 Background of the study

As innovative technologies and new patterns of living are coming, people simultaneously tend to care more about the future. Businesses and enterprises are now watched and monitored cautiously by many bodies and parties, for example the governments, their customers, stakeholders and other organisations, especially NGOs (non-governmental organisations). Some negative claims are made, for instance: industrial productions destroy the environment, information technology (IT) changes society negatively, utilising more and more natural materials and resources gradually kill the Earth, entrepreneurs nowadays ignore human rights and business ethics in favour of generating profits... There are not just that many of them, and they have not yet stopped increasing in amount. Therefore, it is easy to understand why they become overwhelming forces against business. Consequently, companies nowadays are undertaking different activities in order not to commit in anything regarding 'unethical', 'irresponsible', and/or 'immoral'. Moreover, enterprises attempt to protect themselves, by different methods, against the negative comments which may lead to very bad situations. Rising as the most useful, appealing and outstanding method is corporate responsibility.

There are not many fields of theories and practices on which the debates have been more lively, challenging and intriguing as corporate responsibility (from this point, 'corporate responsibility' will be abbreviated to 'CR'). CR has been supported, advocated, and developed; as well as criticised, disapproved, and depreciated at the same time; from its 'official birth' (approximately in the middle of the previous century). However, despite all the detractions against its reputation, CR interestingly keeps standing on the playfield as an unbeatable participant. That phenomenon happens thanks to a great number of individuals and organisations who consider CR an essential part of modern business and a remarkable field of academic study. More and more studies as well as activities continually contribute in laying a strong foundation for CR, both in theoretical and empirical points of view. From those facts one may conclude that CR indeed becomes an important

and inevitable debating concern not only for scholars but also for practitioners (Carroll 1999; Pearce & Doh 2005. Cited by Galbreath 2008).

Finland, a country which is considered very responsible for every single concern about human beings, of course quickly (and quite easily) adopts the idea of CR. Finnish society has '*a high degree of trust in institutions*' (Habisch ed. 2005, 13). That means Finns believe in each one other about almost everything. If a company said that its production activities do not harm the environment, many of Finnish citizens would accept that as a fact, a commitment. Finns think that people naturally have their own responsibilities; and that gradually, they will fulfil those responsibilities towards themselves as well as other people around them, throughout their life. However, as Habisch ed. (2005) pointed out, the expectations regarding the behaviours of companies is quite high. Although Finns generally believe in things companies say, they at the same time think that the companies did not behave as well as they should towards the profits of society, and in concern to social issues. While within European countries, only 48% of people expect companies should be more responsible, 75% of Finns expect the same thing (Habisch ed. 2005, 14). The data show that Finns strongly require every company to meet their (high) expectations that may compensate their (genuine) believing. In other words, Finns demand because they believe. This is a very interesting point if one pays enough attention to it. The revealed fact also undermines the myth that in societies with high degree of beliefs and ethics, people do not care whether companies' activities are responsible enough or not. Finland, among those societies, is indeed an appropriate environment for CR's existence.

Due to mentioned characteristics and conditions of the host country – Finland – CR has been nourished and developed really well. Finnish government has been promoting CR widely through Corporate Social Responsibility guidelines and the Corporate Responsibility Finland programme; while Finnish enterprises have voluntarily integrated CR into their business agenda for a long time. (European Commission 2007, 83-85.) According to Panapanaan, Linnanen, Karvonen & Phan (2001), Finnish companies were aware of development of CR and many believed that CR would create potential implications for business and markets. The

awareness and belief are probably derived from the needs of Finns for catching up with what is going on in global business activities, and knowing if companies fulfil their responsibilities. The more responsible a company can show, the more reputation and confidence it may gain from the public, because *'firms who are able to engage stakeholders beyond market transactions – which can be imitated by competitors – to develop long-term relationships create socially complex, time-dependent resources based on reputation and trust; reputation and trust can enhance the value of these relationships, which is not so easily imitated by competitors'* (Fombrun & Shanley 1990; Barney & Hansen 1994. Cited by Galbreath 2009)'. Hence, CR turns into an outstanding and useful tool for doing business in Finland, and Finnish companies are progressively managing CR (Panapanaan et al. 2001, 7). That study showed the situations in Finland ten years ago when CR was just applied and it was in the very first stage. Finnish companies tried to adapt CR ideas into real activities and strategies. The study expressed a highly positive point of view that CR results of Finnish companies were very good. In spite of few misunderstandings about and misapplying of CR, Panapanaan et al. (2001) believed that CR maintains an important position for itself in Finnish business context. More important, the study concluded that CR has promising future, i.e. positive potentials. (Although the study conducted by Panapanaan et al. (2001) used the term of 'corporate social responsibility' (CSR) instead of CR, it is still reliable and possible to take the conclusions apply into here, because the concepts and ideas of that study about CSR are similar to the concepts and ideas about CR which this thesis uses.)

A decade has passed from the time of the study of Panapanaan et al. (2001). The contexts of human beings' world and economy have changed dramatically, due to various events, issues, and traumas which happened as time goes. There are more reasons for activists and NGOs to become more hostile towards corporations. CR position in contemporary business for sure has been different compared to the past. The techniques and strategies of how to use CR have modified also. In short, everything has changed. That is the world's situation. How about Finland's?

Respectfully, it would be interesting to learn how Finnish companies apply CR in their daily businesses. There is a need to examine the implementation processes of CR agendas to get certain ideas about CR in Finnish context. Taking advantage on the information and data from that step, it would be convenient for evaluating the results of using CR in business activities. It is a hope that this study may contribute some good points and fair arguments about CR in Finland in recent years. Not just from somebody's point of view and/or for somebody's benefits, one could strongly believe that by evaluating the current situations and predicting the future trends of applying CR in Finland, some valuable lessons and experiences would be learnt. It would help Finnish companies realise their CR strengths and weaknesses, help customers understand more about enterprises' goodwill, and enable everyone to develop appropriate, neutral, and respectful perceptions about CR. Furthermore, this should be useful if the future trends of using CR in Finnish business environment can be predicted. At the same time, proposing several potential suggestions about how Finnish enterprises should apply CR in future could be helpful.

There are strong evidences for a sustainable growth of CR. One may list a lot of them at ease. Extremely speaking, if there is still one person on the Earth who cares about numerous issues about environment, economics, and society etc. which are in relation to business activities; there is still room for CR to exist and be used. Besides, potential benefits of CR so far have not been discovered and unveiled much enough to satisfy people's interests. Researchers, therefore, should keep studying actively about it.

The above paragraphs discussed arguments, motives and beliefs for this thesis to study on current situations and future perspectives of CR activities within the boundary of Finland.

1.2 Research problem, research objectives and research questions

The main research problem for this thesis is: *“What are the current situations and future perspectives of applying CR in Finnish business environment?”*

Based on the main research problem, certain research objectives are built:

- Explain the concept 'CR' and its development as a field of academic study and business practice.
- Evaluate the results of CR activities in Finnish companies at the moment.
- Predict the future trends of CR.
- Propose possible suggestions about how to adopt and integrate CR into daily business activities and strategies.

To achieve those objectives, it is crucial for the thesis to answer certain questions.

For theoretical framework, questions to be answered are:

- What is CR? How was CR born and developed?
- What are the main aspects of CR?
- What is 'business case for CR'? And what are critiques against CR?

Finishing those, the thesis then goes on to answer questions about practical CR activities specified on Finnish context:

- What do Finnish companies think about CR, and how have they integrated it into business strategies?
- What are the main CR activities of Finnish companies? How have the results of those activities been?
- How do Finnish companies communicate to stakeholders about their CR applications?
- What do Finnish companies expect in the future on CR aspects?

For the discussion part, this thesis will answer concerning questions:

- Which trends of CR might possibly become more popular in the future?

- What should (and could) Finnish companies do in their CR activities in next several years?

The research problem, objectives, and questions should be handled interactively and carefully in order to help this thesis achieves theoretical and empirical basic standards.

1.3 Research methodology

This thesis employed qualitative method as the main data collecting method. Besides, both primary data and secondary data were used. However, the degrees at which those types of data are used depend on certain objectives for which those should be applied.

Qualitative method is the most important methodology for this thesis; and it has been used broadly. The exact method from qualitative methods which was employed is in-depth interview. The interviewees are representatives of five Finnish enterprises.

Primary data were collected mainly by qualitative method mentioned above: in-depth interviews. The interviewees are relevant representatives of case companies. One reason to use interview is that they can provide valuable insights, perceptions, and visions supporting the arguments of the thesis. The interviews were held with representatives from the following companies and corporations: Alma Media Corporation, Finnair Group, Finnvera, Metso Corporation, and UPM Corporation. They are major players in Finnish market and business environment. They have employed different approaches to applying CR and gained results at various degrees. Therefore, the primary data would be reliable and useful.

Secondary data should be collected from the case companies' periodical reports and other organisational documents such as press releases, publications etc. related to CR agendas, projects, and campaigns etc. Besides, previous studies on CR should be taken in account. Of course, authors should be professional and have considerable credits as well reputations in the field of CR.

More details about the research methodology of this thesis will be explained and discussed later in a separate chapter.

1.4 Structure of this thesis

This thesis follows a comprehensive structure so that readers may easily go through it without any difficulties. This section is supposed to help readers in getting to know how the structure of this thesis is.

The thesis starts with theoretical aspects of CR. One can learn what CR is, why it is important, how it has been recognised and applied etc. The paper also provides readers with several definitions about CR because there are a lot of them out there. People are still debating to find out the one and only definition for CR, but they are not successful just yet. This is a very intriguing issue of the field. Another important section in this paper is the one where the researcher presents different aspects of CR. Besides, there are ‘business case for CR’ and critiques against CR to be discussed, so that readers may acquire the whole picture about CR in practice, not solely positive or negative images. After this section, one probably understands enough about CR to move on reading the following parts of the thesis.

Before coming to empirical chapters, readers will go through a section in which they have a look at how the thesis was conducted. Research methodology part will explain the process of how this paper was written, the methods it applied and relevant issues. Getting to know those things may help one create in his or her mind concepts of methods and writing instruments of this thesis. Readers can also come up with some appropriate standards, as well as evaluating criteria for the works of this thesis.

After research methodology chapter, readers come to empirical part which includes two chapters. The first chapter presents, discusses and analyses the current situations of CR in Finland. Readers may receive interesting information about CR activities in several Finnish companies to get a clear picture. The second chapter focus on future perspectives of applying CR from Finnish enterprises’ points of view. Which are the benefits, outcomes, or results (which may compensate for

the commitment in doing CR at the moment) that Finnish companies would like to gain in future? The thesis tries to answer that concerning question. The last part of this chapter is where the writer discusses CR in general and makes some predictions. What are the potential trends of CR in next few years? How should Finnish companies use CR in their business? This paper proposes several suggestions for companies and the government about how to apply, integrate, and justify their CR activities in order to achieve the most desirable results.

In the conclusion chapter, the researcher examined the thesis as a whole and concluded it in short. Several issues in the field of CR are listed for further studies and researches. This chapter ends the paper.

In short, the structure of this study is quite simple. Thanks to that, readers may conveniently follow the whole thesis and understand its main ideas.

2. THEORETICAL FRAMEWORK

2.1 Short history of Corporate Responsibility

CR has its own story of the process how it was ‘born’, developed and constructed through time. The history of CR maintains somewhat unclear and researchers still argue about that. However, for us to get to know a short history of CR, we need not to know about all the debates among those researchers. Here in this thesis, a piece of work from Archie Carroll (2008) is used as a basic understanding about the history CR.

In his text, Carroll (2008) tried to draw a clear picture of the forming and developing of CR through a long period of time. He divided the whole process into several sub-periods based on the order of time as well as typical issues on CR about which each sub-period concerned. Carroll (2008) also pointed out main contributions and leading writers for and against CR in each sub-period. Not less important, he attempted to set generalised point of view about CR from various definitions, frameworks, and theories.

The first historical period of CR is before 1950s. At that time, CR was covered by other terms such as ‘*trusteeship*’ and integrated into theories as a vague concept. In 1930s and 1940s, people started to recognise what CR is about, though that acknowledgement stopped at certain level. Theories about CR could not be developed well in this period and therefore it should be very difficult to make any clear conclusion or summary about how the conceptualisation development of CR was. (Crane, McWilliams, Matten, Moon & Siegel eds. 2008, 24.)

CR had its formal birth within the fifties of 20th century (Crane et al eds. 2008, 24). He supported for his argument by presenting several pioneers in the field of CR and their important works. Those contributors are Patrick Murphy, Morrell Heald, and especially William C. Frederick and Howard R. Bowen. Bowen is the first person who articulated an initial definition of CR, but by the name of ‘*social responsibility*’, due to fact that there was not of usual for using the word ‘*corporate*’ at that time. Carroll went on to suggest that Bowen should be considered

'*Father of CSR*' (or in accordance with this thesis' terminological context, 'Father of CR') (Carroll, 2006. Cited by Crane et al eds. 2008, 25). To summarise the CR conceptualisation and adaption process in 1950s, the writer asserted that '*the decade of 1950s was the one of more 'talk' than 'action'*' (Crane et al eds. 2008, 26). Though Bowen had put on the table many interesting issues about CR, no one really took them into practical exercises. However, thanks to the years of 1950s and mentioned authors, CR was gradually made into shape, and considered as a field of study as well as a practice of business. (Crane et al eds. 2008, 26-28.)

The 1960s was the '*proliferating period of CR concepts and practices*'. With respects to CR, authors in this period attempted to specify on what CR really means. The result was that business ethics' practices were categorised into several topics such as customer relations, philanthropy... However, this period is considered more talk than action on field of CR study and the process was fairly slow.

In contrary, CR had its accelerating development in the 1970s. In that decade, many contributors took part in the debates in order to conceptualise CR by different viewpoints. Among remarkable writers, some could be listed such as Morrell Heald with '*The Social Responsibilities of Business: Company and Community, 1900-1960*'; or Harold Johnson with '*Business in Contemporary Society: Framework and Issues*'... In 1979, Carroll proposed another definition about CR. Actually, he drew a four-part concept which suggests that '*the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organisations at a given point in time*' (Carroll, 1979. Cited by Crane et al eds. 2008, 33). This four-part definition received different responds from supporters and critics. The study from Dubbink and Van Liedekerke (2009) totally objects to Carroll quadripartite model of CR. However, most of studies in 1970s, 1980s and even now have applied the concept designed by Carroll. Not only contributed in general concept aspect of CR study, Carroll also advocated for managerial approach to CR. This approach means that business should apply CR into its traditional management functions (Crane et al eds. 2008, 34). To be short, in the 1970s, CR was defined by many authors under many terms and perceptions. There was still more talk than action. However, '*legislative initiatives during the*

1970s mandated that companies create organisational mechanisms for complying with federal laws dealing with the environment, product safety, employment discrimination, and worker safety' (Crane et al eds. 2008, 34). That fact, by one way or the others, might motivate corporations think more about CR.

More complementary concepts and themes to CR are proposed and discussed in the 1980s. Two among many important alternative themes of CR created in that period were *'stakeholder theory'* and *'business ethics'* (Crane et al eds. 2008, 36). Surprisingly enough, business ethics is the alternative concept of CR at first. However, on the development processes of studies, CR is usually listed as one sub-part of business ethics. Although there was not many new refined definition of CR in the 1980s, *'the interest in CSR did not die out; rather, the core concerns of CSR began to be 'recast' into alternative or complementary concepts, theories, models, or themes'* (Crane et al eds. 2008, 34). This process continued in the 1990s and it should be safe to say that very few unique contributions to the concept of CR occurred within the last ten years of 20th century (Crane et al eds. 2008, 37).

First decade of 21st century, on the other hand, has witnessed a great deal of development in CR as a field of business study and practice. Nevertheless, empirical research has been used much more than theoretical one. CR is considered more practical than ever. Obviously, in the very competitive markets, utilising CR should be the good way for companies to gain success. Therefore, the link between CR and competitiveness (or sometimes being referred as *'business case for CR'*) has become the centre of attention (Crane et al eds. 2008, 42). Globalisation is an importantly incentive factor for CR's application and awareness among people. The perspectives of CR as well as its potential future are clear. The problem for further studies on CR is that to find out which party, or parties, play(s) the most important role(s) in business success, not mention to business itself (Crane et al eds. 2008, 42).

Carroll (2008) narrated clearly and specifically the history of CR. One should be aware of the main streams and trends of CR through different periods of time. The

future of CR is not easy to predict. However, one may believe that in near future, CR will become more and more important. It's a new trend of doing business; consequently, no one can stand aside.

2.2 Definitions of Corporate Responsibility

Until now, people have not agreed on a universal, common, final definition of CR. The reason is that CR includes a vast range of issues and in order to sum it up, scholars have a lot of things to do. As one may know from the history of CR, there were many different concepts describing CR activities, such as '*corporate social responsiveness*', or '*corporate social performance*'; and recently we also see the term '*corporate sustainability*' or '*corporate citizenship*'. CR means different things to different people; sometimes it depends on what the people think and what they want.

In their book, Blowfield & Murray (2008) do not come up with a real definition of CR but they draw a picture about CR with its elements, including legal compliance, philanthropy and community investment, environmental management, sustainability, human rights, workers' rights and welfare, corruption etc. They argue that '*no single definition is sufficient to capture the range of issues, policies, processes and initiatives*' (Blowfield & Murray, 2008, 16) so that they used CR '*as an umbrella term that captures the various ways in which business' relationship with society is being defined, managed, and acted upon*' (Blowfield & Murray, 2008, 16).

As it was stated in the previous section, Carroll has credit for the pyramid model of CR. His thesis about CR suggests people to understand this concept as a big body which is contributed by four kinds of social responsibilities: economic, legal, ethical, and philanthropic responsibilities. Those four groups are usually called layers of CR. (Crane, Matten & Spence eds. 2008, 62.) Next section will discuss more those four layers. Carroll, just like Blowfield & Murray, did not come up with a clear and short definition about CR. He also built a big term that covers a large range of business activities in which CR involves. This theory of

Carroll has been criticised by few researchers, but it is still applied by many studies even in the 21st century.

Utilising the same approach, the European Commission – Employment & Social Affairs (2001) considered CR a concept with two dimensions: internal and external. Internal dimension includes human resource management, health and safety at work, adaptation to change, and management of environmental impacts and natural resources. External dimension contains local communities; business partners, suppliers and consumers; human rights; and global environmental concerns. This model could be used as the suggesting common model for all members of the European Union (EU). Besides, the EU defines CR as follow: *‘CSR is essentially concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment... not only fulfilling legal expectations, but also going beyond compliance and investing ‘more’ into human capital, the environment and the relations with stakeholders* (European Commission – Employment & Social Affairs, 2001, 5-8).’ However, they noticed that people shouldn’t use CR *‘as a substitute to regulation or legislation concerning social rights or environmental standards* (European Commission – Employment & Social Affairs, 2001, 8)’. The law should be achieved if it is needed; only CR activities of companies cannot help the society stay in a desirably good situation.

After few paragraphs above, readers only went through three among hundreds of definitions and conceptual ideas about CR (CSR as it is mentioned in some cases). About this subject, researchers and scholars are still arguing and debating. The debates have begun from a long time ago. Many people have been taking part in the debates to try to find out what CR actually is. They bring various opinions, theses, and ideas etc. to this field of academy. Most remarkable contributors of CR’s researching are Archie B. Carroll, Andrew Crane, Tom Dunfee, Bill Frederick, David Vogel, Alison Mackey, Tyson Mackey, Jay Barney, Tom Donaldson, Peter Pruzan, Ulrich Steger, Duane Windsor etc. Throughout the time this thesis was being written, the writer did not have opportunities and enough time to read all the works of mentioned authors. Therefore, this paper is not able to discuss deeper and wider about the debates on CR. In general, according to the research-

er's opinion, arguments and debates from many sides focus on the origin of CR, what CR really is, what CR includes, and if it is realistic for business to apply CR.

