CORPORATE SOCIAL RESPONSIBILITY IN SUPPLY CHAINS: THE IMPACT IN THE CONTEXT OF GLOBAL SUPPLY CHAINS

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ABSTRACT

This paper investigates the impact of the adoption of corporate social responsibility (CSR) policies and practices on supply chain management. Twenty papers published within the past 10 years were selected, mostly in ranked journals, to conduct a systematic literature review. Fourteen key themes were identified during the analysis process, out of which external pressures for CSR was been discussed most frequently, followed by CSR benefits for stakeholders, barriers on practicing CSR and effects CSR has on supply chain performances. It is evident that external pressures exerted in favour of CSR by consumer groups, government regulations and NGOs are the key influences on global supply chains, while internal pressure is less significantly represented. CSR pressure varied by the company dimensions and environment. However, the push for accountability encompassed the entire supply chain. This pressure impacted supply chain behaviour including buyer supplier relationships.

Keywords: Buyer supplier relationships; Supply chain performance

1. INTRODUCTION

The developments in off shoring, global competition, time compression in supply chain (SC) aspects and the rapid product life cycle has shifted global competitive focus towards SCs; therefore the strategic importance of supply chain management (SCM) has increased (Andersen & Skjoett-Larsen, 2009). Companies are challenged owing to their global reach pertaining to potential irresponsible and negligent approaches practiced throughout SCs, placing global firms under immense pressure to safeguard the reputation of their brands (Amaeshi, Osuji, & Nnodim, 2008; Lin-Hi & Blumberg, 2016).

Increased off shoring to low-cost developing countries increases concerns about social and environmental impacts and sustainable SCs in the global context (Andersen & Skjoett-Larsen,

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2009; Panwar, Kaushik, & Kothari, 2011). New approaches in global operations are emerging as measures to improve economic, social and environmental performances, the triple-bottom lines (Tate, Ellram, & Kirchoff, 2010). The concept of corporate social responsibility (CSR) is likewise transforming supply chain management (Andersen & Skjoett-Larsen, 2009; Quarshie, Salmi, & Leuschner, 2016) and draws attention at the topmost corporate agenda to develop into a vital element in dialogue among firms and their stakeholders (Bhattacharya, Korschun, & Sen, 2009). Amaeshi et al (2008) defines CSR as an organisation's commitment to operate in an economically and environmentally sustainable manner while acknowledging stakeholder interests (see also Commission of the European Communities (2001); Salvioni & Gennari (2017); Kilcullen and Kooistra (1999); Lea (2002); McWilliams & Siegel (2001)). Good CSR policy is beneficial for firm's employees, consumers, stakeholders, communities, environment and society in general, plus the corporation's bottom line (Kanji & Chopra, 2010). In this prevailing environment, the impact of CSR in the context of global SCs is an important matter of interest (Cruz, 2013; K. S. Prasad, 2015), therefore worth investigating.

Although CSR is a broad concept not restricted to SCs (Andersen & Skjoett-Larsen, 2009), this papers focus will examine the impact of CSR on global SCs via a systematic review process. The aim of the paper is to investigate how CSR relates to global SCs, key drivers for CSR, methodologies to cultivate CSR, and how CSR in turn could benefit organisations, stakeholders and the community at large and emerging predicaments.

The paper begins with an overview of systematic review methodology, followed by a comprehensive analysis of literature and a discussion on the findings. Finally, the paper will conclude with a summary of the findings, brief portrayal of forthcoming prospects that could be anticipated within this crucial theme, further research directions the study may lead to and applicable limitations.

2. METHODOLOGY

Systematic literature review method is a defined methodical approach in identifying, assessing and analysing published investigations to explore specific research areas of interest, ascertain structures and patterns of existing research and identify gaps (Kitchenham, 2004). It is different from ordinary literature reviews in the essence of planning and methodical execution (Staples & Niazi, 2007). Kitchenham (2004) illustrates 1) planning that defines the purpose and procedures for the review 2) conducting the review that includes the initial search, record and archiving, listing of selected publications, quality assessments and extraction of data from the selected publications to eventually generate concluding outcome 3) reporting the finding in a technical report, journal or conference paper as the three core phases of a systematic review process.

Table1: Papers Reviewed

No	Title	Year	Author	Journal title	ABDC Ranking	Methodology
1	Corporate social responsibility in global supply chains	2009	Andersen & Skjoett-Larsen	*Supply Chain Management: An International Journal*	C	Case study
2	Corporate social responsibility reports: a thematic analysis related to supply chain management	2010	Tate et al.	*Journal of Supply Chain Management*	A	Case study
3	Corporate social responsibility in supply chains of global brands: A boundaryless responsibility? Clarifications, exceptions and implications	2008	Amaeshi, K. M., Osuji, O. K., and Nnodim, P.	*Journal of Business Ethics*	C	Literature review
4	Corporate social responsibility in purchasing and supply chain	2009	Salam, M. A.	*Journal of Business Ethics*	C	Survey / questionnaire
5	Investigating corporate social responsibility in supply chains: a SME perspective	2008	Ciliberti, F., Pontrandolfo, P., and Scozzi, B.	*Journal of cleaner production*	NR	Case study
6	Corporate social responsibility in China: an analysis of domestic and foreign retailers' sustainability dimensions	2010	Kolk, A., Hong, P., and Van Dolen, W.	*Business Strategy and the Environment*	B	Website analysis and reports
7	Safeguarding corporate social responsibility (CSR) in global supply chains: how codes of conduct are managed in buyer-supplier relationships	2006	Pedersen, E. R., and Andersen, M.	*Journal of Public Affairs*	A	Case study

