

New Drivers of Corporate Social Responsibility: a case study in China.

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Abstract

This study explores whether Chinese Socially Responsible Investors (SRIs) can be identified as drivers of Corporate Social Responsibility (CSR) in China. A detailed single case study explores how, why and what drives investors to integrate social and environmental responsibilities into their entire investment process. This study also tests the instrumental theory of CSR. The data is collected by internal interviews, internal documents/archival data and public sources. Moreover, external interviews are conducted with top CSR consultancies, NGOs and researchers in China. This study examines a unique case of a SRI in Beijing. The empirical results reveal two key findings. The selected SRI-labeled venture capital investor manages two funds, of which one, with overseas Limited Partners, can be identified as a driver of CSR and seems to be guided by both the instrumental and ethical theories of CSR. The other fund, with Chinese Limited Partners does not have the same advanced social and environmental management system in place. The findings tend to indicate two factors: that average Chinese SRIs cannot currently be identified as drivers of CSR in China, but they, especially venture capital organizations, can be identified as potential effective drivers of CSR in the future.

Keywords: Corporate Social Responsibility, Socially Responsible Investors, Venture capital organizations.