There are many ways to understand about CR. In this particular thesis, CR is defined as all the activities, performances, and initiatives in which a company is expected to commit; so that the company may contribute not only for its own interests but also for the benefits of the society to which that company belongs. CR in this thesis is not a sub-category of business ethics; and the term '*corporate responsibility*' (CR) may be considered as same as '*corporate social responsibility*' (CSR) which is used in some other literatures, studies, and researches.

2.3 Aspects of Corporate Responsibility

As mentioned in the previous section, CR contains four layers: Economic Responsibilities, Legal Responsibilities, Ethical Responsibilities, and Philanthropic Responsibilities. (Schwartz & Carroll, 2003. Cited by Dubbink & Liedekerke 2009.)

When economic responsibilities of a company is about maximising the profits, maintaining strong competitive edge, operating business efficiently; legal responsibilities focus on a company's performances and behaviours which consistent and comply with various rules, regulations, legislations, or laws. Those two groups of responsibilities build first layers of the pyramid. They sometime are merged into a big group: compulsory responsibilities. (Crane et al eds. 2008.) The next two are more about expectations of society towards the company.

Ethical responsibilities include the performances of company which meet the expectations of societal mores and ethical norms. This layer of CR '*is in dynamic interplay with the legal responsibility category to broaden or expand at the same time placing ever higher expectations on businesspersons to operate at levels above that required by law*' (Crane et al eds. 2008, 64). This is a special characteristic of ethical responsibility group.

The highest layer of CR is philanthropic responsibilities, for example the company take actions that consistent with the philanthropic and charitable expectations of society. Company's supports to arts, voluntary activities, education... are also

considered performances of this category of CR. This layer was distinguished to the previous in the sense that philanthropic responsibilities are expectations from the society that even if the company cannot meet, it would not be regarded as unethical. *'Therefore, philanthropy is more discretionary and voluntary on the part of business even though there is always the societal expectation that businesses provide it* (Crane et al eds. 2008, 65)'.

The mentioned model from Carroll has been used since 1979. It also attracts many critiques from the public. Actually, CR is a huge field of academy and business practice. Different scholars and practitioners may come up with different theories about aspects of CR. However, in this paper, the researcher decided to recognise and apply three major aspects of CR: Economic Responsibility (EcoR), Social Responsibility (SocR), and Environmental Responsibility (EnvR). Following paragraphs discussed about those aspects and how they can support the whole research.

EcoR means the responsibility of companies towards the economy and their shareholders. It requires companies to fulfil their business purposes, make profits, and bring benefits to the owners. Also, companies should contribute to the developments of local and global economies. This aspect is mostly the same as Economic Responsibility layer of Carroll. This aspect of CR is quite important. It is something added to CR to ensure the shareholders that if companies apply CR, it does not mean that they forget the main business function.

SocR may include a lot of issues, from employment engagement, responsible leadership, community commitment, occupational safety and healthcare etc. SocR is the main aspect of CR because it deals with social topics. This aspect somehow related to Carroll's Legal, Ethical, and Philanthropic Responsibility layers.

EnvR is considerably new yet really important nowadays. It is related to the impacts of companies on the environment where they have operations. Companies are expected to act sustainably and support to reserve the nature. By that, companies and societies could cooperate to keep a good environment for human beings

and save natural resources for next generations. This aspect has common elements with Legal, Ethical, and Philanthropic Responsibility from Carroll's theories.

In the researcher's point of view, examining the EcoR of Finnish companies would bring good information to the readers in order to understand the whole picture of CR. Besides, the study uses SocR as one standard for evaluating CR performances of the case companies. In addition, the EnvR is studied quite carefully in this paper. The researcher hopes readers would be able to achieve a certain level of awareness of the situations of EnvR among Finnish companies at the moment.

Mentioned aspects – EcoR, SocR, and EnvR – are used in this research in order to provide the readers with the view of current situations and future perspectives of applying CR in Finland as completed as possible.

2.4 Business case for Corporate Responsibility

The definitions and other perspectives about CR were mentioned in previous sections. By now readers may have the general ideas about CR and relevant activities. The readers may have understood deeper and clearer about CR as a field of academic research. Nevertheless, everything seems merely to be theories and hypotheses. One may ask if there was any proof and/or cases that could prove the benefits from applying CR. That question has been a concern for many economists and business persons all the time. Fortunately, researchers have been trying restlessly and have found out from practices that CR does improve business, enhance companies' competitiveness, and directly or indirectly promote an enterprise's brand(s). Researchers use the term '*business case for CSR*' to name any evidence which can prove that CR has positive influence(s) on business. In this paper, the term in use is '*business case for CR*'.

The business case for CR has been more required nowadays in business life, and its importance is more obvious, because it's '*demonstrating a positive correlation between corporate responsibility and business performance (especially financial performance) [...] in this way, it greatly increases the likelihood that corporate*

responsibility practices will be adopted (Blowfield & Murray 2008, 131)'. In other words, the business case ensures that CR could be more reliable to ones it may concern. In the same book, Blowfield and Murray also discussed more benefits of business case for CR. They mentioned that business case may '*help managers to understand why they should be paying attention [on CR] and to what they should be attending, [...] help companies to explain the importance of social and environmental performance to investors, and vice versa* (Blowfield & Murray 2008, 131-132)'.

Business case for CR is divided into three types of relationships (Preston & O'Bannon, 1997. Cited by Blowfield & Murray 2008, 134):

1. *that within which CR relates to financial performance;*
2. *that within which financial performance relates to CR; and*
3. *that within which CR and financial performance are synergistic.*

As one may see from this way of dividing, business case researchers focus on financial performance, because it is a core attention for any businessperson, as well as investors, stockholders etc. Besides, from Preston & O'Bannon's point of view, CR and financial performance have a correlation which is quite close and tight. By a sense of economic theories, CR may or may not increase or decrease the quality of financial performance in every business, and to define the effects, which may be positive, neutral, or negative between CR practices and business performances, we must do some researches. (Blowfield & Murray 2008.)

Because business case is some kind of intangible proof and the methodologies to measure, evaluate, and demonstrate it are different among scholars and theorists; sometime it causes struggling debates and confusing interpretations. However, the business case for CR is considered crucial for the developing of CR as a field of academic study and a real practice for business. In order to achieve the very basic goal just described, researchers have to show some effects of CR on various business performances. Fundamental questions for studying on business case for CR are (Blowfield & Murray 2008, 132):

- *What evidence is there of a business case; and*
- *How does its presence or absence affect corporate responsibility now; and*
- *How will it affect it in the future?*

There are remarkably a lot of studies and practical projects which conducted to do such efforts. However, making a business case for CR is not an easy task. There are two main ‘*stumbling blocks*’ that researchers encounter when studying about CR’s business case (Salzmann et al. 2006. Cited by Blowfield & Murray 2008, 145):

1. *The complex of parameters (e.g. technology, regulatory regime, company visibility) and variables (e.g. locations, industry, country, time) that can affect outcomes.*
2. *The difficulty of detecting the impact of corporate responsibility, because, except in a small number of areas – notably, eco-efficiency and reputation – it tends to be marginal to business practice for most companies and industries.*

Despite different obstacles and difficulties in making a business case for CR, new studies are been making continually. This paper would especially discuss the study of SustainAbility which was conducted about ten years ago.

From 2001 to 2002, SustainAbility – a consultancy company – reviewed multiple reports, case studies and academic analyses about the business case for CR to find out the correlations between certain dimensions of CR and business measures. The study was executed in cooperation with the UN Environmental Programme. Not only provided several interesting findings, the research ‘*has been made central to claims for the efficacy of corporate responsibility by influential management thinkers* (Blowfield & Murray 2008, 138)’. Figure 1A presents results of the mentioned study.

		Dimension of corporate responsibility									
		Ethics; values, principles	Accountability and transparency	Adoption of triple bottom line	Eco-efficiency	Environmental products	Social development	Human rights	Working conditions	Business stakeholders	Non-business stakeholders
Business measures	Shareholder value				+					-	-
	Revenue	-							+		
	Operational efficiency				+		-	-	+		-
	Access to capital	-			+					-	-
	Customer attraction									-	
	Brand value and reputation	+	+		+		+	+			+
	Human capital								+	-	
	Risk management	+			+	+		+	-		
	Innovation	-		-	+	+		-			
	Licence to operate					-	+	+	-		+

+	Strong impact of CR on business performance
	Some positive impact of CR on business performance
-	Neutral or negative impact of CR on business performance

Figure 1A: Areas of correlation between CR and business performance
 (Adapted from SustainAbility et al. 2001 & 2002. Cited by Blowfield & Murray 2008, 139)

According to Figure 1A, the dimension of CR which has the least impact on business performance is *business stakeholders*. From the result, this dimension interestingly has neutral or negative impacts on *shareholder value*, *access to capital*, *customer attraction*, and *human capital*. This information suggests that when companies execute activities involved CR's principles in relations to their business stakeholders (for example partners, competitors), those activities would bring some neutral and even negative impacts on business performance, including *shareholder value*. In the researcher's opinion, this assertion is quite suspicious and controversial. It requires further studies to make the issue clear and/or find out a reasonable explanation.

On the contrary, *eco-efficiency* appears as the best dimension when it has strong positive impacts on six out of ten of the business measures used in the study, including: *shareholder value*, *operational efficiency*, *access to capital*, *brand value and reputation*, *risk management*, and *innovation*. This finding is not so surprising, because environment issues are emerging matters of modern business. *Human rights*; *working conditions*; *ethics, values, principles*; *environmental products*; *social development*, and *non-business stakeholders* also have strong positive impacts on several measures of business performance. *Accountability and transparency* dimension joins the group by showing its strong positive impact on *brand value and reputation*. Generally, almost all dimensions of CR have correlations with business performance. The business measure(s) on which each dimension affects and the positive/neutral/negative degrees of those effects, nevertheless, greatly vary.

From the same figure, readers may see that the greatest positive impact is on *brand value and reputation*. It gets influences from six dimensions of CR: *ethics, value, principles*; *accountability and transparency*; *eco-efficiency*; *social development*; *human rights*; and *non-business stakeholders*. That result suggests that consumers nowadays tend to purchase products from companies who care about interests of society. By acting and operating in accordance with basic ethical and moral rules, companies may ensure that their brands will be more well-known and their reputations will spread wider. *Risk management* and *licence to operate* also

have positive correlations with CR activities. One should notice something here: those three business measures mentioned above more or less have little connection with monetary value evaluations. It can suggest that CR affects stronger on intangible aspects of business. Noticeably, *customer attraction* is under considerably little impact of CR dimensions. It is possible due to the fact that other factors such as product quality, product design, marketing channels, advertisements, promotions etc. are the more important to gain the attentions of customers, not only some ethical and/or moral values attached to the products or brands.

SustainAbility then took a further step to realise which is/are the strong evidence(s) and which is/are the weak one(s) for the correlations between CR and business performance. It found out that in the study 65% of the data sources were considered weak (Blowfield & Murray 2008, 140). SustainAbility decided to use only strong evidence(s) to conduct the study again, and the new result is believed to be more specific and accurate than the first one (which used all the data). Figure 1B illustrates the latter findings.

		Dimension of corporate responsibility									
		Ethics; values, principles	Accountability and transparency	Adoption of triple bottom line	Eco-efficiency	Environmental products	Social development	Human rights	Working conditions	Business stakeholders	Non-business stakeholders
Business measures	Shareholder value				+						
	Revenue								+		
	Operational efficiency				+		-	-	+		
	Access to capital				+						
	Customer attraction										
	Brand value and reputation	+					+				
	Human capital								+		
	Risk management	+			+						
	Innovation			-		+		-			
	Licence to operate										
	+	Strong evidence for positive impact of CR on business performance									
	Weak evidence for any positive or negative impact of CR on business performance										
-	Strong evidence for neutral or negative impact of CR on business performance										

Figure 1B: Areas in which there is strong evidence of a correlation between CR and business performance

(Adapted from SustainAbility et al. 2001 & 2002. Cited by Blowfield & Murray 2008, 141)

From the result one may recognise that *eco-efficiency* is still the most significant dimension of CR, along with *working conditions* and *ethics, values, principles*. *Environmental products* and *social development* are other dimensions contain strong evidences for their correlations with business performance. Besides, the areas of business for which there are strong evidences that CR has impacts are *operational efficiency* and *innovation* (both positive and negative). *Brand value and reputation* and *risk management* are also influenced by different CR dimensions, as strong evidences for the correlation pointed out.

After categorising the data, SustainAbility weighted strength of them and found some interesting information. In addition, the studies from SustainAbility are subjected to criticism from many scholars as well as practitioners. Many people doubt about the data sources, whether they were reliable; and also about the methodology, whether it was proper. The studies have caused a lot of debates and require further researches. (Blowfield & Murray 2008.) However, in a limited context of this thesis, those issues will not be discussed any further.

Business case for CR, as discussed in this section, is important. However, the methods and approaches to define and evaluate impacts of CR on business performances, especially financial performance, are controversial. To find business case for CR, researchers sometimes fall to a trap when re-defining or neglecting business fundamental purposes. That action causes critiques from liberal economists who claim CR misleads companies from their main goals, e.g. shareholder value. CR advocates nowadays redirect studies in a way that promotes CR as an efficient tool for businesses to utilise in their long-term strategies. Defenders of CR think that current research methods are limited and unable to reveal potential benefits of CR from future perspective. A new kind of business case for CR has been shaped; giving a hope for CR to prove its advantages; so that more companies will voluntarily put their trusts on and use CR in their activities. In case CR (and its followers) cannot do so, it will lead to more critiques. Nevertheless, the last decades showed failures of business strategies and downward trends of companies' profits. In that situation, CR may offer new ways to grow. (Blowfield & Murray 2008.)

In conclusion, the researcher thinks that business case for CR is the most proper way for CR to gain more credits and trusts. It can even enhance CR's strengths and fame. However, to achieve that goal, there are many difficulties to get through, many issues to figure out, and many problems to solve.

2.5 Critiques against Corporate Responsibility

One cannot disapprove the positive influences of CR on business, especially after last section. However, CR does have weaknesses. Economists and other scientists suggest that CR maintains some defaults. Liberal economists usually produce the most aggressive critiques against CR. Theorists and practitioners have also raised some questions and doubts, e.g. what CR exactly means (as discussed in section 2.2) and how CR should be implemented etc. (Blowfield & Murray 2008.) There are different attitudes towards CR. It depends on the way that how each individual perceives and thinks about CR. This section is aimed to present several critiques, along with relevant defence arguments. Due to the fact that the researcher considers himself a CR supporter, some responds from the researcher for critiques on CR are stated.

In their book, Blowfield and Murray (2008, 340) divided the critiques against CR into four types as follow:

1. *Corporate responsibility stifles the primary purpose of business and, ultimately, hampers the functioning of the markets.*
2. *Corporate responsibility favours the interests of business over the legitimate concerns, demands, and expectations of wider society.*
3. *Corporate responsibility is too narrow in its focus and does nothing to address the key aspects of the business-society relationship today.*
4. *Corporate responsibility is failing to achieve its objectives and needs to adopt new approaches if it is to succeed.*

Profits are what businesses aim for, and financial performance is really important. A company is responsible to maximise profits, increase shareholder value, and bring more interests back to investors. When CR emerges and claims itself as a new and useful part of business activities, critiques simultaneously arise. Many people do not think and believe that CR might bring benefits for enterprises, or on a larger scale, for the economy. ‘*CR’s critics like to make that it [CR] is anti-growth and that it therefore deprives people of the benefits of economic growth that, for example, have raised living standards in successful economies* (Blowfield & Murray 2008, 144).’ There is also an opinion goes like this: ‘*business exists to make profit for their stakeholders – not to support society* (Asbury & Ball 2009, 79)’. They are very attractive assertions to academic scholars and business practitioners. In order to respond to those critiques, one should think about the connections among society, economy, and environment. It is not simple that companies are established to serve economic or their stakeholders’ needs, but also society’s and environment’s needs. That is what CR means to aim to. Asbury & Ball (2009) argued that CR helps to balance the needs, and if companies know how to adapt CR, they can build customer loyalty, increasing market share, harness in-house potential through raising staff morale, increase long term viability and success, and also bring the benefits to the whole supply chain through ‘*more closely aligned objectives*’. In the researcher’s opinion, that argument is reasonable and reliable. The companies need to balance their organisations’ benefits and stockholders’ incomes with society’s and environment’s privileges. This argument can also be used to reply to the second type of critiques from the book of Blowfield & Murray (2008). That critique type sounds unreasonable and ill-considered, from the researcher’s point of view.

The third type of critiques that Blowfield & Murray (2008) indicated is actually badly conducted, perhaps by bad analyses. As mentioned in previous parts of this paper, CR covers a huge range of activities; from EcoR, to SocR and EnvR; or according to Carroll (1979. Cited by Crane et al eds. 2008, 62): from Economic responsibility, Legal responsibility, Ethical responsibility, to Philanthropic responsibility. Those main dimensions/layers of CR include various topics such as business’ purposes, employee commitment, occupational health care and safety at

work, water conservation, biodiversity, carbon dioxide emission reduction etc. This study cannot research on all of the areas that CR contains. Hence, in the researcher's opinion, the third critique makes no reasonable argument.

The fourth type listed by Blowfield & Murray (2008) is similar to the critique that Asbury & Ball (2009, 80) mentioned in their book. It goes like this: '*Struggling businesses are just trying to survive hard times – they can't afford to do this [CR]*'. Those two ideas in fact supplement each other. The opinion from the book of Asbury & Ball appears as one of possible explanations for the fourth critique type listed by Blowfield & Murray. So far, in the whole business world, and among the case companies of this research, CR does achieve positive results. Of course saying CR has produced no bad outcomes is not true. However, in general view, the results for CR are obviously realistic. For the thought about the relationship between struggling businesses and CR, Asbury & Ball (2009) responded that if a company is struggling, CR becomes even more important. They argued that if these businesses ignore CR, they might end up with unexpected consequences. First of all, they might have to pay for cleaning the pollution they made, and might be prosecuted or fined. Secondly, they may also accidentally attract unpleasant attentions from NGOs, public, media etc. Another point is that they may lose valuable human resources because of discriminations at workplace. Asbury & Ball (2009) straightforwardly stated, '*Well-qualified individuals have a choice about where they earn their living. Will they work for an irresponsible company?*' An irresponsible company also stands in front of the risk of losing customers as well as investors (Asbury & Ball 2009, 80).

In their book, Asbury & Ball (2009, 80) mentioned another critique against CR: '*It's the responsibility of the politicians to deal with all this stuff. It's not up to businesses to get involved.*' It may firstly sound legit, but the situation in real life is much more complicated than that. If one looks at a certain community, it is obvious that businesses have influences on policy-making process. As Asbury & Ball (2009) pointed out, politicians are representatives of a certain community, which also includes some businesses. A lot of those businesses spend a great deal of money in lobbying to seek influence in policy-making decision. That activity

proves that companies do have role in political aspect, whether people like it or not (Asbury & Ball 2009, 80). This response is acceptable but not strong enough to attack the relevant critique. In the researcher's opinion, companies are big and important actors in a certain community. They have powers to affect the policies of that community to favour their interests. It sounds negative, but in fact that is the useful method of risk and reputation management. Sometimes the laws and legislations are quite strange, or not to say ridiculous and inapplicable in practice. If every member of the community has the right to speak up and do something to change the situations, why should companies not do the same?