No	Title	Year	Author	Journal title	ABDC Ranking	Methodology
8	International business, corporate social responsibility and sustainable development	2010	Kolk, A., and Van Tulder, R.	*International Business Review*	C	Literature review
9	Corporate social responsibility for developing country multinational corporations: lost war in pertaining global competitiveness	2009	Gugler, P., and Shi, J. Y.	*Journal of Business Ethics*	C	Theory / concept development
10	The impact of corporate social responsibility in supply chain management: Multicriteria decision-making approach	2009	Cruz, J. M.	*Decision Support Systems*	C	framework for modeling and analysis
11	Global value chains, local collective action and corporate social responsibility: a review of empirical evidence	2010	Lund-Thomsen, P., and Nadvi, K.	*Business Strategy and the Environment*	B	Case study
12	Strengthening stakeholder–company relationships through mutually beneficial corporate social responsibility initiatives	2009	Bhattacharya, C. B., Korschun, D., and Sen, S.	*Journal of Business Ethics*	C	Literature review
13	Virtue out of necessity? Compliance, commitment, and the improvement of labor conditions in global supply chains	2009	Locke, R., Amengual, M., and Mangla, A.	*Politics and Society*	NR	Case study
14	Corporate social responsibility in a global economy	2010	Kanji, G. K., and Chopra, P. K.	*Total Quality Management*	B	Theory/concept development

No	Title	Year	Author	Journal title	ABDC Ranking	Methodology
15	The effect of buyer pressure on suppliers in SMEs to demonstrate CSR practices: an added incentive or counter productive	2009	Baden, D. A., Harwood, I. A., and Woodward, D. G.	*European Management Journal*	B	Survey/questio nnaire
16	Mitigating global supply chain risks through corporate social responsibility	2013	Cruz, J. M.	*International Journal of Production Research*	C	Interviews
17	An empirical examination of the relationship between business strategy and socially responsible supply chain management	2013	Hoejmose, S., Brammer, S., and Millington, A.	*International Journal of Operations and Production Management*	C	Theory/concep t development
18	Globalization and Commitment in Corporate Social Responsibility Cross-National Analyses of Institutional and Political-Economy Effects	2012	Lim, A., and Tsutsui, K.	*American Sociological Review*	D	Discussion/eva luation
19	Globalization, corporate social responsibility and poverty	2005	Jenkins, R.	*International affairs*	NR	Literature review
20	Mining companies' role in sustainable development: the 'why' and 'how' of corporate social responsibility from a business perspective	2003	Hamann, R.	*Development Southern Africa*	NR	Literature review

A sequence of search criteria was employed with a combination of keywords relating to SCM, CSR, global SCs and impact of CSR to identify relevant journals themed on the impact of CSR on global SCs to conduct a systematic and objective review. The examination was confined to English language peer reviewed journals. Initial purposeful search was limited to Australian Business Dean's Council (ABDC) list of ranked journals, with ranking A-D (2012).However a few unranked journals were subsequently included due to relevance and to maintain a broader scope.

Consequently, twenty contemporaneous papers were selected by narrowing to recent literature published within past 10 years (2003 to 2013).

Table 2: Reviewed journals

Journal title	ABS Ranking	No. of papers
American Sociological Review	4	1
Business Strategy and the Environment	2	2
Decision Support Systems	3	1
Development Southern Africa	0	1
European Management Journal	2	1
International affairs	0	1
International Business Review	3	1
International Journal of Operations and Production Management	3	1
International Journal of Production Research	3	1
Journal of Business Ethics	3	4
Journal of cleaner production	0	1
Journal of Public Affairs	1	1
Journal of Supply Chain Management	1	1
Politics and Society	0	1
Supply Chain Management: An International Journal	3	1
Total Quality Management	2	1
		20

Considering only 20 papers selected, there is an even spread of journals drawn on except for Journal of Business Ethics of which four papers are been selected, exhibits the journals relevance to explored CSR theme.

As anticipated, there is a strong emphasis on business ethics and SCM journals. However, accompanied journals crossing multidisciplinary contexts of management, business strategy, international business, public affairs, politics, quality and decision support systems illustrates the versatility of the research topic, methodology and approach.

While sustainability in SCM and its importance of maintaining triple bottom lines is recognised crucial (Crowther, 2010), the theme was considered beyond the literature review scope and excluded from exploration to maintain focus on CSR aspect.

Regarding the number of papers categorised on ABDC rankings display a high tendency of 45% of the journals of selected articles falling to ABDC ranking C. Alternatively, 80% of the papers belong to ABDC ranked peer reviewed journals.