To summarise, there are many critiques which have been made against CR. The critiques mostly attack on the aspects of EcoR and SocR of business. They rarely mention about EnvR (does not mean that there is none). The key concern here is that *'Should companies focus merely on fulfilling their economic purposes and roles, or also take care of other demands and issues of society and non-economic aspects?'* Many scholars and business practitioners have found out the strong links between doing good and company's profitability. Not few researchers reported the benefits of CR. Therefore, in the researcher's point of view, if a company can make benefits to the environment and society, while it is still able to maintain and increase its profits, ensure its EcoR towards the economy and its stockholders, why would that company stop applying CR?

2.6 Summary of the theoretical framework for this study

Previous sections of this chapter discussed a lot CR and related issues. In this section, the researcher would like to present the theoretical framework for this research. Figure 2 shows clearly the chosen definition and aspects of CR of this study. The definition is the main idea about CR throughout this paper. The aspects are the main elements within CR activities of the case companies that the researcher focuses on. The current situations and future perspectives of applying CR in Finland in the empirical part of this paper will be studied, analysed, evaluated, and predicted based on those chosen aspects. More details could be found in next sections.

Definition on CR		All the activities, performances, and initiatives in which a company is expected to commit; so that the company may contribute not only for its own interests but also for the benefits of the society to which that company belongs. CR in this thesis is not a sub-category of business ethics; and the term ‘corporate responsibility’ (CR) may be considered as same as ‘corporate social responsibility’ (CSR) which used in some other literatures, studies, and researches.
Aspects of CR	<i>Economic Responsibility</i>	The responsibility of companies towards the economy and their shareholders. It requires companies to fulfil their business purposes, make profits, and bring benefits to the owners. Also, companies should contribute to the developments of local and global economies.
	<i>Social Responsibility</i>	Including a lot of issues: employment engagement, responsible leadership, community commitment, occupational healthcare and safety at work etc.
	<i>Environmental Responsibility</i>	Related to the impacts of companies on the environment where they have operations. Companies are expected to act sustainably and support to reserve the nature. By that, companies and societies could cooperate to keep a good environment for human beings, and save natural resources for next generations.

Figure 2: The theoretical framework for this study

3. RESEARCH METHODOLOGY

3.1 Research method

The research method which was mainly employed in this thesis is qualitative method. This is a different method, not a rival one as many may assume, compared to quantitative method. They are actually interdependent from each other.

While quantitative method focuses on measuring and analysing numerical and statistical data by mathematical principles and the likes, qualitative method mostly deals with linguistic and ‘intangible’ data (which is collected by observing, for example). The result is that *‘most analysis is done with words. The words can be assembled, sub-clustered, broken into semiotic segments. They can be organised to permit the researcher to contrast, compare, analyse, and bestow patterns upon them (Miles & Huberman 1994)’*. This is the strength of qualitative method compared to quantitative. Due to the fact that numbers may not reveal properly intangible patterns, qualitative method appears as a strong supporting actor, and in fact, becomes an independent area of research methodology. Not only enables the actions of contrasting, comparing, analysing (which quantitative also can do at some degrees), qualitative method also facilitates researchers to study in depth and details about the issues; which means, by employing qualitative research method, one should be able to understand and absorb some abstract knowledge about the objective(s) in question.

Saying quantitative and qualitative methods are interdependent because they are different ways to conduct researches, but at the same time it is quite limited if someone applies only quantitative or qualitative method in his or her study. Silverman (2001) stated that *‘without a theoretical rationale behind the tabulated categories, counting only gives a spurious validity to research’*. By the same way of thinking and some basic common sense, one may come up with a contrasting opinion that says: *without a scientific calculation behind the abstract findings, interpreting only gives an inaccurate validity to research*. The opinions may sound a bit extreme, but somehow they show the need for qualitative method to support quantitative method and vice versa in research process. Therefore, one

should better use both methods in his or her studies, combining them in a way that may benefit the studies and help the researcher achieve his or her objective(s).

Applying that in this small thesis, both quantitative and qualitative methods were used; but as mentioned above, qualitative is the main tool and quantitative acts as a supplement instrument. Reasons and arguments for using qualitative as the predominant method will be discussed in the next paragraph.

The basic concern of this study is to find out what are the situations and future perspectives of applying CR in Finland, mainly from Finnish enterprises' viewpoints. As this concern suggests, it is more about circumstances, patterns, and opinions rather than statistic, mathematic calculations, and scientific experiment. The research methodology here should be the one that can offer this thesis some solutions to reveal those desired findings in terms of non-numeric data and information. Qualitative, obviously, becomes the most appropriate method. To be precise, in this study, in-depth interview method is employed. This is one method which belongs to '*the qualitative methodology family*', and quite well-known. The following paragraphs will tell more about this type of qualitative method, and present how it was applied in the study.

To understand what an interview is about, one should consider this definition: '*An interview is a purposeful discussion between two or more people* (Kahn & Cannell 1957. Cited by Saunders et al. 2009, 318).' Readers may ask 'What does it mean when saying '*a purposeful discussion*'?' The answer lies already in the word. However, to make more sense, Saunders et al. (2009) explained in more details about the purposes of an interview. According to them, interviewing may bring valid and reliable data as well as information. Those data and information would be value and useful for the research that someone conducts. Interviews may help researchers even at the very first stage of a research. When the researchers have not had research question(s) or objective(s) yet, interviewing someone would give the researchers several ideas about what they should do for their papers. An interview also enables the researchers to be flexible. When the situation is changing as the interview process is carrying on, the interviewers may realise and control it

accordingly. Using of words and non-verbal language benefits too. Besides, there is a very interesting yet important advantage of interview that it allows the interviewees to say out loud their thoughts, opinions, ideas etc. which they have never expressed or even thought about before. That phenomenon leads to the results that more informative, useful, detailed and rich set of data can be collected (Saunders et al. 2009, 324).

Readers should be aware of the fact that there are many types of interviews; each type is appropriately suitable to specific expecting data, information, and outcomes. In their book, Saunders et al. (2009) stated several types, such as structured interviews, semi-structured interviews, unstructured interviews, standard versus non-standard interviews, respondent (participant) interviews, informant interviews etc. According to them, non-standard interviews are qualitative interviews. This type includes face-to-face, telephone, internet and electronic and group interviews.

This thesis used qualitative interview as the main method of collecting data and information. Due to the fact that this research holds exploratory and comparative characteristics, qualitative interviews are reasonable because it meets requirements to acquire real situation(s) of the research problem's subject (here is CR). It also helps to understand participants' positions, opinions, and attitudes (Saunders et al. 2009). They are exactly the purposes which this thesis has. Hence, qualitative interview should be employed. More exact, this paper is written based on the information that gathered by face-to-face interviews. Another name of this type of interview is in-depth interview.

In-depth interview is useful for exploratory research because it is able to '*find out what is happening [and] to seek new insights* (Robson 2002. Cited by Saunders et al. 2009, 322)'. In-depth interview is a conversation between an interviewer and an interviewee about a certain topic. They discuss deeply, widely, in order to come up with valuable opinions and stances about the topic. They may talk about very detailed aspects, consider different perspectives and perceptions. The conversation should bring a lot of data and information that the interviewee voluntarily

offers and that the interviewer really needs for his or her research. Of course, in most cases, the interviewer should be the controller of the conversation. He or she must have the skills to navigate the talk, ask the right questions, and help the interviewee answer appropriately. If the data and information which is collected from an interview in which the respondent does not focus on main topic and/or tries to avoid answering directly some questions, it may lead to the lack of reliability and validity of the research. Besides, the interviewee usually has a limited amount of time for the interview, so the interviewer must be sure that he or she can ask all the questions and receive all the answers in a given time. Other obstacles such as data quality, preparation for the interview etc. should also be taken in account carefully by the interviewer to guarantee the positive outcomes of the interview. In short, in-depth interview is an excellent tool for exploratory research. However, in order to be successful in an in-depth interview, the researcher should acquire enough competences and keep a cautious attitude. (Saunders et al. 2009.)

For this thesis about CR in Finland, several in-depth interviews were conducted. At first, the goal was to arrange from two to three interviews with different Finnish enterprises, to cover the context of businesses in Finland fairly and accurately. A list of potential companies and corporations was made. A list of individuals and executives, whose tasks to some certain extents involve the field of CR, was also created. Then, the writer sent interview invitations to those persons through e-mails. The total number of sent invitations was quite high because of the fear that selected companies might pay no attention to the invitations if they are aware that this thesis is at low level of academic research and/or due to other reasons. Among the recipients, roughly a half of them answered, from that only eight replies was positive. Finally, five appointments were made, and they are the main in-depth interviews of this thesis. The interviews were conducted in Helsinki in the first quarter of 2011 with the enthusiastic cooperation and supports from Alma Media Corporation, Finnair Group, Finnvera, Metso Corporation, and UPM. They are five major participants in Finnish business environment.

Readers may ask why this thesis does not focus on just one case company but several ones. An appropriate and practical answer for that question is in fact pretty

simple. If there is only one company being taken in account, the data and information might be limited and biased. Moreover, researching on just one case may cause the risk for researcher of facing some problems from the company. In the worst scenario, that company could become a really good actor who wants to hide some information which is not expected to be publicised. Besides, interestingly enough, managers may operate the business well in accordance with CR principles when the study is being conducted but after that everything may change. Consequently, the study results would be extremely unpractical, unreliable, and lack validity. Therefore, studying on the sample which includes several enterprises is an appropriate and legitimate approach. Actually, this method is not new. It has been used fairly much in CR studies. One of the studies on CR which used this approach is the study of Panapanaan et al. (2001). That research also investigated on Finnish companies, but in a much larger scale than this small thesis. Nevertheless, by applying that proper method in conducting the empirical part, this thesis is expected to achieve its objectives.

3.2 Sources of data

In this thesis, data came from different sources. However, they belong to two main groups: primary data and secondary data. Theories of primary and secondary data, as well as more information about how those two types of data were used in the paper can be found in this section.

3.2.1 Primary data

Primary data is the data which collected by researchers through different methods. This type of data has several advantages and disadvantages. Nevertheless, primary data become inevitable for any study. This thesis also utilised primary data to achieve its research goals. The method that it employed to gather primary data, as discussed above, is in-depth interview.

According to Ghauri & Grønhaug (2010), the main advantage of primary data is that they are collected for a very particular and specific project, which means they are more consistent with one's research question(s) and research objective(s). By

properly collecting primary data, researchers do not have to be afraid that their data may lead to unreliable and invalid findings. Besides, memories, opinions, and perspectives about a certain issue and/or event in the past, at the moment, or even in the future *'can only be gathered by asking people who have been involved or have observed* (Ghauri & Grønhaug 2010, 100)'. That is when one should collect primary data.

A main disadvantage of primary data is that in order to collect this type of data, researchers have to spend a lot of time and resources. Especially if the researchers have to deal with sensitive issues and topics, collecting primary data might be a very difficult task. Moreover, to collect needed data correctly, the researchers must be able to know which methods, channels, and tools etc. should be employed. The researchers has less control over the information that they gather, and sometimes they have to depend totally on respondents' willingness to cooperate (Ghauri & Grønhaug 2010).

The task of this thesis to find out the current situations and future perspectives of applying CR in Finland requires opinions and attitudes from experts and/or experienced people in the field. It is suggested that primary data may *'reveal an individual's attitude and opinion about certain idea, product, object, or issue ... [as well as] evaluation or judgement on a particular issue/object ... [and even] attitudes about the future* (Ghauri & Grønhaug 2010, 101)'. Therefore, through in-depth interview, this thesis focused on collecting primary data, and then analysed those data to produce final results. Interviews' contents were processed carefully. They were analysed by appropriate approaches so that the outcomes may reflect the real situations as accurately and informatively as possible.

In the process of collecting and analysing primary data for this paper, some minor problems occurred. Firstly, the writer has the lack of skills to manage the process smoothly and effectively as some may expect. Secondly, some respondents hesitated, or even avoided to answer a few questions. CR may be considered a sensitive issue to some degrees, so that it is not surprised when companies were less cooperative to provide the answers to certain questions. The fact that this study

was conducted in Finland does help in a way that the degrees of hesitating and avoiding are probably less than if the study was conducted somewhere else, in the researcher's opinion.

Regarding the importance of primary data for this particular project, considering advantages and disadvantages of this type of data, and taking in account his own competences; the writer collected and analysed primary data in a cautious manner to guarantee the most positive results for this study.

3.2.2 Secondary data

Secondary data are all the data which is collected by other individuals rather than the researcher who uses these data in her/his study. Besides, the data might be gathered for other purposes rather than a certain research's purpose(s).

Secondary data include variety of sources, such as organisational and governmental statistics, companies' information, publications, marketing materials, general and/or academic books and journals etc. Secondary data help researchers considerably much in their researches. There is an assertion says that: *'Do not bypass secondary data. Begin with secondary data, and only when the secondary data are exhausted or show diminishing returns, proceed to primary data.* (Churchill 1999. Cited by Ghauri & Grønhaug 2010, 94.)' Secondary data play an important role; reveal facts that are required for the whole final result. They have several advantages.

The first advantage of using secondary data is a great saving of time and money. Especially for researches handled by undergraduate students, secondary data help a lot in this sense. The second advantage is that secondary data are easy to access. One may find a great deal of useful and valuable information from different sources accordingly to her/his research's problem, objective(s), question(s), and scope etc. In few special cases, secondary sources provide enough facts, data, and information for the research and the researcher needs not to gather any primary data. (Ghauri & Grønhaug 2010, 94.)

However, this type of data has some disadvantages, such as problems of validity and reliability. These problems may be overcome by careful and appropriate preparations and processes. On another side of the issue, researchers may meet some troubles when collecting and applying secondary data into their studies. First of all, secondary data are widely available, but as mentioned, they were collected by other persons for different purposes. Those purposes may or may not fit to the objectives of a specific study. The researchers accept a risk that sometime they might create slightly irrelevant analyses when use secondary data. Secondly, secondary data sometimes supply inaccurate information for a study. The researchers must check thoroughly the methods and manners by which the secondary data were collected. (Ghauri & Grønhaug 2010.)

In this thesis, secondary data were gathered and used in order to support primary data. Secondary data were collected from the case companies' periodical reports and other organisational documents such as press releases, publications etc. related to CR agendas, projects, and campaigns etc. of those companies. Moreover, statistical and relevant information from other sources also were used in favour of more neutral analyses. Based on those documents, this study had more convenience in evaluating the current situations and drawing the future perspectives of CR in Finland.

One section of this thesis focused on analysing CR communication activities of Finnish enterprises. In recent years, more and more companies have concentrated on producing annual responsibility reports to meet the requirements and expectations from stakeholders. That can be considered an interesting trend. CR information and data, in some cases, were set apart from the whole corporate report. It is also found out that companies have been investing and pouring a lot of resources in those publications. Therefore, taking a good look at and analysing CR reporting activities of the case companies to gain several conclusions may reveal some useful and helpful information.

Not less important, previous studies on CR were referenced, especially ones focusing on effects of CR on business. They would be precious and critical materi-

als for setting the standards and methods of evaluating, analysing, predicting, and suggesting stages of this study.

In order to avoid biases for this paper, secondary data were examined with caution to evaluate their validity and define their original purposes and scopes. The writer tried to use secondary data in the most proper manner so that inductive analyses and conclusions are as reliable and accurate as one may expect.

3.3 Scope of this study

This thesis focuses on CR's aspects among Finnish enterprises within Finnish business environment only. Hence, 'CR', 'Finland', and 'Finnish enterprises' together build the main scope for the study.

The term '*corporate social responsibility*' (CSR) appears quite frequently in other studies, documents, and texts nowadays. Some preferred CSR just as same as CR. Other terms usually used interchangeably with CR are *corporate citizen*, *sustainability* etc. However, within this thesis, CR is the big umbrella, and mentioned terms should be included in or at least equivalent to CR. One more thing should be noted, the meaning of CR in this thesis is different from *business ethics*. Its scope does not cover business ethics and vice versa. They, nevertheless, do not exclude mutually. They are interdependent fields of academic studies and business practices.

The thesis researched merely on Finnish enterprises. A Finnish enterprise in this thesis is defined as a business or business-related organisation that originally comes from Finland and acts as a Finnish player in Finnish and global markets. Besides, that organisation must operate its major activities in Finland. Those major activities could be management, marketing, sales, finance, or production etc. Abroad operations of Finnish enterprises were taken into account and their foreign partners' activities were also mentioned. However, both exercises are only for specific purposes. International policies, situations, and movements might be considered as well.

3.4 Validity and Reliability

Validity and reliability of a research is important factors which decide the success of that research not only in academic researching aspect but also real working life perspectives. Salkind (2000) emphasised that '*reliability and validity are the hallmarks of good measurement*'. Of course good measurements would probably make good studies.

Reliability is concerned with the consistency of the results (Saunders et al. 2009, 156), or in other words, it is when a research measures the same thing more than once and the results in the same outcome (Salkind 2000, 106). The latter idea is rather for more technical studies, or studies with quite systematic measurements. In business researches, reliability means how the results are consistent, and to which degree readers should rely on a certain research.

Validity on the other hand means whether a research has an 'honest' nature in its conclusion and its applicability (Ghauri & Grønhaug 2010, 65). Again, a more technical definition goes like this: '*validity is the quality of test doing what it is designed to do* (Salkind 2000, 113)'. Salkind (2000) also listed several types of validity, including:

- *content validity* – the extent to which a test represents the universe of items from which it is drawn,
- *criterion validity* – the extent to which a test is related to some criterion, and
- *construct validity* – the extent to which the results of a test are related to and underlying theory or model of behaviour.

These types of validity, according to what Salkind (2000) indicated, are quite complicated and advanced. However, in business researching, validity may simply mean that the researcher accomplish a good result, with good conclusions that useful, objective, well-analysed, and applicable for practices.

To achieve a moderate level of validity and reliability for a research, researcher sometimes meets a lot of difficulties. There are several hurdles may prevent the researcher from maintain the study's validity and reliability as good as they should be. The four 'risks' to reliability are thought to be *participant error*, *participant bias*, *observer error*, and *observer bias*. (Saunders et al. 2009, 156-157). At the same time, potential hazards to validity could be: *history*, *testing*, *mortality*, and *selection bias* (Saunders et al. 2009, 157; Ghauri & Grønhaug 2010, 66).

Based on the theories about reliability and validity, it is safe to say that this thesis achieves a fair level of reliability and validity. The arguments for that conclusion are discussed in following paragraphs.

To evaluate the reliability of this paper, readers may use the *four risks to reliability* theory from Saunders et al. (2009). Considering *participant error* and *participant bias*, it was that the interviewees voluntarily took part in the study, and they willingly answered the questions. Several issues might not be exposed as well as they should be, but in general, it seems that the respondents did not give any false information. Thus, *participant error* and *participant bias* did not occur. Considering *observer error* and *observer bias*, it was that the questions for interviewing are in line with the structures of the empirical part of this thesis. In addition, before the interviews, the researcher had reviewed carefully many previous studies, theories, and the case companies' information. Thus, *observer error* and *observer bias* did not occur. Hence, the outcomes of the interviews of this research should be reliable.

To evaluate the validity of this paper, it is most appropriate to apply the *potential hazards to validity* from Saunders et al. (2009) and Ghauri & Grønhaug (2010). *History bias* may occur because at the time of the interviews, few events happened linked directly to the case companies, so the respondents may avoid mentioning some topics. Other than that, it would be safe to say this study has no risk of *testing*, *mortality*, and *selection bias*, because the respondents had no problem with the research, no big changes occurred during the research period, and the case companies were chosen randomly.

In conclusion, the researcher believes that this thesis is reliable and valid to a fairly high extent. By applying the same approaches, other researchers may come up with the same results as this study does.

3.5 Limitations

Due to natural characteristics of a bachelor thesis, capability of the student who wrote it, as well as difficulties in researching on the field of CR, this study has several limitations.

Firstly, there is hardly a chance for bachelor theses to be conducted as excellently as master or doctor dissertations are. Main reason is that the bachelor theses are projects for final year of bachelor degree, which means students rarely work on it for the whole time of their studying time at school. Hence, outcome could be less valuable, arguments could be less reliable, and quality could be less distinguished than theses from master and doctor levels.

Secondly, capacity and capability of the student who wrote this thesis are limited. The writer was still a bachelor student at the time he wrote this. That fact leads him to be lacking of certain knowledge which he could know only if he studied in higher levels. As a first-time researcher, the student employed research methods with which he was unacquainted. Besides, limitations of time and budget also existed. All those problems prevented a possible better outcome.

Finally, the limitations of this thesis may come from the fact of considerable difficulties on studying about CR. CR is a moderate sensitive topic. It concerns to ethics, morals, legislations, society, economy, environment, and businesses. Consequently, there are some barriers for studying on the field. Companies may be hesitating, avoiding, insincere, or even mendacious in answering the questions. Data and information mostly are confidential or only for internal usages. Moreover, perfect definition and research framework of CR have not been established yet; researchers usually choose or create themselves new ones which are most appropriate for their very specific cases. This thesis was conducted by an approach built by its author, and it could not be as professional as it might be expected.

In this section, several limitations of this study were discussed. Readers should keep them in mind before going any further.

3.6 Summary of research methodology for this study

This chapter discussed the research methodology, why and how this study employed different elements of research methodology to achieve its research objectives. Figure 3 in next page summarises the research methodology framework for this specific study.

Element	Details
<i>Research method</i>	<ul style="list-style-type: none"> • <i>Main method</i>: qualitative method: In-depth interview. • <i>Reason</i>: The basic concern of this study is to find out what are the situations and future perspectives of applying CR in Finland. As this suggests, it's more about circumstances, patterns, and opinions rather than statistic, mathematic calculations, and scientific experiment.
<i>Sources of data</i>	<ul style="list-style-type: none"> • <i>Primary data</i>: Through in-depth interviews. The primary data were analysed to produce final results. • <i>Secondary data</i>: were gathered and used in order to support primary data. Sources: the case companies' periodical reports and other organisational documents such as press releases, publications etc. related to CR agendas, projects, and campaign etc., statistical and relevant information from other sources, information from EU's publications on CR.
<i>Scope</i>	<ul style="list-style-type: none"> • Corporate responsibility • Finnish business environment / Finland • Finnish enterprises
<i>Reliability</i>	<ul style="list-style-type: none"> • <i>Participant error and participant bias</i>: the interviewees voluntarily took part in the study, and they willingly answered the questions. Several issues might not be exposed as well as they should be, but in general, it seems that the respondents did not give any false information. • <i>Observer error and observer bias</i>: the questions for interviewing are in line with the structures of the empirical part of this thesis. In addition, before the interviews, the researcher had reviewed carefully many previous studies, theories, and case companies' information.
<i>Validity</i>	<ul style="list-style-type: none"> • <i>History bias may occur</i> because at the time of the interviews, few events happened linked directly to the case companies, so the respondents may avoid mentioning some topics. • <i>Almost no testing, mortality, and selection biases</i> because the respondents had no problem with the research, no big changes occurred during the research period, and the case companies were chosen randomly.
<i>Limitations</i>	<ul style="list-style-type: none"> • Natural characteristics of a bachelor thesis • Capability of the researcher • Difficulties in researching on the field of CR

Figure 3: Research methodology framework for this study

4. CURRENT SITUATIONS OF APPLYING CORPORATE RESPONSIBILITY IN FINLAND

4.1 Case companies

This thesis studies on five case companies: Alma Media, Finnair, Finnvera, Metso, and UPM. All the companies are Finnish and operating mainly in Finland, even though they may be international or global companies.

Five case companies have their businesses in different industries: media & communications, airline, finance, mining & construction, automation, pulp & paper, power, energy, forestry, woods & timber, engineered materials etc. Besides, they have different types of ownership. Finnvera is completely state-owned, when more than a half of Finnair's stocks are held by the Finnish government. On the other hand, Alma Media, Metso, and UPM are private, the stocks are held mostly by private shareholders.

The distinctions and differences among the case companies would intentionally help this study achieve its goal: finding out the current situations of applying CR and its future trends, within Finnish business environment. The next sub-sections will describe more about the case companies, their CR activities, and explain how each case relates to and supports the whole study.

4.1.1 Alma Media Corporation

Alma Media is a media company which is famous mainly for its popular publications such as Aamulehti, Iltalehti, Kauppalehti and the webpage Etuovi.com. The head office of Alma Media is located in Helsinki, while there is another office in Tampere. Alma Media employs nearly 2800 professionals. The company's net sales in 2011 totalled approximately EUR 316 million. Alma Media's share is listed in the Mid Cap segment of the NASDAQ OMX Helsinki. (Alma Media 2012.) One of its magazines, City24, has spread to Russia; when another one, Mascus, has reached Denmark and Czech Republic. Moreover, their business just expanded to Croatia in 2007. (Alma Media 2012.)

At Alma Media, they value freedom and pluralism of journalism, team play, and courage. Starting with freedom for journalism and open-minded for discussions, Alma Media's personnel apply those values even into their daily tasks, into work meetings etc. Alma Media wants to be the leader in its field of business by *'transforming quickly and courageously'*. With those values in hands, Alma Media aims to be *'the most exciting provider of information, service and experiences'*. More than just that, the company wants to *'set the stage for the future of media'*. That is a huge vision for any media company, and at Alma Media, they draw several strategies in order to achieve their goals. To put those strategies in short, one may say that Alma Media tries to be *'growing the proportion of revenue gained from digital consumer and business services. The company is refining its newspapers into multimedia brands and bringing new digital services to the market, also outside the area of publication.'* (Alma Media 2012.)

Alma Media considers CR in media is a special version of CR. Alma Media believes that its CR activities have direct and indirect effects towards society and cultures. Due to distinctive characteristics of the business, those effects cannot be measured easily, yet very important. (Alma Media 2012.) Therefore, for its operation, Alma Media apply a specific CR strategy which is prepared after a stakeholder study conducted within two years 2009 and 2010 (Alma Media 2012). In general, Alma Media tries to meet the expectations of stakeholders, and would like to be an active CR player in media and communication field in Finland. (Alma Media 2012.)

For this thesis, Alma Media contributes its views as a company in the media and communication industry. This business is quite sensitive; and it involves many aspects that considered important in CR studies. The company's CR concepts, strategies, and activities etc. are taken in analyses. Those analyses are generalised to be common conclusions for the whole industry in this specific paper. The valuable information from Alma Media gives the whole study more perspectives on the situations of applying CR in Finland.

4.1.2 Finnair Group

Finnair is the flag carrier of Finland. Finnish government holds 55,8% of its stock. However, Finnair considers itself a private company in aspects of operating and managing. Nowadays, Finnair focuses on transporting passenger between Europe and Asia, via Helsinki. Besides airline business, Finnair Group also operates in aviation services, travel services, and other functions. Finnair wants to be the number one airline in Nordic countries and the first choice of passengers for Europe-Asia routes. To achieve that goal, Finnair concentrates on its high quality, punctual characteristic and professional personnel. (Finnair 2012.)

On the other hand, Finnair would like to meet the expectations of their investors. They would also like to be economically responsible and growing sustainably. More than that, Finnair has been trying to reduce their negative effects on the environment for years. Besides, Finnair wants to be an ethical and fair employer in the market. Therefore, CR is an important element of Finnair's businesses. (Finnair 2012.) The targets of Finnair for CR activities are very ambitious. Some of the targets are: to reduce emissions by 41 per cent in the years 1999-2007, to increase material recycling, to help customers and interest groups reduce air transport emissions through cooperation and dialogue, to improve corporate responsibility reporting (GRI) and boost the internal reporting process etc. (Finnair 2012.) More information about Finnair's CR activities will be discussed and presented later.

The opinions, initiatives, tactics, and projects of Finnair in the field of CR help this study form a model of applying CR in transportation businesses, especially in airline industry. As one may know, airlines have a great effect on climate change, so how Finnair are managing to deal with all that, under close monitoring of public, is absolutely interesting to know. On the road to the set targets, Finnair have been facing a lot of obstacles and problems. They therefore have employed various methods to solve those troubles. Studying on those issues, this thesis hopes to create a more reliable and complete picture of CR in Finland.

4.1.3 Finnvera

The best way to describe about Finnvera is using their own words: *‘Finnvera is a specialised financing company owned by the State of Finland. It provides its clients with loans, guarantees, venture capital investments and export credit guarantees. Finnvera is the official Export Credit Agency (ECA) of Finland.’* (Finnvera 2012.)

As an enterprise of the state, Finnvera offers financial supports for domestic companies, mainly small and medium enterprises (SMEs). Within the Finnvera Group, venture capital investments are carried out by Veraventure Ltd, Aloitusrahasto Vera Oy and Matkailunkehitys Nordia Oy. The supports from Finnvera come in two main types: loans and export credit guarantees. The loans are meant to help Finnish companies to start, internationalise, or upgrade their businesses. The credit guarantees, on the other hand, try to boost foreign trades and export activities of domestic companies. In 2011, Finnvera offered EUR 977 million as loans and approximately EUR 4 billion as export credit guarantees. (Finnvera 2012.)

Finnvera’s vision is contributing actively to the success of its clients by providing internationally competitive solutions for risk financing. In a near future, by the year 2015 to be exact, Finnvera aims to achieve the follow goals:

- Finance the establishment of 3,500 new enterprises annually.
- Finance investments important for SMEs and regional development as well as projects promoting the use of renewable energy and improving productivity.
- Finance growing and internationalising business.
- Invest in starting innovative enterprises. Encourage private capital investments in investment targets.
- Provide solutions for export financing; these solutions are internationally competitive and benefit the Finnish economy.

- By adopting efficient practices, improve productivity and customer satisfaction.
- Ensure internationally competitive know-how through constant development of the work organisation and personnel.

In order to make its vision come true and bring mentioned goals into real life, Finnvera operates on respect for trust, honesty, focusing on benefits to clients, trying to be a forerunner, valuing profitability, effectiveness, and constant development of competence. (Finnvera 2012.)

Due to its specific field of operation, Finnvera designed the ‘*Seven Principles of Good Conduct*’ which guides the whole organisation in every action. Those principles are *equality, commitment to purpose, objectivity, relativity, trust, principle of service, and principle of openness*. (Finnvera 2012.) Finnvera actually can put the set of principles within CR function, but based on its own perspective, those principles create a totally different segment in Finnvera’s activities. Other than that, Finnvera divides its CR into three branches: *financial, social, and EnvR*. This division is quite similar to Finnair Group’s. However, the priorities are different. Being a financial institution, Finnvera appreciates and focuses on financial responsibility more than Finnair does. Besides, the EnvR at Finnvera is interesting. However, this section only introduces shortly about the company. More information will be mentioned in later parts.

Finnvera is the only state-owned company in this study. Its operations are distinctive and different. Therefore, its CR concepts, strategies, activities, and future plans and expectations are special. Together with other case companies, Finnvera supports this thesis on the way to achieve the research objectives. Thanks to Finnvera, another piece of CR situation in Finland was revealed. That makes this study more informative.

4.1.4 Metso Corporation

Metso is a global company with Finnish origin. Its operation spreads to more than 50 countries. Metso employs more than 30 thousand people all over the world. In

2011, the net sales of Metso reached EUR 6,7 billion. Although usually being considered an industrial company, 45% of Metso net sales came from service businesses. Three segments of Metso are *mining & construction, automation, and pulp, paper & power*. (Metso 2012.)

Metso wants to be the best in all the businesses it operates. At Metso, they combine their mission, values, leadership principles, and code of conduct to form a foundation to achieve their vision: '*Working as one to be number one* (Metso 2012)'. The Code of Conduct, although is not specified as a part of CR, plays an important role at Metso. In the interview with the representative from Metso, the researcher was told much about the code. In general, the Code of Conduct of Metso includes some similar points to the concepts of financial and SocR from Finnvera. Therefore, to a certain extent, that code of conduct is worth analysing. The analyses are placed in later sections in this paper.

Actually, at Metso, they do not have CR function. The most similar function is sustainability. Obviously, Metso appreciates sustainable growth, as a company who uses a lot of natural resources. The focuses are *environmental-friendly, life-cycle management, health and safety at work etc.* All of them are included in various sustainability activities, without clear divisions. That makes the researcher a little bit confused to make up the picture of CR at Metso.

In this study, the Code of Conduct and the sustainability function at Metso are mixed to create the total view of CR from Metso. Readers should be warned again that there is no such concept as CR is used at Metso. The thesis individually, specifically, and intentionally labels several aspects from Metso operations as its CR activities for the purpose of concept uniformity of this paper. Nevertheless, those invaluable facts, data, and information from Metso keep a crucial role in this study.

4.1.5 UPM Company

Calling itself '*the biofore company*', UPM's main objective is leading '*the integration of bio and forest industries into a new, sustainable and innovation-driven*

future'. UPM is a big global company. It has production plants in 16 countries and employs approximately 24 thousand people worldwide. In 2011, UPM's sales exceeded EUR 10 billion. At UPM, they focus on the three so-called 'Business Groups': *energy and pulp, paper, and engineered materials*. As one may realise, UPM's main business segments, to some degrees, are quite similar to Metso's. (UPM 2012.)

UPM has its own Code of Conduct. This sets the standards for behaviours of every individual at UPM. Generally, the Code of Conduct mentions legal and ethical topics such as *compliance with laws, rules and regulations, conflicts of interest, bribery, human rights, confidentiality, fair dealing, protection and proper use of company assets etc.* Besides, the code draws essential standards to ensure the complete application of itself at UPM and avoid any violation. The Code of Conduct is complemented by other rules and guidelines. Together, they create a whole set of instructions for every employee at UPM. More interestingly, even UPM's suppliers must promise to follow the principles of the Code of Conduct. (UPM 2012.)

At UPM, they consider CR an inevitable part of business. As they lead the integration of bio and forest industries, they must be responsible not only to their shareholders but also to the society and the environment. They believe they have a contribution towards sustainable development, because that is '*an inherent part of UPM's vision, purpose, and values*'. UPM builds three pillars for its CR activities, including *EcoR, SocR, and EnvR*. Those pillars are similar to Finnair's and Finnvera's branches of CR, with EcoR respectively equal to Finnvera's financial responsibility. A set of principles is prepared, covers those mentioned pillars. At UPM they call them '*Responsibility Principles*'. Furthermore, for each principle, UPM defines a '*Key Performance Indicator*', and also set targets for future performance. (UPM 2012.)

Considering CR is not a threat, but a way to drive innovations, to seek business opportunities, and to develop products as well as to improve services, UPM has been doing a lot in the field of CR. Not just talking, UPM wants to bring the CR

strategies into real actions. That is why they have a catch-phrase '*Responsibility in Action*'. The researcher believes that with UPM as a case company, this thesis will come closer to its goals. The CR activities of UPM are comparable to Metso's because their businesses are quite similar. Consequently, in this paper, there are several comparisons are made between those two companies. Hopefully, going along with Alma Media, Finnair, Finnvera, and Metso, UPM would help to expose and explore the current situations and future perspectives of applying CR in Finland.

Figure 4 explains the main focuses of this study on the topic of CR in the case companies. The researcher pays the most attention on CR activities. CR activity is the main unit of analysing of this paper. The activities are classified into two groups which are equivalent to two out of three CR aspects which are applied within this paper. The empirical part does not analyse EcoR activities of the case companies, it puts more efforts on SocR and EnvR instead. EcoR results, however, were evaluated.

CR Perception	The main and basic ideas about CR of the case companies.
CR Strategy	The ways that companies adopt the CR concept and integrate it into their business activities
CR Activities	Including: SocR activities and EnvR activities
CR Communications	The channels which companies employ to communicate to their stakeholders.
Current Results	The current results of CR activities at case companies. Including EcoR, SocR, and EnvR results.

Figure 4: Main focuses of this study on the topic of CR in case companies

4.2 General perceptions about Corporate Responsibility

In order to apply CR in business, companies must and should have several ideas about what CR is about. The general ideas, or from here it will be put as '*general perceptions*' are extremely important to companies. They decide how managers use CR in doing business, affect employees' attitudes towards their own actions when they are working etc. In short, it sets a foundation for the whole CR package, and influences the business activities of a company, in a distinct and different way, compared to other companies.

It is not surprised when this study found out that among five case companies, there are different perceptions about CR. The companies do have similar ideas, but they also consider CR activities somehow differently from each one other. The differences are sometimes minor ones, and sometime really major ones. They will be presented later. Besides, the fact that all the companies are Finnish-origin influences a great deal on how they think about CR. However, this study does not try to compare the 'Finnish perceptions' with 'other countries' perceptions' about CR. It is beyond the scope and limitation of this study. The following paragraphs will discuss the similarities and differences among the case companies about CR concepts.

At Alma Media, they define the CR as '*the whole group's, all units', and all employees' ways of doing [...] everyday business, economically, ecologically, culturally and socially; sustainable and responsible ways* (Poukka 2011)'. This perception adds cultural aspect into CR, due to the fact that Alma Media is a media company. As one should know, cultural dimension is related to media activities. Therefore, it is appropriate and thoughtful of Alma Media to include cultural responsibility into their business. That is the distinct feature of CR activities at Alma Media, compared to other case companies. The CR in media, according to Poukka (2011), has several specific and unique issues, such as reliability of media contents, promotion of freedom of expression in society, and journalistic integrity etc. In addition, she emphasised that CR is not a separate part of Alma Media's

business activities. CR at Alma Media is a perspective to everyday business. This view is shared widely with other case companies.

For Finnair, CR is highly ranked in the business. Finnair is one of the leading airlines all over the world in matter of CR. Finnair consider doing CR activities one of the main focuses of their organisation. The airline industry produces some shares of world's emissions, and Finnair believe that the airlines are responsible for those emissions. Thus, Finnair have been doing the most they can to reduce carbon dioxide (CO₂) footprints that they created. (Kantanen 2011.)

According to Tulenheimo (2011), Finnvera believe that CR is their normal work. They do not have such a separate CR at Finnvera. *'We believe that all we do is CR (Tulenheimo 2011).'* This view is the most extreme one among the case companies on the respect of the integration between CR and business.

Seppälä (2011) said that at Metso, CR is an essential part. It is also a way to operate. He also pointed out that *'[CR] is a good support for our business globally and also it is good for risk management (Seppälä 2011).'* At Metso, they apply CR as a mean of risk management. They believe that by running good CR activities, their company can realise risks at a very early stage, so that they can deal with them more easily. Moreover, Seppälä (2011) stated that if companies really devote and put efforts in CR activities, they can get benefits. This point of view is shared with many other business researchers and practitioners. One of the reasons which support that thought is investing attraction. *'There were some indicators [that] the investors would ask more and more questions in that area because investors are thinking about the future, if there are some risks involved in the operation of the company (Seppälä 2011).'* The better companies do CR, the more positive appearance they might have in the eyes of investors. That also means more money would be invested in their businesses.