Figure 1: Number of Reviewed Papers Per Year Published
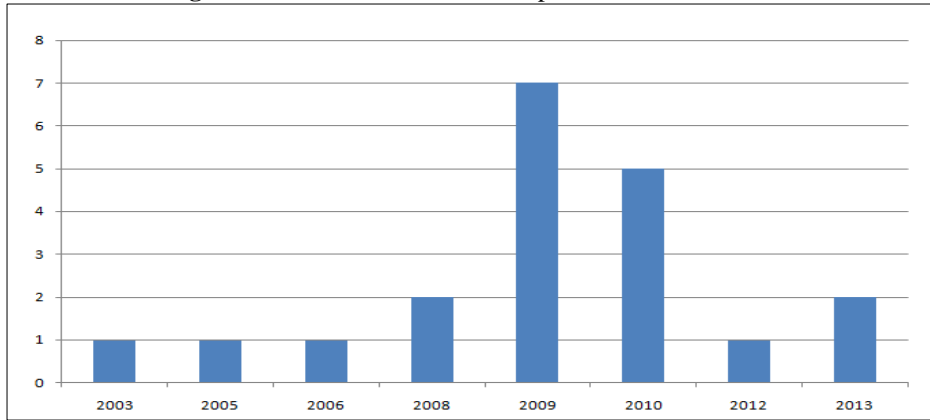
Although 20 purposefully selected papers within previous 10 years is not a very good sample range or a selection criteria to establish a statement, Figure 1 demonstrates the distribution of reviewed papers from 2003 to illustrate a mounting trend in research interest when it comes to the theme of impact of CSR on global SCs, along with the most substantial growth occurring from year 2009 onwards. It justifies the increasing attention on the matters relating to business ethics, CSR and sustainability in recent years (Wright & Bennett, 2011).

The study has a number of limitations. The literature exploration scope was centred exclusively on impact of CSR aspect on global SCs, while sustainability and its triple bottom lines has been acknowledged as crucial but considered beyond scope.
Number of reviewed papers is limited to 20 journal articles published within last 10 years, therefore could potentially affect the ability to generalise the findings. Limitation could also have an adverse effect on findings by the potential absence of key themes, arguments, aspects and points related to the research topic.

Exercise was not applied to identify gaps in academic body of knowledge as the sample range is not deemed adequate for such assignment.

3. FINDINGS– DOMINANT THEMES AND METHODOLOGIES

Figure 2: Research Methodologies Applied in the Papers
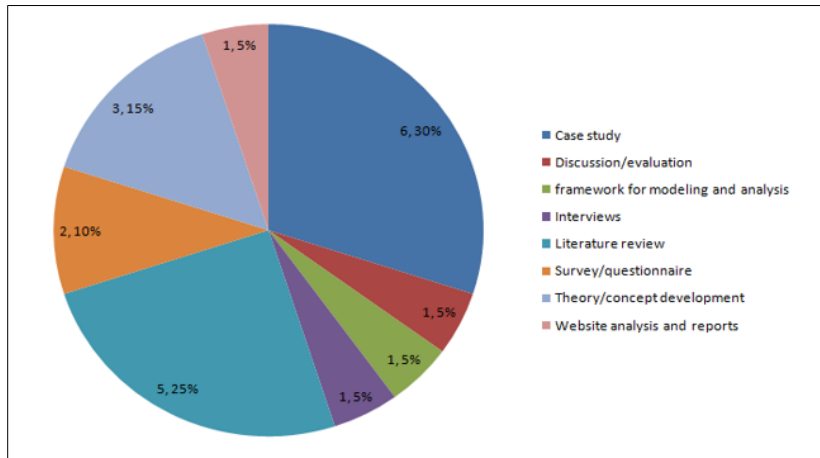

Figure 2 illustrates a high tendency towards qualitative characteristics of selected literature as 90 per cent of the reviewed papers applied qualitative data collection techniques and analysis. Case studies are the dominant research methodology used with 30%. All of the case studies were scrutinising limited number of cases of SC activities and partnerships, investigating impact and consequences relating to CSR.

Only four, applying deductive approach, confirms the novelty of the integration of SCR in global SC and the related theory is still emerging. This may also explain the coming of age and the dominance of interpretive research that emerged from explosion of qualitative research within various disciplines of management and organisational research by asserting its relevance to address questions that are incapable to sufficiently answer through traditional survey or experimental methodologies by enhancing the understanding of organisational dimensions (A. Prasad & Prasad, 2002).

Literature reviews which provide an overview of the field of inquiry (Randolph, 2009) are another common methodology (25%) explored to demonstrate the prevailing phenomenon. It demonstrates the academic interest of reinforcing previous literature to study the emerging theme.

Table 3: Referenced Papers for Each Theme

The theme	Article No.																				Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Internal pressures for CSR	X	X		X																X	4
External pressures for CSR	X	X	X	X		X	X	X	X		X				X	X	X	X	X	X	15
CSR pressure in relation to variable nature (ie. Industry, locations, size)	X	X	X			X		X	X									X		X	8
Accountability of CSR (ie.Isolated partners of entire supply chain)	X		X			X									X	X					5
Impact on buyer supplier relationship	X					X									X						3
Impact on entire supply chain behavior	X								X		X										3
CSR Implementation and Monitoring	X		X		X		X				X		X	X						X	8
Implementation methodologies	X						X				X	X	X							X	6
Evolution of SC strategies due to CSR	X				X		X							X			X				5
CSR benefit on stakeholders and the community		X						X	X	X	X	X		X		X			X	X	10
Effect of CSR practice on SC performance	X	X				X	X		X	X						X				X	8
Barriers, issues and obstacles on CSR	X				X	X	X	X					X	X	X		X	X	X	X	12
International CSR standards for CSR					X				X											X	3
Measurements to evaluate CSR														X		X					2

The Article numbers cross reference the number allocated to each of the 20 reviewed papers listed in the Table 1.