UPM have a holistic approach on CR aspect. They also look at CR as a concept which consist three dimensions: SocR, EnvR, and EcoR. (Vainikka, 2011.) This way of classifying is similar to main aspects of CR of this thesis. UPM consider sustainability and responsibility are parts of their business. Those aspects are the

strategic goal approach and always come from the needs of UPM's business. (Vainikka 2011.)

4.3 Corporate Responsibility strategies

Based on factors such as awareness and importance level, capitals and other resources, each company draws for themselves suitable CR strategies. Without proper CR strategies, companies will not be able to launch their CR activities correctly, reasonably, synchronously, and more important, effectively. CR strategies, hence, are inevitable.

The case companies of this research have their own strategies for CR activities. Depending on the industry they are in, and also on those reasons mentioned in the previous paragraph, the case companies design different methods and ways for doing CR. Some methods are conventional, some are absolutely creative; some require few resources, and some require much more. However, to which degree those strategies have succeeded is totally another story.

In this section, the thesis discusses only how case companies planned their CR activities and which strategies they employed. The researcher does not imply clearly the comparisons, but readers are supposed to realise the differences and the distinctions among cases.

The CR strategy at Alma Media was formulated based on the stakeholder study conducted in 2009 and 2010 (Alma Media 2012). The strategy is prepared with careful considerations on stakeholders' opinions. It emphasises aspects that Alma Media's stakeholders highlighted as the most important. Those aspects are (Alma Media 2012):

- Management and coordination
- Improving internal awareness
- Stakeholder dialogue
- Responsible journalism

- Environmental responsibility (EnvR)
- Supporting locality and communality
- Developing reporting

Among those mentioned points, Alma Media decided to particularly focus on the few ones: *'The most important projects in 2011 are related to continuing active stakeholder dialogue, responsible journalism and environmental responsibility [EnvR] (Alma Media 2012).'* Besides, as Poukka (2011) answered in the interview, the year of 2011 would be the period that Alma Media would have taken a quite strong emphasis on environmental and CR communication issues. The reason for that move is because not many stakeholders knew about the EnvR's activities and their results at Alma Media. This is not an easy step for Alma Media to take, because they do not have any proper environmental management function for environmental issues. Alma Media has met some difficulties in tracking down all the environmental impact data they have, and in building such a system that monitors and reports about environmental impacts of Alma Media (Poukka 2011).

Finnair drew very clear strategies and plans for their general operations as well as their CR activities. They want to be the leader in sustainable airline industry, the first choice of passengers for intercontinental routes. *'Finnair want to be transparent and want to be based on fact (Kantanen 2011).'* Most plans from Finnair concentrate on environmental issues. For example, Finnair want to reduce the emissions by 41 per cent from 1999 until 2017, and only within the period from 2009 to 2017 it would be 24 per cent. No other airlines set those high and ambitious numbers in emission reduction. Based on their own activities, Finnair believe that they can achieve the goal. Finnair also focus on renewing their fleet. From now until the year 2014, 2015, and 2016, Finnair will have 11 new aircrafts for long-haul traffic, and the renewal will make 31 per cent emission reduction as a result. One big problem for Finnair is that the level of knowledge of their customers is not high. (Kantanen 2011.) That is something they have tried to improve; and they have some campaigns on that.

Finnvera concentrate on EcoR and EnvR. EcoR is the most important part of Finnvera. They have the responsibility to improve the economy of Finland. In fact, as Tulenheimo (2011) stated, '*CR means bearing responsibility for Finnish enterprises and there also for employment and regional development. [...] That is the most important*'. Finnvera's environmental view is focusing on the impact of their financing through the projects. So it is not their direct carbon footprint or the likes. Figure 5 in the next page shows the sector of responsible export credit guarantee policies of Finnvera. However, on domestic side, Finnvera do not have environmental policy, because they believe that if companies are operating within Finland, then their operations are controlled and monitored by Finnish legislations about environmental aspect. That is enough. (Tulenheimo 2011.)

Of course Finnvera design several in-house CR policies but they are much less significant. The strategy of Finnvera is formulated in their premises, but later than that it must be brought to discussions with the Finnish government. That is because Finnvera is a state-owned organisation whose direct owner is the Finnish Ministry of Employment & Economy. (Tulenheimo 2011.)

Environmental policy	Projects are classified according to their environmental impacts. The environmental impacts are determined.
Anti-bribery work	Exporters and financiers give an anti-bribery assurance for each transaction.
Sustainable lending	When granting guarantees for the poorest countries, Finnvera complies with the principles of sustainable lending approved within the OECD: The limits on public sector debt set by the IMF and the World Bank are taken into account. Country analysts go through all guarantee applications for exports to the poorest countries.
OECD Guidelines for Multinational Enterprises	Finnvera draws export companies' attention to the OECD guidelines on responsible business conduct.
Information on guaranteed projects	Basic information on the largest transactions guaranteed is published on Finnvera's website. Information is also published on projects in environmental category A that have a major impact on the environment.

Figure 5: Sectors of responsible export credit guarantee activities
 (Adapted from Finnvera 2011, 30)

At Metso, the CR strategy and the general strategy are the same thing. In general, Metso aim for sustainable and profitable growth over the long term. The strategy is designed based on the company's framework which includes purpose, values, Code of Conduct, and vision (Seppälä 2011).

First of all, they are promoting a new type of energy which is thought to be sustainable: *bio-mass*. Bio-mass, according to Seppälä (2011), is a carbon-neutral way to generate energy. Industrial scale energy production based on the use of renewable fuels like bio-mass is an area where Metso states to have strong role as technology provider. The company claims to have supplied bio-mass fired boiler systems world-wide with the aggregate capacity corresponding six average size of nuclear power stations. They promote this technology as a component of the overall energy mix to meet the national and international targets in the use of renewable energy. (Seppälä 2012.) Metso are '*working very hard on that all the decision-makers know about this possibility*' (Seppälä 2011)'.

Another focus of Metso is their global presence, especially in the emerging countries such as China, India, and Brazil etc. The demographic has been changing; it affects the ways of expansion of the market, and also changes the main business at Metso. Nowadays Metso consider the service business and service in machinery as their competitive edges (Seppälä 2011). Actually, *Growth Countries* and *Service* are two of the '*5 Must-wins*' of Metso in their new strategy. The other Must-wins include (Metso 2012):

- *Technology*: maintain as the leader in the field with cost-efficient and sustainable solutions,
- *Operating Model*: secure the quality and efficiency of the global operations, and
- *People*: closer to customer and develop friend working environment for employees.

Metso has a clear, comprehensive and quite ambitious goal: *to be the leading technology and service provider in all of their businesses* (Metso 2012). Despite the high level of ambition their goal is, Seppälä (2011) confidently said that *'if you don't set for yourself very challenging target, you're not really giving your best. So I think it's worth it...'* That is basically reasonable. However, because the general strategies and the CR strategies are one, they are lack of real CR sense. Stakeholders may not easily realise the goals designed especially for CR. Commenting on that, Seppälä (2012) said that Metso believed *'it is an asset to have the general strategy and CR goals to be integrated. If they were separate, it would cause more confusion as the connections might get blurred.'*

At UPM, the *CR Principles* is the key for all CR activities. They publish the *CR Targets* which is in line with the Principles. (Vainikka 2011) The bio-fore vision of UPM contributes to CR activities in the sense that it directs CR activities. UPM want to be the forerunner in sustainability and innovation. They do focus on the recycle products, new innovations that may come with biofuel, biodiesel, and carbon-neutral energy; also the innovations that could help UPM reduce energy through the whole product life-cycles. (Vainikka 2011.)

Answered the question whether UPM centralise or decentralise their CR strategies and activities, Vainikka (2011) confirmed that *'real activities and the real work happens localised by the local people and at the unit itself so the actions are something [...] localised'*. Of course UPM have certain activities that they consider uniforms for all countries they have operations in, but there are many minor projects all around the world. In different countries UPM confront different issues and challenges, so they have to apply localised activities for CR. Nevertheless, UPM use the same ideas and the same concepts about CR in all the units globally. (Vainikka 2011.)

Figure 6 in the next two pages explains in details the *CR Targets* of UPM, and stated achievements in the year 2011 of those targets.

KEY AREA OF RESPONSIBILITY	TARGET	ACHIEVEMENT 2011
<i>ECONOMIC</i>		
PROFIT Shareholder value creation	<ul style="list-style-type: none"> • Operating profit margin exceeding 10% • Return on equity at least 5 percentage points above the yield of a 10-year risk-free investment • Gearing ratio to be kept below 90% 	<ul style="list-style-type: none"> • Operating profit margin, excl. special items, 6.8% • Return on equity, excl. special items, 6.7% • Gearing ratio 48%
GOVERNANCE Accountability and compliance	<ul style="list-style-type: none"> • Code of Conduct training and monitoring further developed 	<ul style="list-style-type: none"> • By the end of 2011, 82% of employees had taken the Code of Conduct training.
<i>SOCIAL</i>		
LEADERSHIP Responsible leadership	<ul style="list-style-type: none"> • Continuous improvement in Employee Engagement Index 	<ul style="list-style-type: none"> • 5 percentage point improvement in Employee Engagement Index.
PEOPLE DEVELOPMENT High performing people	<ul style="list-style-type: none"> • Continuous improvement in Change Management and Innovation Indices 	<ul style="list-style-type: none"> • 3 percentage point improvement in Change Management Index • 4 percentage point improvement in Innovation Index
WORKING CONDITIONS Safe and encouraging working environment	<ul style="list-style-type: none"> • 10% annual improvement in lost-time accident frequency (2009–2011) • Global absenteeism below 3.5% (2009–2011) 	<ul style="list-style-type: none"> • A long term positive development in global lost-time accident frequency continued. • The target was not met.
COMMUNITY INVOLVEMENT Local commitment	<ul style="list-style-type: none"> • Continuous sharing of best practices of local stakeholder initiatives 	<ul style="list-style-type: none"> • Local stakeholder initiatives further developed. Global alignment is under development.

ENVIRONMENTAL		
PRODUCTS Taking care of the entire lifecycle	<ul style="list-style-type: none"> • Environmental management systems certified in 100% of production units by 2020 • Environmental declarations for 100% of product groups by 2020 • 25% growth in the share of eco-labelled products by 2020** 	<ul style="list-style-type: none"> • A few small production sites are not yet certified. • Environmental declarations developed for timber products. • The share decreased in 2011 due to the acquisition of new paper mills.
CLIMATE Creating climate solutions	<ul style="list-style-type: none"> • 15% reduction in fossil CO2 by 2020 	<ul style="list-style-type: none"> • No improvement in 2011 due to the acquisition of new paper mills.
WATER Using water responsibly	<ul style="list-style-type: none"> • 15% reduction in waste water volume by 2020*** • 15% reduction in COD load by 2020*** 	<ul style="list-style-type: none"> • Reduction in waste water volume in line with the target. • Reduction in COD loads in line with the target.
FOREST Keeping forests full of life	<ul style="list-style-type: none"> • 80% share of certified fibre by 2020 	<ul style="list-style-type: none"> • 78% share of certified fibre reached.
WASTE Reduce, reuse and recycle	<ul style="list-style-type: none"> • 25% reduction in waste to landfill by 2020 	<ul style="list-style-type: none"> • Reduction in landfill waste in line with the target.

* Best-in-class = leading the industry sector

** Includes paper, timber, plywood

*** Numerical targets relevant for pulp and paper production

Figure 6: The CR Targets of UPM

(Adapted from UPM 2012, 57.)

4.4 Corporate Responsibility activities

Holding strategies for CR in hands, companies design appropriate activities which are suitable to their own resources, characteristics, and wishes. CR activities may vary within a huge range, from social supporting to environment protecting, from personnel commitment to emission reduction. When it comes to find an activity to operate, companies have a lot of choices. Thanks to CR activities, the whole idea of CR could come to real life, not only just talking projects. Although it may cost companies some resources, the long-term effects are predicted to be positive and profitable. Public awareness, investor attraction, ethical business etc. are results that companies can wait for if they do CR activities voluntarily, sincerely, and continuously.

Among the case companies, each of them has different activities, in different forms, with different purposes. Again, depending on the business fields, those companies organise appropriate activities. For example in industrial businesses, they focus more on environmental aspects and employment supports. Some cases expose very unique moves of the companies in applying CR concept to their operations. Overall, the case companies are really active in doing something good, something responsible.

This section will present as many CR activities as possible of the case companies. The activities are categorised into two categories: Social Responsibility activities and Environmental Responsibility activities. Some activities do not really belong to any category, so they are mentioned in the category to which they have the most similarities. It should be noticed again here that all the evaluations and opinions were made by the researcher, but of course they are based on real facts and data. For more information about the sources of those data and facts, readers should refer to the section 3.2.

4.4.1 Social Responsibility activities

Activities in this category may vary from internal issues to external affairs. The matrix of activities which the case companies applied causes difficulty for the re-

searcher to divide those activities into smaller sub-categories. Therefore, this section narrates and discusses all activities generally, without any clear division. However, the researcher tried his best to put similar activities together, or at least put them near to one another.

Finnvera prepared the *Ethical Guideline* for their business. That is the thing which all Finnvera employees have to follow in their operation and everyday work. (Tulenheimo 2011). The guideline consists three sections (Finnvera 2010):

- Guidelines for ensuring impartiality in decision-making and in the preparation of matters
- Guideline for insider information
- Principles of good conduct (Equality, Commitment to purpose, Objectivity, Relativity, Trust, Principle of service, and Principle of openness.)

Similarly, Metso have the *Code of Conduct* (COC) which guides their everyday operations. The COC of Metso is very well prepared, with all points stated clearly and thoughtfully. The contents of Metso's COC including: *Integrity, Compliance with laws and regulations, Fair competition and compliance with anti-trust legislation, Transparency and openness, Human rights, Equal opportunities and non-discrimination, Intellectual property and company assets, Rejection of corruption and bribery, Occupational well-being and safety, Community involvement and sponsorship, Protection of the environment and abatement of climate change, and Ethical standards of suppliers*. Metso also expect their suppliers 'to follow the same type of COC' that they have. (Seppälä 2011.)

UPM also published and implemented their COC in 2006. The COC is their guidelines for ethical behaviours, how to behave in an ethical way in different situations. It is a summary of UPM's policies, rules, and other guidelines within the organisation. The COC applies for all the operations, all the units of UPM all over the world, regardless of positions, titles, or names. That is a common document for everybody at UPM. (Vainikka 2011.)

Transparency is considered very important in all case companies. Especially at Metso, they follow a strict rule for transparent activities and information. This is a part of CR which involves stakeholders and more specific, stockholders. Seppälä (2011) emphasised strongly that *'We don't give the Finnish investors more important information than we do to the Chinese investors'*. That is an interesting assertion which shows Metso's direction in this issue. However, Metso ensure all the confidential business information kept safe, that no one inside the company can use the information for their own dealings (Seppälä 2011).

Metso commit not to use child labour, and often check on their subcontracts whether they are using that illegal type of labour. This is not too difficult for Metso, because they are not in such industries that can use children at work like textile or garment. The sub-suppliers of Metso must also have very sophisticated, skilful labourers; the jobs usually demand workers to deal with complicated machines, so they cannot put children to operate those machines. (Seppälä 2011.)

Equality at work is another focusing point of Metso. At Metso, they guarantee that there would be no discrimination of any kind: race, nationality, gender, religion and so on. Moreover, Metso think that it is important to *'have different types of people in [their] organisation because that gives fresh ideas and new innovations; much better if anybody would be the same, with the same background* (Seppälä 2011)'. This point is very open and relaxing. It has good analysing base from the operations of Metso in the past. Besides, it sounds true nowadays, and can be applied to all global companies.

One special activity at Metso is their so-called *'Whistle-blower channel'*. It works as an independent body of the corporation. Whenever employees suspect some misconduct which is against the company's COC, they can report that to this channel. The system allows employees from over the world to send their feedbacks in 21 languages. If the case is proven to be correct as the employees suspected, it would be reported to Auditing Committee. The channel finds out several cases every year, but in the report those cases are not classified by country or region, so stakeholders cannot know that information (Seppälä 2011). However,

Seppälä (2011) believes that *'from the preventing point of view, it's very good, because [...] people know there is a system that you cannot hide away that type of things'*. The channel somehow helps to stop evil behaviour at the very first stage.

Community involvement is another popular choice for companies to do CR. Alma Media has a big campaign called *'Responsible Summer Jobs'* which is to challenge other businesses and employers to offer more responsible and better summer jobs for young people. This campaign is organised in cooperation with the Finnish Children & Youth Foundation (FCYF). The campaign is just a nice add-on into the whole CR picture at Alma Media. However, it is something visible, and easy to be communicated to the stakeholders. Alma Media is also an active member of Finnish Business & Society (FiBS). They are also the main partners of *Ratkaisun Paikka*, the first CR expo that was held in May, 2011. Besides, Alma Media is eager to cooperate with other companies and organisations, because it is considered important: *'If you want to have a serious consideration from the outside eyes it's really important to have cooperation on these issues, because there'd be more reliable'*. (Poukka 2011.) In addition, the newspapers of Alma Media devote for local interests. For example, *Aamulehti's* mission is to promote well-being in Pirkanmaa; when *Kauppalehti* seeks to support success and well-being in its community of economic decision-makers, entrepreneurs, and other influencers in the world of business throughout Finland etc. (Alma Media 2010.)

At Metso, the company has many campaigns and projects all around the world. The company has operations in more than 50 countries, so society supports are the aspect that Metso cares about. Seppälä (2011) introduced few of the social projects of Metso. In South Africa, Metso support SOS Children's Village. In China, they built some schools. Especially, in Brazil, Metso have a training project for young local people. Metso take every year a group of young people and give them 11 months of training. After that, Metso hire some of the trained people and help the others to find jobs in other companies. So far, Metso have been training approximately 350 young people in Brazil (Seppälä 2011).

UPM have been trying their best to be a very good neighbour for communities where they have operations. They also improve in the aspect of responsible leadership, people development, and employment engagement etc. (Vainikka 2011.) In 2011, UPM partnered with WWF both domestically and internationally. Domestically, the UN's "*International year of Forests*" brought together WWF and UPM to promote WWF's global 2011 "*Living Forests Campaign*". Internationally, UPM continued working with WWF in the *New Generation Plantations Project* which brings together expertise in plantation design and management in order to further ensure social and environmental sustainability aspects of plantation operations. (UPM 2011, 59.)

Uruguay is a very important location of UPM's activities. Therefore, the company focuses so much on supporting the local well-beings. The *UPM Foundation* has been operated in Uruguay since 2006. It is '*promoting development in rural areas through education, training and entrepreneurship, to foster a culture of safe and healthy living*'. In 2011, over 35 thousand people in 45 communities benefited from the activities financed by that foundation. Besides, in partnership with Bio Uruguay, a local NGO, UPM Foundation promoted sustainable farming practices in Sauce de Batovi, a small rural community of 1000 people located in the largest and poorest province of Uruguay, and supported rural families whose livelihoods depend on the land they live in. (UPM 2011, 59.)

Interestingly, Finnvera is the only one among the case companies does not have any such campaigns or projects on respect of community supporting. '*It's very seldom that we can donate some money to some social projects [...] maybe it's not ethical to let them [the clients] pay more so that we could give these social benefits* (Tulenheimo 2011).' In the researcher's opinion, the statement somehow implied that companies tend to increase their prices, charges, and/or fees in order to have more budgets for social projects. When companies integrate CR into their business, CR expenditures also become part of the total expenses of companies. Therefore, the companies probably need to increase their budget. The companies can make some calculations and revisions of their selling prices or service fees accordingly to be profitable. That is just doing business.