Table 4: Number of Papers That Discusses Each Theme

Theme	Count
Internal pressures for CSR	4
External pressures for CSR	15
CSR pressure in relation to variable nature (ie. Industry, locations, size)	8
Accountability of CSR (i.e.Isolated partners of entire supply chain)	5
Impact on buyer supplier relationship	3
Impact on entire supply chain behavior	3
CSR Implementation and Monitoring	8
Implementation methodologies	6
Evolution of SC strategies due to CSR	5
CSR benefit on stakeholders and the community	10
Effect of CSR practice on SC performance	8
Barriers, issues and obstacles on CSR	12
International CSR standards for CSR	3
Measurements to evaluate CSR	2

Figure 3: Number of Journals That Discusses Each Theme
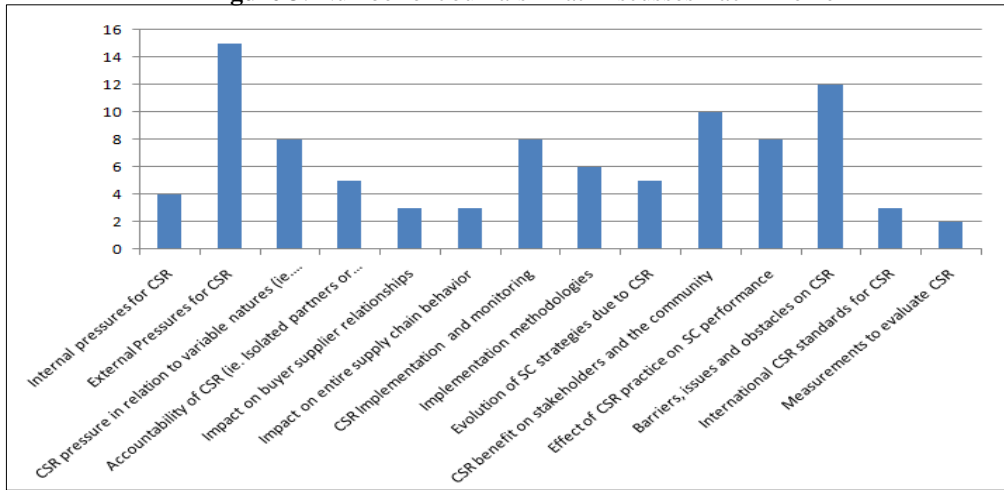
Subsequent to data been identified, the data should be grouped and summarised accordingly to shed light on the research theme for the systematic review (Staples & Niazi, 2007). Kitchenham (2004) deliberates options supportive of combing data identified from diverse forms of research and amalgamating assorted data types.

Table 3 represents key themes identified during the analysis process and registers the papers that had content related to each theme in order of the flow. Table 4 reveals an overall count, while Figure 4 helps identify how the each theme has received research attention in selected 20 papers. It is evident that external pressures for CSR is the mostly discussed theme in reviewed literature, discussed in 15 papers, followed by CSR benefits for stakeholders, barriers on practicing CSR and effects CSR has on SC performances. These key themes are been discussed and reported correspondingly.

3.1. *Impact of CSR on Global Supply Chains*

All 20 papers are related to CSR in SCs within globalisation context attributable to the search criteria, however only nine dealt with taking a holistic view of SCs in to consideration. Impact of CSR on global SCs as an explicit development in SC and CSR disciplines is presently not well epitomised, with only 5 papers (Table 1) dealing exclusively on the theme.

3.2. *External Pressures for CSR*

External Pressures for CSR is the most frequent theme discussed extensively in fifteen reviewed papers (Table 4) in regard to its impact on global SCs. All fifteen papers declared consumers as a pressure group while most papers such as Tate et al (2010), Kolk and Van-Tulder (2010), Salam (2009) argued customer pressure as the most significant external pressure factor,   followed by regulatory pressures Gugler & Shi (2009). Influence of nongovernmental organisations (NGOs)

was discussed by Cruz (2013), Jenkins (2005) and Hamann (2003) broadly. Social and environmental activists Hamann (2003), trade unions (Jenkins, 2005), international society experts pressures (Lim & Tsutsui, 2012), labour rights advocates Gugler & Shi (2009), local community representatives along with other interest groups Pedersen & Andersen (2006), competitive pressure (Tate et al., 2010) are some of the influential parties.

Kolk, Hong, & Van Dolen (2010) and Cruz (2013) both discuss the influence and prominence of western countries such as US and European nations in raising the CSR debate to enforce numerous companies to effectively consider CSR by shifting the behaviour of the entire SC. Furthermore, Lim and Tsutsui (2012)'s research imply democracy compel companies in developed nations vigilant, therefore citizens in democratic contexts has a more likelihood of holding corporations accountable on their commitment to CSR. Amaeshi et al. (2008) state that to a great extent the pressure for CSR is channelled all the way through the SC, because pressure groups on occasion observe that it is intricate to directly reach the global brands, hence, fallback on indirect tactics for instance by targeting procurement activities and their exploitation of economical labour conditions within developing countries. This apprehension is by and large a consequence of the intensification of multimedia communication technology, that makes difficult to hide unethical CSR practices right through the SC (Andersen & Skjoett-Larsen, 2009; Lund-Thomsen & Nadvi, 2010); . This awareness is the catalyst for China's growing attention towards branding and reputation related to CSR   (Kolk et al., 2010). Jenkins (Jenkins, 2005) articulates that companies respond to negative publicity related to their actions by advocating CSR.

3.3.   *Internal Pressures or Rationales for CSR*

Internal pressures or rationales for CSR was discussed rather briefly only on four papers (Table 4), indicates themes inconsequentiality in contrast to external pressures. Growing emphasis on the importance of CSR among employees (Hamann, 2003), shareholders and business partners (Andersen & Skjoett-Larsen, 2009), greater stakeholder demands (Tate et al., 2010) were conferred. Hamann (2003) mentions socially responsible investing as an important driving force towards the transformation. People oriented culture of organisations espousing values in their desire to be fair and good corporate, guides towards superior CSR practices, therefore top management leadership has a direct effect and also employee values play a pivotal role in the phenomenon (Salam, 2009).

Stakeholders were discussed as both internal and external pressure sources conversely could generalise internal, due to the holistic SC research viewpoint. Customers of materials (Hamann, 2003) are an example. There is evidence that SC pressure and drivers towards CSR by specifying CSR criteria as a tendering precondition or a considered variable in purchasing decisions alongside economic considerations is increasing (Baden, Harwood, & Woodward, 2009).

3.4.   *CSR Pressure in Relation to Variable Natures*

Variation of CSR pressure in relation to different natures, according to the industry, locations, organisational or SC magnitude is discussed in eight papers (Table 4). Business laws and structures are complex and diverge in different countries, hence undermine the applicability of embryonic universal moral economic principles (Amaeshi et al., 2008). Firm specific resources and capabilities and industry dynamics are important dimensions as the location and nature of international SC networks are unswervingly correlated to an array of CSR concerns (Husted, Jamali, & Saffar, 2016; Kolk & Van Tulder, 2010). Shin and Zicari (2018); Lim and Tsutsui (2012)

and Gugler & Shi (2009) declare peoples viewpoint on CSR contrast between north and south. For Chinese companies, finding a balance between home and host CSR practices becomes further important amid growing international presence (Kolk et al., 2010).

Tate et al (2010)'s study finds that smaller firms view pressure to adopt CSR strategies in SCs more as risk management than how large organisations distinguish, additionally larger firms recognise reporting and measurement as essential to manage pressure. Hamann (2003) and Yakovleva (2017) declare the particular relevance of CSR in the mining sector by providing evidence of the past disasters and human rights issues.

Table 5: Incidents Contributing to CSR Concern

Changes in corporate operating paradigm	Phase 1: 1960 -1980 Growing awareness of societal concern	Phase 2: 1980 -1995 Growing awareness of societal concern	Phase 3: 1995 – the present Growing awareness of societal concern
Critical incidents/controversies (international)	• Seveso, Italy, 1976 (toxic chemical release) • Amoco Cadiz, 1978 (oil spll-off in France) • Nationalisation in South America, 1960s to 1970s	• Bhopal, India, 1984 (toxic chemical release) • Exxon Valdez, 1989 (oil spill-off in Alaska) • Summetville Mine, USA, 1992 • Ok Tedi mine, Papua New Guinea, 1994	• Shell: Brent Spar, UK and Nigeria 1995 • Grasberg mine, Indonesia, 1995 • Marcopper mine, Philippines, 1996 • Los Frailes mine, Spain, 1998 • Aurul SA mine, Romania, 2000
Critical incidents/controversies (Southern Africa)	• Wankie Colliery, 1975 • Perceived business collusion with apartheid and the development of the Sullivan principles.	• Kinross mining accident, 1986 • Thor chemical, 1990s • St. Lucia mining controversy, early 1990s • Middelbult Colliery, 1985 and 1993 • Harmony mine, 1994 • Hotel conflict I most South Africa gold mines.	• Saldanha steel controversy, 1995 • AECI sulphur fire, 1995 • Vaal reef accident, 1996 • Large-scale retrenchments in the South African gold industry • Cape ple asbestos, ongoing • Proposed mine at Wave crest in the Eastern Cape

Source :Hamann (2003)

3.5.   *Accountability of CSR*

Five papers (Table 4) discussed, if isolated partners or the entire SC should undertake the accountability of CSR practices of their SC. Andersen and Skjoett-Larsen (2009) and Cruz (2013) articulate that the concept of CSR is transforming and is no longer the individualistic domain by increasingly encompassing the entire SC as companies held responsible for practices of their global SC cohorts which they have no ownership of, such as suppliers, 3PLs and intermediaries. Amaeshi et al (2008) reiterates the same view but express, the ascription of unlimited responsibility to protect their brands is inappropriate as it undermines corporate autonomy and independence. The initiators of the CSR systems have to ensure their SC partners comply, to avoid been socially irresponsible liars (Pedersen & Andersen, 2006).

3.6.   *Impact on Buyer Supplier Relationships*

Only three papers (Table 4) explicitly discussed the impact of CSR on buyer supplier relationships within global SCs. Baden et al.(2009) states, inclusion of social and environmental rudiments as prerequisites increase suppliers' motivation for CSR practices. Andersen and Skjoett-Larsen (Andersen & Skjoett-Larsen, 2009) affirms the effect of increasingly introduced CSR codes of conduct contracts to persuade supply chin partners on CSR in their case study on IKIA. However, Pedersen and Andersen (2006) states it might be difficult if the buyer holds no bargaining power or the supplier has no interest.