Finnvera, nevertheless, have some projects called '*Finnvera in areas of abrupt structure change*'. The main idea is to help regions in Finland to recovery and/or maintain their economy situations when major companies are about to reduce or stop their operations. In those cases, Finnvera's Directors of Regional Offices participate in working groups that discuss issues related to the situations. (Finnvera 2009.) In addition, Finnvera care about the occupational safety and healthcare of workers in the export credit guarantee projects abroad. They also consider the cultural heritage aspect, as well as the involuntary resettlements. Finnvera want to ensure that all of their financing projects will not affect negatively to the host country and the communities where the projects are executed. (Tulenheimo 2011.)

4.4.2 Environmental Responsibility activities

EnvR is one of the most important aspects in CR. Thus, companies are far from eager to commit to do things which are considered good for the environment. Again, activities in this category may vary dramatically. The matrix of EnvR activities that the case companies applied causes difficulty for the researcher to make up smaller sub-categories. Therefore, this section explains all the activities in general, without any clear distinguish. However, the researcher tried his best to put similar activities together, or at least put them near to one another.

Alma Media conducted a big research on environmental impact of printed versus online media. The research studied on three products of Alma Media: Kauppalehti, Iltalehti, and Aamulehti. The result is quite interesting. It found out that the printed newspaper is, on average, a more ecological news media than an online service. This conclusion is based on a comparison of the environmental impacts of one hour of consumption of each media channel. However, taking into account actual usage volume and consumption hours at the current level, the annual environmental impacts of print media generally outweigh those of a corresponding online service. Based on that study, one may understand that within a certain period of time, printed media produce less environmental impact than online media, but totally, printed media still affect the environment more than online media do. Additionally, the study pointed out that the environmental impacts of print media

are primarily created in the early part of the product life cycle, i.e. paper production and printing; and the environmental impacts of online services are primarily created towards the end of the product life cycle and related to factors involved with their consumption, such as the production of the device used to read the content. (Alma Media 2012.)

Alma Media has also been working on two building projects which would probably reduce their impacts on environment. The first project is a new domicile in Helsinki, which will bring all Alma Media people in Helsinki together at the same place. The new office is expected to have environmental friendly features. The second building is a new printing facility in Tampere. That facility will have both environmental and material efficient machines. Therefore, Alma Media hope that they should be able to diminish their environmental impacts. Both buildings in the future will be applied for the LEED Certificate by Alma Media. (Poukka 2011.)

Finnair have had long-term cooperation with *Finnish Nature Conservation (Suomen Luonnonsuojeluliitto)*. In 2011, they supported a project in Madagascar, financially and professionally. The project was to plant trees in dry areas of Madagascar, so that it could reduce erosion there. Finnair also have participated with *Baltic Sea Action Group*, an organisation based in Helsinki, to reserve the Baltic Sea. Specially, members of Finnair Plus could donate some Plus Points so it would be like they contribute directly to the projects. (Kantanen 2011.)

Another important activity of Finnair in order to be more environmental friendly was the intention to use bio-fuels in their flights. Using cooking oil as biomass is one way of taking advantage on this type of fuel. By using bio-fuels, Finnair may reduce up to 81 per cent of CO₂ emission (Finnair 2009, 38). That is a huge number. Finnair want to be the first airline in the world to adapt bio-fuels in their business.

Finnair also have other solutions to reduce their environmental impacts. The *Continue Descent Approach (CDA)* is one of those. This technique is also recalled by 'The Green Landing' in many documents and brochures. The latter name is easier for passengers to get the main idea and for Finnair to communicate. This CDA

employs a different method for landing. Figure 7 shows how planes are landed by CDA method instead of other normal landing techniques.

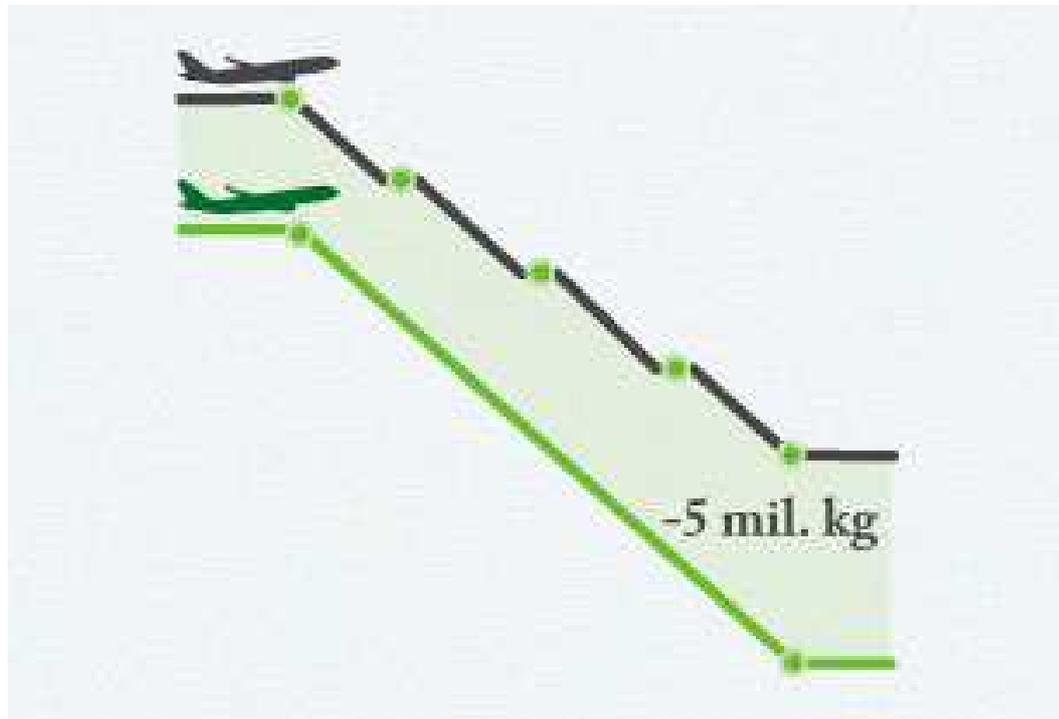


Figure 7: The Continue Descent Approach (CDA)
(Adapted from Finnair's CR webpages, 2012)

The bigger solution of Finnair is renewing the fleet. Finnair continuously remove old aircrafts from their fleet and buy new ones. In 2010, Finnair changed two Boeing MD7 by Airbus 330 and 340, which produce 20 per cent less emission than the formers. Before Finnair started the route to Singapore, the average age of the whole fleet was six years, and for long-haul fleet it was three years. The situation changed when Finnair had to lease the old aircrafts from AirFrance for their Singapore flights. Those leased aircrafts are about ten years old, and they probably increase the average age of Finnair's fleet. Except for financial aspect, fleet renewal is an easy and convenient way to reduce emission. That is why Finnair keeps working with that method. (Kantanen, 2011.)

To diminish their environmental impacts, Finnair adopt the idea to educate their customers about environmental issues. However, Finnair do not tell passengers not to do this or that. They do not want to preach anybody about responsible travelling. Instead, Finnair provide customers with information, data, and facts. Last year, Finnair launched an emission calculator on their CR webpages. The calculator is unique because it uses relevant data from the same point of time in the previous year to calculate results. Other airlines' calculators are based basically on assumptions. The assumptions about load factor are usually high, which is not realistic and practical. That makes final results less reliable. Together with providing facts, Finnair also give customers choices of travelling, how to reduce environmental impacts of flying through various ways, such as flying direct from the beginning, using the airports which use the air space most efficiently etc. (Kanttanen 2011.) Travellers can also reduce their environmental impacts by choosing responsible hotels, being respect to the destinations etc. (Finnair 2009.)

As the reader may see in the previous parts, Finnvera strongly scrutinise environmental impacts of their export financing projects. After being sent to Finnvera, applications will be investigated and reviewed carefully. Finnvera use the guidelines of the World Bank and International Finance Corporation (IFC) to review the applications. These guidelines tell which impacts are allowed and which are not, for specific industrial plans. Sometimes, Finnvera require applicants to add some features, equipment etc. so that they can get improvements in their projects before Finnvera could offer the guarantees. (Tulenheimo 2011.)

Finnvera also design several in-house activities to reduce their direct environmental impact, such as double-sided printing, video conferences (so that the employees need not to travel much), garbage recycling etc. (Tulenheimo 2011.) However, those in-house activities are considered to have much less final impact than the export project policies on environmental issues.

Finnvera is the Export Credit Agency (ECA) of Finland. There are counterparts of it all around the world. In those ECAs in OECD countries, there are people who work on environmental issues like Mrs Tulenheimo does at Finnvera. They meet

twice a year to discuss their projects, their CR aspects, to get the problems solved, as well as to cooperate in different projects with environmental aspect and financial assessments. (Tulenheimo 2011.)

At Metso, they apply ISO 14000 in their operations. They also support the International Chamber of Commerce's Charter for Sustainable Development and have followed the UN Global Compact which included environmental issues since 2006. (Seppälä 2011.)

Metso also have the supplier assessment database and the '7Ms standards'. That means in the assessment, Metso reviews seven basic sub-areas of a supplier: *personnel, machinery, materials, processes, quality control, environment and financial status* (Metso, 2012). And the environmental status is among the most important areas. Alma Media also take in account the responsibility of the suppliers, in their business there are mainly paper suppliers. That is a big part of the paper negotiations these days at Alma Media. With other suppliers, for example sellers of printing machines, Alma Media consider their CR activities as well. (Poukka 2011.)

UPM, on the other hand, manage several big projects related to EnvR. The biggest one is 'The Sustainable Forestry' project. Besides, they have biodiversity programme which is also significant. In wood purchasing, UPM try to make the purchases in a responsible way. There are many smaller initiatives in their business, but after all, the main job for UPM is to manage their forests sustainably. (Vainikka 2011.)

Commented on CR activities, Seppälä (2011) said that '*this is a matter of time that we cannot do that overnight, you need longer time for that because you need to organise all types of training [...] and distribute the materials and then checking that this communication is being understood by the local people and of course you also sometime have to make some adjustments, culture adjustments, for that country*'. That is a fairly good point. And that point to some extents wraps up this section about CR activities.

4.5 Corporate Responsibility communications

One of the most important parts of CR at a company, according to the researcher's opinion, is communication. Because CR is something that links business and society, it needs dialogues between those two. Communication helps companies to present the CR visions, goals, strategies, activities, and especially results to stakeholders. Through talking and listening, companies may also get feedback from the outsiders, from that they can evaluate their CR activities, and prepare better CR plans for future. More than that, it is not only about external communications but also internal communications where companies exchange ideas and information within their organisations. This type of communications may also bring positive outcomes for the companies. CR communications are crucial.

The case companies have designed for themselves different methods of communicating about their CR activities. Some of the methods are absolutely creative and distinctive, but it also seems that not all of the case companies have worked their best to communicate to their stakeholders. It is also interesting to see how companies utilise the communication channels, and what the contents in each company are. Some of them report a lot, some report not much, some indicated that they have said less things than what they had done. Generally, the CR communication function at five case companies is appropriately managed and operated.

This section discusses how the case companies use various channels in order to tell stakeholders about their CR activities and CR results, as well as how companies communicate within their organisations. Therefore, the section is divided into two small sub-sections: external and internal communications. After going through this section, readers would probably understand how different companies are when using CR communications. In addition, this section will discuss the GRI Guidelines (Global Reporting Initiative's reporting guidelines G3), the framework for reporting CR activities, how it has been considered and used in Finland.

4.5.1 External communications

The most popular and important channel for companies to communicate the CR activities with the outsiders is CR report. Alma Media integrated the CR report into their corporate annual report, as an action to show that CR is not a separate part of their daily business. (Poukka 2011.) The method that Alma Media employed to report their general as well as CR information is very creative. The report is short, but detailed, comprehensive, and condensed. Finnair consider their annual CR report the biggest thing they are actually doing. Besides, they also use press releases, sales bulletins as other ways to communicate about CR, mostly to business partners. (Kantanen 2011.) The CR reporting activities of Finnvera are impressive. The reports are published every year. They contain everything the stakeholders need to know about the CR aspects of Finnvera. Tulenheimo (2011) said to the researcher that *'I believe that this report [The report of 2009] is good material for your work, you get a lot from here...'* And actually, throughout the research process, Finnvera's CR reports provided enough information for the researcher about CR at Finnvera. After the interview, something has been changed at Finnvera. Nowadays they decided to publish only one report and integrate the CR reporting into their annual report. About that, Tulenheimo (2012) strongly said *'I believe that this is positive development [...] that we do not separate CR from our daily work.'* At Metso, they published the report on their webpages. Metso discussed some parts of CR in their other written communications, such as press releases, brochures etc. (Seppälä 2011.) UPM, not being different from other case companies, consider their annual report the most important channel to communicate to stakeholders. They do not make a separate report for CR because as their perceptions about CR indicated, they look at CR as one part of business. A few years ago UPM used to publish separate reports for CR, but nowadays they have stopped doing that. (Vainikka 2011.)

Multimedia provides companies with new channels to communicate about CR activities. Alma Media maintains an online blog. The blog has three main topics and CR is one of them. Through the blog, viewers have the possibility to comment, so they can have real dialogue with Alma Media if they want. Actually, stakeholder

dialogues are everywhere in Alma Media's business activities. Every year, they received about 200 thousand phone calls from different types of stakeholders. Of course not all of the calls were about CR, but because CR is an integrated part of everyday business, so it is safe to say this is another channel of CR communications at Alma Media. (Poukka 2011.) Concurrently, Finnair just launched their CR webpage in 2011. The webpage is quite impressive. Its main idea is to tell the stakeholders about Finnair's CR in the easiest way. Finnair want to communicate about the issue as simple as possible. There are different ways of interacting through the webpage. Visitors may use the question part to contact Finnair, or they can refer the Q&A part so that they may find the most asked questions. Finnair also create stakeholder dialogues through Facebook. (Kantanen 2011.) However, according to Kantanen (2011), people usually send emails directly to Kati Ihämäki, the Vice-president of Sustainable Development at Finnair. That is good because everyone can contact the manager who is responsible for those issues in CR. Meanwhile, Vainikka (2011) believed that the webpage is an important channel for UPM to have dialogues with their stakeholders. The webpage has been revised several times to be more informative and user-friendly. Nowadays, by visiting the webpages of UPM, stakeholders may find a lot of information, data, document, and reports etc. about all aspects of the company. UPM webpages also have special parts for CR.

In 2009 and 2010, Alma Media conducted a quite extended stakeholder study. From that they defined the main elements of their CR. (Poukka 2011.) This is mentioned already in section 4.3. In 2009, Metso launched a big webpage inquiry among their stakeholders. The inquiry asked opinions of the stakeholders about Metso's performances in CR issues and what Metso should focus on in the future. There was no report on that inquiry but Metso put some outcomes in the Sustainability Report. They do not have intention to launch another inquiry any soon. (Seppälä 2011.)

A panel discussion about the role of media in promotion of sustainable development was held by Alma Media in cooperation with Helsinki University and Tampere University. That event was very popular. (Poukka 2011.)

Attending investors' events is another channel of Alma Media to communicate to their stakeholders. Of course there is investor relations function inside the company, and the people working there are in contact with the investors each week. However, because of the growing demands from the investors, CR function of Alma Media also has to do the job. (Poukka 2011.)

Figure 8 presents clearer the key channels that Alma Media use to communicate to their stakeholder. With the same purpose, Figure 9 lists the channels which Finnair employ in their CR communications. It also mentions the main subjects in stakeholder dialogues of Finnair.

<i>STAKEHOLDERS</i>	<i>KEY CHANNELS</i>
Readers	Newspaper-specific reader surveys Reader panels Focus groups Reader events Customer service contacts Opinion columns
Users of online services	Visitor surveys Customer satisfaction surveys Customer service contacts Social media services
Employees	Employee surveys Performance discussions Occupational safety and health committees Co-determination committees Management and delegate day Intranet
Investors	General meeting Investor events and meetings Teleconferences Webcasts
Advertising clients	Direct contact with sales Customer satisfaction surveys Events Client publications
Public sector	Ministerial working groups Direct contact through industry associations
Business partners	Direct contact Fairs and exhibitions and other events
Organisations and federations	Member events Direct contacts Working groups

Figure 8: Channels for Stakeholder Interaction in Alma Media

(Adapted from Alma Media Corporation 2010, 13.)

Stakeholder	Channels	Subjects
Customers	Surveys, research, written feedback, websites, social media, customer service encounters at every stage of the journey	Emissions and noise reduction, safety, recycling, responsible tourism, charitable giving via Finnair Plus, on-time performance
Personnel	Personnel magazine, intranet, internal blogs, theme weeks, personnel events, 4D Wellbeing At Work survey, occupational health unit, performance dialogue sessions, discussions with labour organisations, Career Gate	Working capacity and wellbeing at work, target setting, changes to improve productivity, increasing trust, reducing environmental impact on the job, career assistance for employees made redundant
Shareholders, investors and analysts	Stock exchange releases and reporting, investor meetings, road shows and other events, investor section on Finnair Group website, Carbon Disclosure Project, Annual General Meeting	Improving profitability in a sustainable way, sustainable investing, increasing long-term competitiveness in the changing market environment
Aviation sector	Membership in IATA and AEA, membership in TOI and STLN (Sustainable Travel Leadership Network) for sustainable tourism, oneworld alliance member, code-share cooperation with other airlines, cooperation with Finnavia and other airport operators, sector seminars and working groups, manufacturers, AGD	Safety, emissions reduction, emissions trading, air traffic management, biofuel supply chain development, sustainable tourism, economic impact of sector
Authorities and government	Various government ministries, ministerial working groups, events, meetings, Finnish Consumer Agency, Flight Safety Authority (TraFi), embassies	Safety, emissions trading, air traffic management, impact of operations on environment and noise, impact of operations on economic life and mobility, traffic continuity, biofuels, employee relations
Non-Governmental Organisations	Cooperation with Finnish Association for Nature Conservation, Baltic Sea Action Group, UNICEF, Finnish Red Cross and other NGOs; member of the Carbon Disclosure Project; partnerships with sustainable design firms such as Tikau, Uusix and GlobeHope	Greenhouse gas emissions reduction, environmental remediation, public health measures, disaster relief, wildlife protection, common interest projects for sustainability
Suppliers	Contractual cooperation, Finnair procurement guidelines, extranet	Cooperation efforts to reduce emissions and other environmental impacts, monitoring of responsibility everywhere in the value chain
Media	Press releases, press conferences, visits by reporters, press trips, interviews, websites, blogs	Emissions reduction, personnel relations, financial sustainability, charitable cooperation projects, trends in traffic, biofuels, emission trading, noise, impact of aviation on local economy and mobility
General public	Communications via media, websites, blogs, Facebook, Twitter, e-mail, lectures	Emissions reduction, labour relations, presence in local economies, charitable cooperation projects

Figure 9: The Main Channels and Subjects in Communications with Stakeholders of Finnair

(Adapted from Finnair 2011, 13.)

4.5.2 Internal communications

Alma Media has been setting a CR network in the company. The motivation for this is that they want to really integrate these issues into company's daily activities. Alma Media have 3000 employees all around Finland, so they need some kind of common structures of applying CR. (Poukka 2011.) Meanwhile, Finnair employ intranet, and internal magazine etc. to give information about CR to their internal people (Kantanen 2011).

Staff training is an important activity at Alma Media. Alma Media take care of training their staff, such as their sales people, because clients that use advertising service of Alma Media are growingly interested in the environmental impacts of advertising. It is important for the sales people to have right answers in cases of these growing demands. (Poukka 2011.) Finnair also put much effort on training their staff, and similar to Alma Media, sales people are the most important group. If Finnair's sales people come to companies that appreciate CR, those companies would absolutely ask about the CR situations at Finnair, and the sales people must be able to know the facts and information to respond. Finnair's sales people attend the *Sales Summit* which was held four times a year, usually in Helsinki. In those events, there are people from Finland and all sales units in Asia, Europe, and the US. They talk about various issues, updates etc. Finnair also organised information sessions called *Aulametsu* for their cabin crews. The sessions were hold at the crew lobby on the 2nd floor at Finnair's headquarters, so that outcomes could be high. (Kantanen 2011.) At UPM, they try to raise the awareness among their people, so that the employees of UPM will respect the company's vision and CR issues, consider those things important, and think of them as keys to innovation. The level of knowledge is rather good at the moment. (Vainikka 2011.)

At Metso, the Metso's Forum for the worker was held once a year. This is not something invented by Metso, but stipulated in the law. The Metso Forum is a practical implementation of an EU regulation stipulating major companies in the EU area must have a body that convenes annually to give a forum for a dialogue between the management and workers. (Seppälä 2012.) That event is a big inter-

nal meeting every year where Metso have about 40 representatives from across Metso's European units. The results of that forum are highly positive. It is much appreciated. (Seppälä 2011.)

Poukka (2011) from Alma Media said that CR is a special area that attracts all types of stakeholders. Usually, the investors are interested only in how much they might get as dividends, and the advertisers only care about the prices for advertising etc. However, towards CR, all stakeholders share common interests. Of course each type of stakeholders focuses on different issues of CR, but in general, it is something for everybody, it is a common ground. Deriving from that opinion, CR communication is an important part of the whole CR function of a company. Therefore, companies should put more effort in CR communications.

4.5.3 Application of the Global Reporting Initiative's reporting guidelines (GRI guidelines G3)

Alma Media report their CR activities in compliance to the GRI guidelines G3. They do that because their stakeholders have been used to the GRI. For stakeholders who are interested in CR reporting, GRI guidelines are very important, or in metaphoric word of Poukka (2011), GRI is their 'bible'. Alma Media use GRI also because it is the only big framework for CR reporting. However, the GRI is not thought to be good for the media sector. The GRI does not emphasise such issues as media responsibility about liabilities, integrity, and freedom of speech etc. GRI is the best Alma Media have at the moment. *'If you want to be able to compare your report with others, it's GRI to use (Poukka 2011).'* Alma Media's CR report is self-declared, which mean it was not audited by external parties, because that would be a huge investment for Alma Media to do so. The audit is more suitable to bigger industries like pulp and paper. (Poukka 2011.)

Finnair carefully and completely apply GRI guidelines for their CR reports. The application meets Level A, which means Finnair report all key indicators of the GRI, and in case any indicator has not been reported, Finnair have to explain reasons of the missing. The reports were audited by PricewaterhouseCoopers Oy. (Finnair 2010, 2011 & 2012.) However, in the researcher's opinion, some expla-

nations are not reasonable enough for stakeholders to satisfy. For example, in the CR report of 2009, it stated that Finnair did not report on water using indicator because Finnair is not a significant operation in that aspect. Explanations like this should be discussed in more details to become more convincing. However, nowadays Finnair report quite extensively on this aspect also (Ihämäki, 2012).

The Sustainability Reports of Metso follow strictly the GRI Guidelines. There are some sections that are not reported, such as the biodiversity or the water affecting sections. Commenting on the issue, Seppälä (2011) said that it is a matter of resources to report, and he also stated that Metso is for the main part an engineering company meaning they have technical experts and designers who sit at their computers and who are thus not causing more harm to biodiversity than the average person in office work (Seppälä 2012).

In the researcher's point of view, this opinion is suspicious, because Metso's operations in one way or another probably have influences on the biodiversity. Therefore, they should report about all that. Responding to that view point, Seppälä (2012) informed that naturally Metso have also workshop activities and even some foundries, but as a whole, their burden to biodiversity is not particularly high, e.g. compared with the impact on biodiversity caused by some of their customer companies in natural resources business. For a global company operating in more than 50 countries like Metso, it indeed takes some time and costs to set up uniform systems for measuring specific items. One reason for that is the legal requirement and technical specifications used locally are tied to national legislation and have to be translated to a common comparable form.

In the reporting, Metso concentrate on reporting data which is relevant to describe their activity and in line with the requirements of their chosen GRI reporting level. Metso are actually collecting much more information, but they think it is important for the clarity of their reporting to focus on the relevant issues and thereby keep the report concise enough. All Metso's manufacturing units globally report on a wide scale of issues including environmental key performance indicators. Seppälä added: *'We might have data measured, collected and analysed for big*

units, but smaller ones have not yet all systems in place. Often stakeholders, like analysts, appreciate reports only with 100 per cent coverage. I am not aware of issues we would not be prepared to publish if they are not competition sensitive. (Seppälä, 2012.)'

The situation changes the most at UPM. When the interview was conducted, Vainikka (2011) stated that UPM were not reporting correctly based on the GRI Guidelines. She informed that they had discussed a lot, but personally, she would not expect that UPM would use GRI in CR reporting. The reason is that there are not many added values for UPM to apply the GRI. Besides, the calculating methods in different companies are different, which makes the data incomparable. She asked for a reliable third party to audit the reports. Adding to those opinions, she thought that in the future UPM might use the GRI Guidelines if there were some revisions and/or fixes; and if the demands from investors increased considerably. (Vainikka 2011.) Everything has changed with the latest annual report from UPM. The report follows GRI Guidelines quite strictly. It meets the Application Level B+ of the GRI standard. (UPM 2012.) The researcher did not have a chance and time to come back to Vainikka about this phenomenon. However, this move of UPM proves that the GRI is a popular trend nowadays in CR reporting.

The researcher did not find any signal of GRI Guidelines in the CR Reports of Finnvera. Finnvera have their own way to communicate to the stakeholders about their CR activities. Nonetheless, the reports are well-prepared and cover enough information about CR issues at Finnvera. However, according to Tulenheimo (2012), although Finnvera did not refer GRI in their report, they did use the guidelines as the background of their work.

Poukka (2011) thought that some parts of the GRI Guidelines are close and similar to Finnish legislations, and that many social resource indicators are already integrated into Finnish laws, so there is no point to report about those. She hopes for a new version of GRI that is more applicable for media sector. That kind of GRI is on creating process. She is also waiting for a more reliable audit system in the future.

The researcher had a special extra discussion with the representative from Alma Media about the role of media in CR applying process in Finnish business environment. After the previous interviews, the researcher received some comments on how newspapers and media act upon CR activities from enterprises. The other case companies expected media would be more responsible when writing news or preparing the media contents. Certain information if being inappropriately publicised may accidentally hurt some businesses. Responding to that, with her own opinions, Poukka (2011) told the researcher that the matter here is freedom of speech and journalistic integrity. It is journalists' business about what they write. In addition, media should write more about CR issues, because that would be something interesting to people. Not many people know how well companies are doing and how transparently they are working. Nevertheless, *'media could take more advantage of reporting when trying to find juicy cases, [...] that's how you can find something interesting. [...] just the fact that the company acts ethically sounds way shouldn't be news [...]. But of course if a company has improved tremendously or something like this, then it can be news.'* (Poukka 2011) This argument is well-formulated. However, the researcher thinks that media cannot be too relaxed in their approaches to the issues. They could dig in to discover some shocking findings about companies, should unveil evil scandals. However, after all, one among journalism's and media's main purposes is to make life better for everyone. Therefore, journalists and the media should be very careful when they are writing and reporting about CR activities. Besides, they should cooperate more with other organisations and enterprises in CR issues.

4.6 Current results of Corporate Responsibility in Finland

There is a thought that outcomes of CR activities are difficult to be measured. That is quite true, because campaigns and projects in the field of CR sometimes are intangible to some extents. They are not like financial incomes or sales revenues to be calculated. However, as in marketing, CR results can be evaluated by using proper analysing methods and techniques. Besides, several activities can be measured by data which are affected directly or indirectly by the respective activities. Notwithstanding, companies do need results from CR activities, and those

results should be able to be presented in some ways, so that people may read, watch, or hear, and then understand. From evaluating CR results, companies know what they have done well and what they have not, as well as how they should change their CR activities in future. By taking advantages on positive CR results, companies may attract more investors and manage to gain appreciations from the public.

The current results of the case companies in this research are quite impressive. They have accomplished some of their goals, or at least they are consistently going further on the continuous process to reach their visions. Of course companies decide to look back and review their accomplishments and/or failures by their own ways, with their own eyes etc. That sometimes makes biases, but in general, the announced information is not too subjective. Therefore, the results are trustful, and more important, positive.

In this section, the researcher will discuss the CR results from the case companies. The results are categorised into three categories: Economic Responsibility results, Social Responsibility results, and Environmental Responsibility results. Some results do not really belong to any category, so they are mentioned in the category to which they have the most similarities. Following information was given in this study's interview by the respondents. There might be some facts which do not appear anywhere else because the interview contents may be unique. The readers should notice which points are said to be general and which are personal opinions of the respondents and the researcher. As stated earlier, CR results are mostly vague and intangible, so each one can interpret them differently. The researcher tried his best to make the whole section clear, systematic, and consistent.

4.6.1 Economic Responsibility results

Alma Media report their financial information in four segments: *Newspapers*, *Kauppalehti Group*, *Marketplaces*, and *Other Operations*. Revenues of all segments in 2010 were higher than revenues in 2009. However, it was a decreasing situation compared to 2008, except for Other Operations segment. Interestingly, the profit of Other Operations segment was lower in 2010 if compared to 2009.

(Alma Media 2011.) The total revenues in 2011 was EUR 316,2 million, increased 1,1 per cent from 2010. However, the profit for the period in 2011 was EUR 30,8 million, decreased 7,1 per cent compared to the previous year. Besides, in 2011, Alma Media paid EUR 11,2 million income taxes. (Alma Media 2012.)

Finnair's income has been recovering since the crisis in 2008 and 2009. The total income in 2011 almost reached the number in 2008: EUR 2280,6 million, compared to EUR 2305 million. The income of the year 2011 nonetheless 11,25 per cent and 20,39 per cent bigger than the incomes in 2010 and 2009 respectively. However, in 2011, Finnair did not give out dividends. In addition, due to some reason that the researcher could not find out at the time finishing this thesis, Finnair did not pay taxes for the year 2011. (Finnair 2011, 49.)

Finnvera have positive influences on the Finnish economy. They help the employment rate maintain at good level. They have done all that because they '*believe that it's important to give the guarantees to keep Finns employed*' (Tulenheimo 2011). As it will be mentioned later, Finnvera support regional development and create jobs in needed areas with financing projects, and have gained very good results. Reader may refer the section 4.6.2 for more information about that in some specific areas.

Metso have increasing net sales, from EUR 5552 million in 2010 to EUR 6646 million in 2011. The taxes that Metso paid in countries they have operation exceeded EUR 149 million in 2011. (Metso 2012.) The dividends also has been increasing through years from 2008 and reached EUR 1,70 per share in 2011 (Metso 2011 & 2012). Those results of Metso could be classified as EcoR results.

The annual sales of UPM have been increasing from 2009. In 2011, the figure reached EUR 10068 million. That was a 12,82 per cent increase compared to 2010. However, the profit before taxes decreased 34,33 per cent, from EUR 635 million in 2010 dropped to EUR 417 million in 2011. This phenomenon might be due to the increasing of costs and expenses factors in UPM operations. Also, the decreasing value of biological assets and wood harvested, as well as the share of

results of associated companies and joint ventures might affect the total profits in 2011. (UPM 2012.)

Overall, the case companies did gain profits for their businesses, have shared benefits to their stockholders, and honoured their taxation dues. As one may see, some of the cases accomplished good results, and some accomplished insignificant improvements, but at some points there are declines. Nevertheless, to a certain extent, the case companies have fulfilled their businesses' purposes as well as their EcoR towards the economy and interest groups.

4.6.2 Social Responsibility results

Alma Media have positive results in social aspect of CR. One outstanding example is that the payment differences between genders have been reduced. The ratio of basic salary of women to men at Alma Media went up from 85,4 per cent in 2009 to 88,83 per cent in 2010. Besides, the annual injuries and lost days have decreasing trends. In 2008, there were 154 injuries and 1310 lost days; the numbers in 2009 and 2010 respectively were 135 – 2274 and 137 – 889. (Alma Media 2011.)

At Finnair, the occupational healthcare and safety at work are considered very important. The department responsible for those issues has been doing a major job to ensure the safety at work and healthy conditions for Finnair staff, such as teaching about better ways to live, healthy ways to live without cholesterol etc. It is obvious that Finnair do not have everything safe, but safety is the priority in everything they do (Kantanen 2011). The work-related illness per unit in 2009 was 0,1/100 employees (Finnair 2010, 30). That number is almost equal to zero. In 2010, there was no work-related sickness, and no fatality (Finnair 2011, 23). The positive trend continued in 2011 with no fatality and only one work-related sickness was diagnosed (Finnair 2012, 69). Those results are surprising and impressive.

In 2009, Finnvera had financing supports for areas of abrupt structural change totalling EUR 152,6 million (compared to EUR 164,1 million in 2008). Finnvera's

financing projects helped to create 1012 new jobs and to secure 638 existing jobs in areas of abrupt structural change (the corresponding figures of 2008 were 2227 and 337 respectively). (Finnvera 2010.) At the end of 2010, Finnvera had financing projects for enterprises in 11 abrupt structure change areas all over Finland. The total financing supports was EUR 118 million. The sum was smaller than the year before. Reason for the decline was the low volume of investments in these areas. By means of its financing, Finnvera have helped in creating 8994 new jobs and in securing 3338 existing jobs so far. (Finnvera 2011.) Readers should be noticed that this paragraph is concentrated only on the specific subject of *abrupt structural change* as one among various CR activities at Finnvera.

In community sponsorship, Metso have different performances in different years. While in 2010 they spent EUR 3,1 million on sponsorships, in 2011 the number was only EUR 1,1 million. Besides, the figure in 2011 was higher than the ones of the year 2008 and 2009. Generally, the amount of money Metso put in community sponsorship for 2010 is much higher than the other years' figures. Seppälä (2012) explained the reason for that phenomenon to the researcher as follow: *'In 2010 the new university law in Finland was published with the regulation allowing companies to make that year tax-deductible high-volume donations to Finnish universities. The intention was to have push for the capitalisation of the universities to make them internationally more competitive. Metso was one of the many Finnish companies following the initiative by the Finnish government. [...] Naturally we had no interest or possibility to continue such huge donations in 2011.'*

Occupational healthcare and safety at work of Metso also made a downturn direction. In 2011, there is a 13 per cent more absence days per each employee (due to illness or injury). The number in 2008, 2009 and 2010 were 6,1, 5,4, and 5,4 respectively. (Metso 2011 & 2012.) In addition, as mentioned in previous parts, social campaigns and projects of Metso have achieved impressive results. The training project in Brazil is a typical example.

In 2011, over 35 thousand people in 45 communities of Uruguay benefited from the activities financed by the UPM Foundation (UPM 2012, 59). That is one of the

positive results of UPM's SocR activities. Optimistically, Vainikka (2011) from UPM said that '*I would consider [the CR current results] positive*'. She thought that UPM were managing the principles, and there had not been so much negative publicity in CR issues, compared to their competitors.

4.6.3 Environmental Responsibility results

The EnvR results at Metso are quite good. The CO₂ emission has been reduced from 316 thousand tons in 2008 down to 272 thousand tons in 2011, which is almost 14 per cent decreasing within 4 years (Metso 2011 & 2012). The emission reduction of Alma Media is less impressive. They managed to decrease the figure from 3430 tCO₂ in 2009 to 3420 tCO₂ in 2010, almost the same amount of emission every year. The consumptions of paper, inks and printing plates decreased slightly. So did the energy consumptions. (Alma Media 2011.) Finnair have some improvements in this aspect. On the other hand, UPM had backward steps in both emissions and fuel usage. The figures have an increasing trend from 2008 to 2010. (UPM 2012.)

By the year 2009, Metso has been included in several sustainable indexes, such as: Dow Jones Sustainability Index, DJSI family's European sustainability index (DJSI STOXX), FTSE4Good Global Index, Nordic Sustainability IndexKempen/SNS Smaller Europe SRI Index, European Ethibel Sustainability Index etc. (Metso 2012.) That is a huge accomplishment for Metso. Their EnvR activities have been recognised.

At Alma Media, the company has got over the tipping point of applying CR in its business. The talks came into real life. Alma Media accomplished an important result when it became the first media company in Finland reporting about CR activities. (Poukka 2011.)

At Finnair, they are happy with the CR results and proud of them. That is because Finnair have to work on a very tight budget, not like some '*desert airline*' (The Emirates, Qatar Airways etc.), but they are still able to achieve good outcomes. (Kantanen 2011.)

In conclusions, current results of CR issues at the case companies vary a lot, depending on very specific situations of each company. However, those results are quite positive. Those results also become crucial for companies in order to self-evaluate their CR performances and plan their future activities in CR issues. The future plans and expectations from the case companies will be discussed more in the next chapter.

5. FUTURE PERSPECTIVES OF APPLYING CORPORATE RESPONSIBILITY IN FINLAND

5.1 Plans and expectations of companies

There is always expectation for the future development of CR activities. Companies, based on what they have done, seek another positive result. Moreover, they may expect external parties to do certain things in order to make their CR operations work more properly and conveniently, such as supports from the government, cooperation from other companies and/or NGOs etc. Holding those expectations, companies may formulate their new CR visions, goals, plans etc., and design their CR activities for several years to come.

The case companies in this paper have different expectations. They want different things, wish for different things, and are about to do different things. Looking at the whole picture, all five case companies require more transparency from other enterprises in Finland. Besides, they would like to see that their CR activities would gain big impacts not only in Finland but also worldwide.

Section 5.1 will give readers the view about expectations of the case companies for the situations of CR in future. It is sometimes a mix between general expectations and specific plans and/or goals of the case companies. The researcher considers that the line between those two is not really clear, it is only that whether they are put into certain documents or not. Usually, the expectations are from the interviewees directly and the goals are from documents of the case companies. Nonetheless, that is not a strict rule applying for everything to be discussed in the next paragraphs.

Alma Media hope that they will soon be able to find the balance between '*doing good and doing business*'. They hope CR would be put into figures, in order to show how it can benefit the business, how it makes advantages for the company. (Poukka 2011.)

Finnair, on the other hand, expect growth. They expect growing activities and also increasing of knowledge about CR issues among their internal staff and their passengers. They want to be responsible and will increase their good reputation on the market. Finnair also seek new ways to do CR works. (Kantanen 2011.)

The future expectations from Finnvera are personally from Tulenheimo (2011). She believed that there would not be any big change coming within her organisation. She thought it might be more cooperation among various state-owned organisations and Ministries on CR field. She would also like to improve the in-house CR activities at Finnvera, to reduce their direct impacts on the environment. (Tulenheimo 2011.)

Meanwhile, Seppälä (2011) indicated that Metso will be going more and more to emerging countries. He thought that there is a great need for different types of CR activities in their operations around the world, especially community works such as supporting local projects, helping local training and education etc. (Seppälä 2011.)