3.7.   *Impact on Entire Supply Chain Behaviour*

Impact of CSR on entire SC behaviour was discussed in three papers (Table 4). Discussions were confined to dominance ability of Multinationals on their SCs. Lund-Thomsen and Nadvi (2010) emphasise that CSR pressures can transform the governance characteristics within global SCs by lead firms defining standards. Numerous multinational corporations have responded by opting for approaches to systematise CSR endeavours within their SCs (Andersen & Skjoett-Larsen, 2009). Global SCs are aware of the preconditioned CSR standards of Multinationals (Gugler & Shi, 2009).

3.8.   *CSR Implementation and Monitoring*

Implementation and monitoring of CSR practices and its impact corresponded by eight papers (Table 4) displays the importance of the theme in global SC context. Code of conducts, systems and long term collaboration were key recognisable themes. To deal with CSR along the SC, companies adopt CSR management systems to introduce requirements and procedures and also regularly monitor SC operations (Ciliberti, Pontrandolfo, & Scozzi, 2008). Beside corporate control and corporate grouping, use of power is considered a critical method to distribute CSR responsibility in global SCs through corporate codes of conducts and standards, personnel development, anti-pressure group campaigns and corporate culture (Amaeshi et al., 2008). Collective message is to build long term relationships within the SC to succeed CSR initiative (Ciliberti et al., 2008; Kanji & Chopra, 2010; Pedersen & Andersen, 2006).
Pedersen and Andersen (2006) recommend increased involvement, trust and goal congruence of SC partners in planning and implementation of the codes of conducts will reduce risks, align interests and establish commitment while recognising the effectiveness of third party enforcement and monitoring such as NGOs. CSR corporate policy must be supported by top management and

should contain clear principles and policies, targets coupled with measurable performance indicators and clear management and reporting structures (Hamann, 2003). Lund-Thomsen and Nadvi (2010) supplement multi-stakeholder partnerships with public and private sectors, local collective action and collective monitoring of codes. Locke, Amengual, and Mangla (2009) describe the traditional model of code of conduct (Figure 4).

Figure 4: The Traditional Model of Code of Conduct
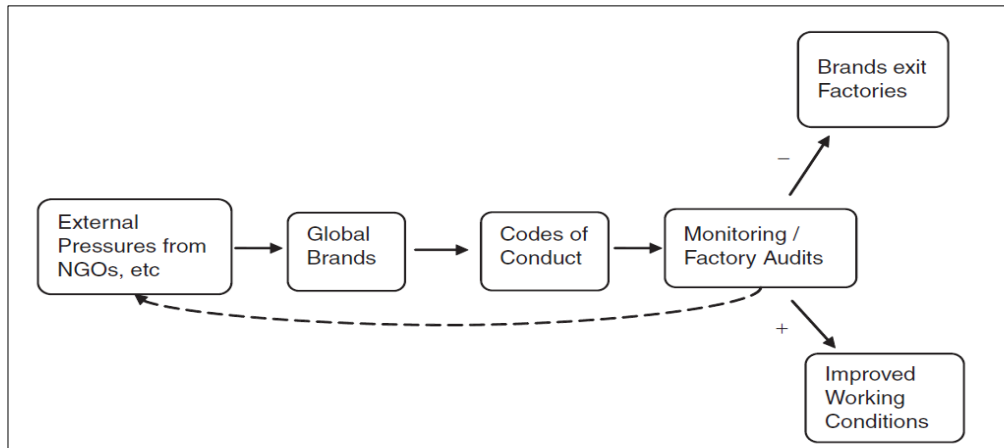
3.9. *Implementation Methodologies*

Implementation methodologies are been discussed in six papers (Table 4). Hamann (2003) describes partnerships are more efficient and effective to contribute to sustainable development exampling tri-sector partnerships between companies, governments and society. Practicing CSR in SCs requires CSR to be embedded throughout and disseminated to all functional areas, offshore subsidiaries and suppliers, consisting knowledge enhancing mechanisms in both internal and external dimensions, where internal dimension incorporate employee training and sharing of experience and external dimension involve informal and formal training, positive incentives for suppliers and knowledge controlling mechanisms such as regular auditing of performance measurements (Andersen & Skjoett-Larsen, 2009). Rewards could be outcome based longevity of contracts and financial incentives (Pedersen & Andersen, 2006). Lund-Thomsen and Nadvi (2010) suggest social auditing, which requires greater involvement of workers. NGOs are a good source for expertise and external auditing (Hamann, 2003). Locke et al (2009) recommend a commitment oriented approach over compliance approach towards CSR improvement in global SCs, along with a comparison (Table 6).

Table 6: Comparison of Compliance vs. Commitment Approach

	Compliance	Commitment
Approach	Rules or standards focus, meeting standards	Uncovering, analyzing, and correcting root causes of current issues
Mechanism	Policing, detailed audit protocols (checklists), inspections, documentation	Joint problem solving, information sharing, trust, reciprocity
Dynamics	"Us vs. them", functional division of labor, mixed signals	Mentoring, coaching, diffusion of best practices, integration of standards with operational excellence
Drivers of change	Repated audits, pressures from above, (negative) incentives	Learning, capacity building, (positive) incentives, mutual respect

Source: Locke et al. (2009)

Bhattacharya et al (2009) state, there is not enough guidance on implementation of CSR sequentially to maximise return of investment.