In EnvR aspect, Metso aim to reduce 15 per cent of their CO₂ emission by 2015 and 20 per cent by 2020 (Metso 2010). It is not clear about the year which Metso use as the landmark, but it should probably be 2009. Besides, as mentioned earlier, Finnair want to reduce 41 per cent of their CO₂ emissions from 1999 to 2017 (Kantanen 2011). That is a huge plan for future. However, Kantanen (2011) said that *'we are confident that we're [going to] reach them.'*

Alma Media hope that those industries in Finland which were slowly applying CR would be more active. Media sector was one of such industries, but the situations have changed. Therefore, other industries should increase their CR activities also. (Poukka 2011.) On the other hand, Finnair hope other airlines would be more transparent in their operations, because if the passengers saw the real facts, they could make better decisions, and consequently receive more benefits (Kantanen 2011).

Personally speaking, Poukka (2011) thought that it would be good if the government designed some legislation which requires companies to report on certain areas, especially environmental issues. Being a state-owned organisation, Finnvera expect the Finnish government to give them freedom in formulating the policies. Of course Finnish government has the right to give the guidelines for CR in general; but it would probably be better if the formulation of policies and practical procedures themselves are done in Finnvera. (Tulenheimo 2011.) From Metso Corporation, Seppälä (2011) did not really ask the government for any support as such, but he thought it would be really useful if there are some CR models that work well being introduced. By that way, companies do not have to try and try by errors, and they can apply CR conveniently. On the contrary, Finnair do not expect any support from the government, because it may change the competition in a wrong direction (Kantanen 2011).

5.2 Potential future trends of Corporate Responsibility in Finland

The application of CR in Finland currently gains positive results, as mentioned in previous part of this paper. The previous section discussed several expectations and future plans etc. of the case companies. Readers may now come up with a question like this: *'what might be the trends for applying CR in Finland in the next few years, or further, in the future?'*

Appropriate answers cannot be found easily, as well as no one can reply to that question with total confidence. Looking back to 100 years ago, there was no evidence of CR's existence. 50 years ago, CR was born and slowly developed in academic studies and business practices. From 20 years ago until now, the situation has been much better, but also a lot of dramatic changes occurred. Nowadays, CR has become inevitable, but who knows if in the near future some incidents happen and CR loses its importance? That is an extreme scenario, but every guess may come true. Even things that have never been thought of before may occur, so no one could be so sure about the future of CR; everything is just predicted.

Vainikka (2011) from UPM shared her prediction about the future of CR that it would definitely be a growing trend. Companies would be reporting more, they

would also be expected to be more transparent in CR issues. There is a chance that reporting could even be set obligatory by the governments, also in Finland. Besides, there would be some developments in those issues, because she thought that CR communications is very important, Investors want to know more about CR activities of companies, so they need available and comparable data to make their investing decisions. (Vainikka 2011.)

In this section, the researcher tries to draw some possible trends of CR applications and utilisations in future. That task is not easy, and due to the lack of knowledge and experiences of the researcher, he may or may not come up with appropriate predictions. All the trends stated here are made by the researcher himself, based on the analyses and evaluations on CR situations at the moment, the contents of conducted in-depth interviews of this research, and other various information and data from various sources.

The first trend is environmental issues. Companies will focus more on and devote more resources to this field. Nowadays, protection of environment is very popular. Everyone thinks about, talks, and acts upon it. Therefore, they expect the enterprises to do something as well. Companies, depending on their industries and businesses, will employ different methods, techniques, and solutions in order to help to protect the nature. Companies will also try to show that they are operating sustainably, and everything they do is environmental friendly.

The second trend is CR reporting. There are more and more people who know about CR. They want to know what companies have been doing on the topic. Investors, customers, business partners, governments, associations, NGOs, federations etc. want to be informed about CR issues that they relate to, are familiar with, or have interests in. Therefore, companies will put more effort in reporting their CR activities to meet the demands from stakeholders. There will be a lot of guidelines, standards, frameworks etc. to report on CR. Some of those would be used widely if they have good features that help the companies to be able to communicate easily to stakeholders about CR issues and if they can create better dialogues among the companies and their stakeholders. The GRI Guidelines G3 is

a major player at the moment, but in future, it may lose its competitive edges if it does not change according to the business changes.

The third trend comes from political aspect. As one may realise, international relation affairs are getting more chaotic and complicated nowadays. World politics is not as stable as it should be. Every citizen should bear responsibility toward political issues. Companies and businesses are the citizens of our societies, of our world. Thus, they should be responsible for those issues too. In the researcher's opinion, to a certain extent, companies and businesses will engage in political issues of the world more in a next few years. Therefore, Political Responsibility would split out from SocR, and become a very own aspect of CR. This trend is predicted by the researcher himself based on the current situations of the world and the phenomenon in which EnvR formulating and developing to be a separate aspect within the CR concept several years ago. This might be the least possible one among three trends discussed in this section. However, as stated before, no one can be sure about the future, so everything may happen.

5.3 Suggestions for Corporate Responsibility activities in future

In this last section of chapter 5, the researcher attempts to initiate several potential suggestions for future CR activities of the case companies in this study and also other Finnish enterprises. That is not a light task. The suggestions also may not be as good as readers may expect. Again, that is due to the lack of knowledge and experiences of the researcher. However, the following ideas are expected to contribute somewhat to the business practices, combine with other ideas out there to form potential and applicable ideas for companies to utilise.

First of all, companies should have more cooperation with government, NGOs, and other associations. During the interviews, the researcher realised that some case companies expressed an attitude that they would not like the government to involve in their CR activities. However, it would be beneficial for all parties to cooperate on the aspect. If business and the government plan and execute activities together, there will be more available resources, both financial and professional ones. Thanks to that, outcomes would probably be better. When companies

achieve positive results, they will accomplish a better look in public eyes. Of course, the cooperation should not interfere in companies' own business and not violate any right of the companies. The cooperation should bring benefits, not inconveniences in any kinds, towards the involved parties.

Secondly, the companies should realise whether certain plans are feasible. A feasible plan is the one which can be executed and finished. Companies must be realistic in CR issues. If a CR activity fails, that will be a huge waste of resources. Furthermore, the companies may lose its reputation from the public because of their failures. That is not a situation any business wants to experience.

The next suggestion is about CR communicating. In communications with stakeholders, companies should say a little bit less than what they have done. Actually this idea came from one interviewee of the research. This is a way that the companies avoid telling too much, too far, or even sometimes telling something which is not that much correct. By smartly unveiling appropriate information and data of CR activities, companies can attract people to search more, learn more about their CR works. Information must be transparent, widely available, correct, trustful, and interesting. In addition, because GRI Guidelines G3 is a big trend nowadays, companies should consider using it.

The suggestion from the researcher to the Finnish government is that they should act more actively in the field of CR. First, they may support the companies with information, knowledge, and know-hows etc. about the field. The knowledge can be CR techniques, successful CR models etc. Second, they should prepare some legislation related to such issues which are included in the CR concept. The most important area at the moment is environment protection. The case companies expect the government to focus more on that aspect. Moreover, government should advocate CR wider, broader, and deeper; not only in big enterprises but also in smaller ones, not only in major industries but also in other ones, and not only in Finland but also in other countries.

In the researcher's point of view, Finnish government has good reputations on international stage, so it should take an appropriate stance and speak up about the

topic. By those actions, Finnish government may create some influences on applying processes of CR around the world, or at least increase the awareness among people and contribute to the development of CR concept worldwide.

6. CONCLUSIONS

CR is considerably a new field in academic studies and business practices. Nevertheless, it has been very popular nowadays. More and more companies all over the world apply the concept into their businesses. There are opinions for and against CR. However, CR is a major trend of modern business, and until now, there has been no signal of the death of CR.

In Finland, the concept of CR has been adopted and applied for a while. *'In some industrial companies, they have started something [...]. They don't need to do but they wanted to do* (Tulenheimo 2011).' Many opinions said that Finland has high values of ethic, and that the Finns have already worked on CR issues effectively. Therefore, it is believed that the development of CR in Finland is obvious and easy. However, it is a fact that Finnish people highly expect the companies to be responsible for their activities, and they do not really content with the performances of the companies so far. To cope with that situation, many Finnish companies have been utilising CR in their everyday business in order to gain more reputations, acceptances, and positive attentions from the public. Nevertheless, CR is not an easy task, mostly because *'it is not always so tangible* (Tulenheimo 2011)'.

This paper studied on how Finnish companies apply CR in their operations. Through five case companies – Alma Media, Finnair, Finnvera, Metso, and UPM – the paper found out interesting and valuable information. All case companies are highly interested in adopting CR concept and showing the outsiders what they have been doing. The case companies have been working on various issues of CR really well and achieving considerable results. Despite problems, obstacles, and matters which still maintain, in the researcher's opinion, Finnish companies are on the right track. Moreover, the case companies highlight the Finnish mentality of sincerity, trust, and honesty in every aspect. As one interviewee has said, *'we do what we say and we say what we do* (Vainikka 2011).'

In the future, CR will probably continue to develop and become more popular. The case companies expect a lot on their activities in future and CR activities are

among those. Applying CR in business is a long-term process. Finnish companies have made good progresses so far and are predicted to be better in the next few years. Finnish companies and Finnish government should adjust their activities so that they may accomplish more positive results in doing and advocating CR. More solutions and more knowledge in the field of CR should be found. Besides, there is a need for more cooperation among various parties and interest groups in CR activities in order to gain better outcomes. Those issues are something everyone should contribute to.

For academic and business purposes, further studies on the concept of CR in Finland should be conducted; and they can concentrate on following issues:

- Does the type of ownership affect the applying process and strategy of CR in Finnish companies?
- How have Finnish companies taken advantages of the positive characteristics of Finnish society in adopting the concept of CR?
- To which extent do the Finnish companies report about their CR activities?
- Special features of CR in media business
- The influences of Finnish government in order to advocate CR nationwide in Finland.
- Other relevant issues

In a final conclusion, the researcher would like to emphasise that CR brings benefits to companies and society. CR also links business and people. CR brings us closer for common interests. CR could help to create a better world for all human beings. There should not be any stopping point of that beautiful vision.

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APPENDICES

Appendix 1: Interview Guide – Alma Media Corporation

Interviewee: Riikka Poukka – CR Coordinator, Alma Media Corporation.

Interview date: 03rd March, 2011.

Venue: Alma Media's Headquarters. Helsinki.

Main questions:

- Can you tell me very short [about] the main concept or the main conception of Alma Media about CR?
- Your main idea is economically, ecologically, culturally and socially activities? They are like four pillars of your CR? Based on those, what is or are the main activities or projects at Alma Media at the moment?
- I know that the CR activities are really huge. As a stakeholder, we only see the top of the iceberg. But that's good, you're trying to show that you're doing the CR activities and you know that you should contribute to the social activities something. So you work on those projects alone on your own or in cooperation?
- How do you communicate to your stakeholders about your CR activities? Which channel is that?
- Is it an advantage for Alma Media when you're a communication company to communicate the activities?
- Speaking about the report, Alma Media's is based on the GRI Guidelines?
- Why does Alma Media apply that? Is it because it's a trend or because it's applicable for your company or it's useful?
- How do you comment about the CR activities at your company at the moment?

- For environmental issues, it's quite difficult for you, is it, because in Alma Media, you don't have a separate function for environment?
- In this report, it will be the main focus of Alma Media in like the near future, the environmental aspect of CR?
- Does Alma Media take in account the responsibility of the paper suppliers, because paper industry also has a big influence on environment?
- In the near future and the far future, what are the expectations or plans of Alma Media for CR?
- That's what you are expecting for CR activities in Finland in the future from other competitor and other companies?
- I have some previous interviews with other companies and they said that they're trying to do CR activities, and the media, the newspapers, always focus on what they don't do, and they think that it's the responsibility of the media to bring the truth and not hurt their businesses. How do you comment about that?

Appendix 2: Interview Guide – Finnair Group

Interviewee: Laura Kantanen – Commercial Communications Officer, Commercial Division, Finnair Group.

Interview date: 01st March, 2011.

Venue: Finnair's Headquarters. Vantaa.

Main questions:

- The first question is about the conception/opinions of your company about corporate responsibility (CR). What is the general definition or conception? What is CR? And why [do] you have to apply CR in your activities?
- Why it is important?
- May you tell me which is or are campaign(s) or [activity/]activities that Finnair is focusing on nowadays?
- Here's about communications to stakeholders: which channels are you employing to connect, to communicate to stakeholders?
- How about the interaction between the customers and the webpage? Is it easy? How frequent the webpage launches the news or information?
- The goal is to reduce 24% emission in 2017, is it possible?
- I heard something about the CDA, what's about that?
- What's the plan for the future? Will you reduce even more the age [of your fleet]?
- Can you explain more about 'Lesson into everyday action' project few years ago?
- At the moment what do you think about the results of CR activities in Finnair, in general?

- There should be some problems [...] should be improved. So what is the big problem?
- The big news last year, just few months ago, about the cabin crews' strike, it really affects Finnair's activities. In a CR point of view, how can you comment on that event?
- Finnair's CEO said that you are not going to outsource the cabin crew but in the communication point of view, what do you think that he should say that the union is stubborn and unreasonable?
- How come that message just spited out?
- And about the stocks of Finnair, more than a half owned by the state. Is that affecting the CR way, the CR activities, strategies...?
- So the government doesn't involve that much? They just own the stocks; they don't put any force on the policies of your company?
- What are you expecting for the future CR activities in Finnair?
- That's the internal expectation, how about the external, like for the government or other competitors, what do you expect them in CR field?
- How about the government? Are you expecting any support or...?

Appendix 3: Interview Guide – Finnvera

Interviewee: Virve Tulenheimo – CR Coordinator, Finnvera.

Interview date: 04th March, 2011.

Venue: Finnvera's Headquarters. Helsinki.

Main questions:

- In Finnvera I see the influence of the state is very strong on the policies?
- So actually in Finnvera, the environmental responsibility is not direct, [...] you just have indirect influence on environmental issues through other projects?
- These visions, values, and guidelines... they are from Finnvera or have the effects from the state? It's from the policies of Finnish government or from the Finnvera's Board of Directors itself?
- So it's the combination between Finnvera's initiatives and government's policies?
- In Finnvera, it's a little bit different from other companies that you don't have the social campaigns or projects, like supporting youth, young people, or building schools or something like that. [Why so?]
- Is that the economic responsibility is the most important responsibility in Finnvera because you have the responsibility to improve the economy in Finland and the export?
- The CR activities in Finnvera do not only have your company but other companies and enterprises to be more responsible for social and environmental issues. [...] It's a very big role, do you think?

- I see that Finnvera's role is very important. Is it because it's the state-owned company or...? So the government would like to improve the CR activities in Finland through Finnvera or something?
- What do you think about the differences between Finnvera and other companies in applying CR activities because of different types of ownerships? Is there any difference?
- This report is the only channel for you to communicate CR activities to stakeholders and other parties?
- There are many goals and activities. So, in the near future and a bit further future, what does Finnvera expect in CR activities? Even in other companies and from the government? Any support or any...?
- How about from the government? Do you think the government needs to give Finnvera more room to create your own CR initiatives?
- So it's the situation now that the government pushes you to do something?
- You expect that the government should only like tell you to do CR, but you can make yourselves policies and visions?

Appendix 4: Interview Guide – Metso Corporation

Interviewee: Jukka Seppälä – Vice President, Stakeholder Relations and Trade Policy, Metso Group.

Interview date: 28th February, 2011.

Venue: Metso's Headquarters. Helsinki.

Main questions:

[A short part in the beginning is missing from the recording.]

- You're focusing on the emerging economies?
- In your opinions, you consider your company as a global company or like international company? [...] in the area units, you localise the products?
- What is the main opinion or perception of your company about CR & doing CR in the business life?
- Do you think that because Finnish people are so ethical, so they assume that people all over the world are the same?
- In Metso, can you say what is or are the main [activity]/activities where you're focusing on in CR?
- In this paper [the Sustainability Report of Metso], the strategy is based on the vision of your corporation, is the vision for the general activities or do you have vision for CR?
- Is your company going forwards to the vision or it's stuck somewhere, or...?
- For the suppliers, I see the supplier assessment database and the '7Ms standards'. How does it work in reality?
- Can you tell me about the Metso's Forum for the workers? How was the result?

- There's the target for, like, less 10 accidents per one million working hours per unit for next year [2010]. What's the situation now?
- The dividend this year is decreased very much for shareholders... So what's the reaction of the shareholders about the decision?
- Through which channels you contact to shareholders and stakeholders?
- There are several sections that not reported, but it's a little bit important, like the bio-diversity. So what's your comment? Why not [report that kind of information]?
- So it's just the matter of resources?
- When your company really applies CR in your activities in your business? What was the main factor that encouraged your company to apply CR?
- You mean that companies they have the right to [...] wait for the return for their CR activities? I mean profitable? They have the right to expect [profits]?
- In short, how can you comment on your company's result, CR activities result? How does it achieve and what should be improved next year?
- Metso has its general plan and vision for future and also the CR goals. How do they support each other?
- What does Metso expect for the future of CR, not only in your company but also in the general business environment? Like, how the competitors should act in CR? Or the government should support your company in doing CR?

Appendix 5: Interview Guide – UPM

Interviewee: Kaisa Vainikka – CR Manager, UPM.

Interview date: 02nd March, 2011.

Venue: UPM's Headquarters. Helsinki.

Main questions:

- I just have several questions about the CR activities, so the first one is what is the main idea or perception of UPM about CR, the main concept?
- How important CR is to UPM?
- Among employees, how are they aware of CSR activities?
- What is/are the main goal(s) and short-term plan(s)?
- I have a chance to go through the strategy and everything in the webpage of your company. In the strategy I saw four main methods: leadership, people development, working condition, and environment. In leadership, you have one criteria or something that to grow the right people in the company. How do you decide who the right people are and how to grow them? Is it the possible task or...?
- It's the problem of the commitment of the employees or what? Is it the right people are the people commit to the company?
- If you may just list the names of some main campaigns or activities of CR at your company?
- And the sustainable forest is a very big project?
- How does UPM allocate the budgets for these activities? I mean is that the sustainable forest project consumes a lot of money, a lot of budgets?

- You just said that in UPM you have 3 different functions for CR, and you are only in charge for social responsibility, and there are other guys who are working in environmental and economic responsibility? You don't have any influence on each one other? Who is the supervisor of the 3 groups? Do you have the same boss or manager?
- How does UPM communicate about CR to the stakeholders?
- Which are the main audience groups that you are targeting to?
- You don't publish separate report for CR?
- At UPM you don't follow the guidelines of GRI?
- Do you have any plan to follow those guidelines?
- What do you think about the main results of CR activities in your company?
- Are there any issues or problems still maintain?
- As you said, CR activities and business activities are integrated? So how about the future plans? Like the responsibility plan and the general plan... Are they supplement each other or...?
- Do you have the future vision in short like a motto or guideline, very short?
- I'd like to ask if Finnish government has any stock of your company or not? I'd like to know if Finnish government has any [...] policies or something [...] applies in the CR activities in your company.
- They have no influence? [...] There's no relationship as such? [...] So you are totally independent?
- In the field of CR, the Finish companies they are totally independent from the government?

- In the future do you have any expectations about CR activities, not in your company, but about the government, competitors, and business environment? Like how should they do or how should they apply CR?
- It's usually said that in Finland CR activities are like common sense, so long time ago you did the CR activities but you didn't know that they are CR activities. Is it the case in Finland? Is it true?
- Do you think it's an advantage for Finnish companies in CR activities because they are already ethical?
- You [...] globalise or localise the CR strategy?
- You mean that in different countries you have different CR activities and strategies?
- But the same idea and the same concept about CR is applied for every country?
- I'd like to know your opinions about CR activities in Finland at the moment. How is it?
- You think that the media should have also the CR? They should have the responsibilities for what they say?