3.10.   *Evolution of SC Strategies due to CSR*

The theme was discussed in five articles (Table 4). Hoejmose et al (2013) demonstrate a direct relationship linking business strategy and CSR in SCM. Collective thought among authors is the strategy evolvement to long-term, collaborative relationships along with goal congruence among SC partners to achieve CSR initiative (Ciliberti et al., 2008; Kanji & Chopra, 2010; Pedersen & Andersen, 2006). Andersen and Skjoett-Larsen (Andersen & Skjoett-Larsen, 2009) discuss the adopted strategy by IKIA through transforming "trading to purchasing" and dropping to manageable number of suppliers.

3.11.   *CSR Benefit on Stakeholders and Community*

How CSR practices benefit SC stakeholders and community is a popular topic deliberated in many as 11 papers (Table 4). CSR strategy effects in a triple focus: people, planet and profit to benefit corporations, community and environment (Kanji & Chopra, 2010). CSR dimensions include community, philanthropy, safety, workplace diversity, human rights and environment (Cruz, 2009) and play a positive role in pressing global problems such as climate change, human rights violations (Kolk et al., 2010), poverty (Jenkins, 2005) gender discrimination, sexual harassment and child labour standards (Lund-Thomsen & Nadvi, 2010) while adding value to human capital (Tate et al., 2010). The community focus on schools, parks, charities and habitats is important in CSR (Tate et al., 2010). Fair trade promotes fair prices, fair labour conditions, direct trade and environmental sustainability (Kanji & Chopra, 2010).

Kanji and Chopra (2010) acknowledge a correlation between firm's social performance and financial performance. Bhattacharya et al. (2009) declare, CSR benefits individual stakeholders, improves relationships quality between stakeholders and the company and provides positive behavioural outcomes towards the company, other stakeholders and the cause, alongside providing a model to understand stakeholder responses to CSR (See Bhattacharya et al (2009). By endorsing CSR, companies could possibly avert detriments of potential lawsuits, poor workmanship, negative media coverage, financial mismanagement, unreliable business relationships and operation disruptions (Cruz, 2013).

However, Gugler and Shi (2009) warns that, in a competitive market, companies that genuinely address CSR issues could stumble on themselves undermined by competitors with lesser conscientious.

3.12. *Effect of CSR Practice on SC Performance*

As many as eight papers (Table 4) discussed the outcome of CSR practices on SCs. Setting CSR requirements may attract new customers (Andersen & Skjoett-Larsen, 2009). CSR practices can result in lowered cost, lowered risk and increased sales to enable more profitability (Cruz, 2009). There is a constructive relationship between proactive CSR and enhanced financial performance (Cruz, 2009; Tate et al., 2010). Gugler and Shi (2009) suggests CSR innovation demands corporations to undergo innovative processes, restructuring and technological upgrading resulting in superior efficiency, productivity and competitiveness as figured in Figure 5 as CSR related elements for corporate competitiveness.

Figure 5: CSR Related Elements for Corporate Competitiveness
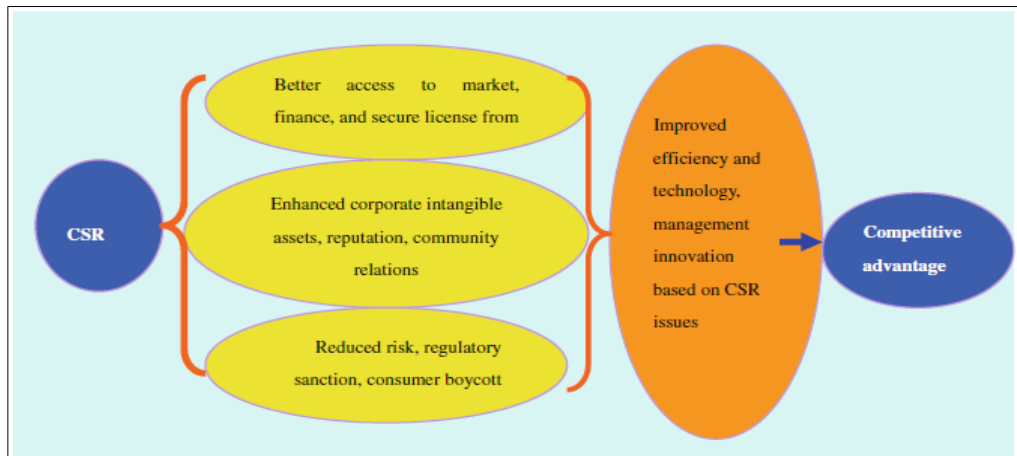
Source: Gugler and Shi (2009)

CSR provides some unintended benefits by integrating management systems, accelerating corporate change and elevating performance levels (Hamann, 2003). However, potential benefits from CSR could unevenly distribute amongst the SC as CSR goodwill is habitually associated with a brand, while this company will receive complete benefits, rest of the partners in the SC have to rely on indirect benefits such as new deliveries (Pedersen & Andersen, 2006).

There is a dilemma in balance of costs, benefits and CSR, because the key rational for global outsourcing is to reduce costs (Kolk et al, 2010). However, CSR cost is customarily passed to consumers (Tate et al., 2010).

3.13.   Barriers, Issues and Obstacles on CSR

This is a widely conversed topic in twelve papers (Table 4). Often there is a gap between factual conditions at suppliers and expressed ethical standards as only a few corporations "walk the talk" on CSR in their global SCs (Andersen & Skjoett-Larsen, 2009). Obstacles to diffuse CSR in global SCs include communication gaps, problems regarding skills transfer, lack of information, inadequate understanding of legislation, corruption, cultural differences (Ciliberti et al., 2008) and weak institutional structure (Pedersen & Andersen, 2006) in developing countries. Absence of universal regulation on CSR is a problem and an opportunity (Kolk & Van Tulder, 2010). Balancing of off-shoring costs, benefits, SC demands and CSR pressure is delicate (Kolk et al., 2010; Locke et al., 2009) during increased competition when immediate and pressing issues for survival become imperative (Hoejmose, Brammer, & Millington, 2013).
Pedersen and Andersen (2006) identify a potential conflict of interest between SC partners due to actors' interest in upholding reputation and others having to bear the cost of CSR. Procurement strategies incorporating CSR criteria could competitively disadvantage small businesses without resources for compliance or could lead to mock compliance (Baden et al., 2009). Jenkins (2005) declares, return of CSR investment is too long. Price driven consumer choices are an obstacle in diffusion of CSR (Ciliberti et al., 2008).

Inability to link CSR to financial success is a key obstacle to embed the concept within SCs (Hamann, 2003) is the earlier sentiment, which has positively transformed in later papers of Tate et al. (2010) and Cruz (2009).

3.14.   International CSR Standards for CSR

International CSR standards discussed in three papers (Table 4) demonstrates the global evolvement of CSR requirement. Hamann (2003) discusses ISO 14000, Ciliberti et al (2008) on SA8000 and fair trade certifications, thereafter Gugler and Shi (2009) on modern ISO 260000 CSR standards.

4. CONCLUSION

This systematic review of literature on impact of CSR on global SCs has identified crucial themes and concerns, and delineated CSRs influence on shaping up strategies in globally disbursing SCs. CSR is not the responsibility of individual companies and ever more comprise the entire SC, therefore they are held accountable for the practices of their global trading partners, at large the upstream SC Andersen and Skjoett-Larsen (2009). Corporations are increasingly adopting CSR policies, actions, processes and activities which benefit itself and its stakeholders, employees, consumers, communities, environment and society (Kanji & Chopra, 2010).

It is evident in the literature that external pressures for CSR by consumer groups, government regulations and NGOs are the key influences on global SCs, while internal pressure is discussed less significantly. Literature implies that CSR pressure varies by the nature according to the industry, locations, organisational or SC magnitude, while companies are been held accountable for the practices of their entire global SC. This influence can transform governance of global SCs by defining standards which influences the entire SCbehaviour and also buyer supplier

relationships. Importance of corporate code of conducts, systems and enduring collaborations were the important premises on implementation and monitoring of CSR practices, while methodologies such as tri sector partnerships between companies, government and society, embedding CSR throughout all functional areas within internal and external dimensions were suggested. Transformation of strategies to achieve CSR initiative through long term, collaborative relationships along with goal congruence among SC partners was brought forth. CSRs strategic triple focus - people, planet and profit - and the benefits CSR delivers on corporations, community and the environment is a popular topic among scholars. Despite the benefits produced by CSR practices resulting in lowering cost and risk and increasing sales to enable further profitability of firms been discussed considerably, barriers, issues and obstacles on CSR is also highly recurrent in literature.

Gugler and Shi (2009) state that the reality of CSR practices been diverse and reflective of local context, derived from variance of regulatory systems, foundational structure, socio cultural standpoints and environments is an actuality that the existing position ignores. The regimes or firms from the South have minimum contribution in formulating CSR regulations whereas CSR standards are mostly developed by the North, established on their home country conditions that focus on their values and issues, reflecting priorities and interests of their consumers, not considering the importance and relevance of issues in developing countries (Gugler & Shi, 2009). Salam (2009) describes, due to the fact that CSR is not a Meta standard, it should allow sufficient freedom to implement CSR to ensure that organisations procure socially responsible inputs and encompass a diverse supply base while suppliers in turn manage their own establishment and their second tier suppliers socially responsibly. For instance, the Chinese business's new trend implores their own style CSR mechanism similar to those imposed on them, although with consideration of their real situation, laws and regulations (Gugler & Shi, 2009). Uniform thought is the requirement for a more tailored CSR mechanism for developing nations.

The momentous intensification of publications on impact of CSR on global SCs signifies the contemporary disposition and the growing value of the theme. Only five papers explicitly focusing on the theme. Development of research literature on CSR practices in global SCs is limited (Ketchen, 2013), therefore further research is recommended. Ashby, Leat, and Hudson-Smith (2012)'s suggestion of examining the possible influence that can be exerted by this dominant discipline of SCM to achieve global social sustainability transversely, sounds more appealing.

This research theme's premature phase is made evident by research hitherto been conducted of highly qualitative nature. Only two papers developing measures, models or tools further indicate the immaturity of the field of research. The sustainability temperament strongly reinforces inductive methodology; conversely SCM is a pragmatic theme, hence requires further development in a concentrated manner and a holistic view (Ashby et al., 2012).

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