

# From Necessity to Responsibility: Evidence for Corporate Environmental Citizenship Activities from a Developing Country Perspective

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## ABSTRACT

The objective of this study is to focus on corporate activities conducted to protect and preserve the environment, and to evaluate these activities with respect to social responsibility in a developing country setting. This study also tries to find out whether corporations take part in these activities due to social expectations and legal obligations or due to their own social awareness. The data was collected from Turkey, which is a good example of a developing country with its economic situation. Corporations from the automotive, pharmaceutical and textile industries were studied, as the products and the process of production of these industries pose a threat to the environment. The research findings show that in adopting environmental citizenship policies corporations are more influenced by 'obligatory regulations' coming from institutional forces than by 'voluntary regulations' coming from their own social awareness. Copyright © 2006 John Wiley & Sons, Ltd and ERP Environment.

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## Introduction

**A** NUMBER OF SCENARIOS HAVE BEEN ENVISIONED REGARDING THE FUTURE OF THE WORLD IF awareness of environmental matters such as 'air pollution' and 'ozone depletion' does not improve or the struggle against these matters is not enhanced. Deterioration of natural resources, air that is impossible to breathe, land that can no longer be cultivated and human beings who eat unhealthy food are some examples of the problems should these scenarios become

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reality. Since these problems have been framed as the negative impact of industrial activities on the ecosystem to a certain extent, societies and the corporations in them are nowadays expected to give more importance to their environmental activities.

Since an organization's survival requires it to conform to social norms of acceptable behaviour (DiMaggio and Powell, 1983; Meyer and Rowan, 1977; Rowe and Wehrmeyer, 2001), it can be said that the more pressure that institutional forces can impose on corporations, the more attention the corporation will attach to environmental activities. Thus, by studying the environmental activities of corporations, the power of institutional forces both on the corporations and on the field in which they operate can be construed. Hence, there are two main objectives of this study: One is to find out whether corporations take part in activities conducted in order to protect and preserve the ecological environment which has been destroyed partly because of their own activities due to institutional forces such as social expectations and legal obligations, or due to their own social awareness. The other is to determine the level of activities related to pressure from the institutional forces, namely whether corporations are active, reactive or proactive.

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### Literature Review: The Effects of Institutional Forces on Corporate Environmental Citizenship (CEC)

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Until the late 1980s, the social responsibilities of corporations towards the environment were not treated differently, but as a part of the term 'social responsibility'. In other words, 'social responsibility' was used as a frame term that covered a wide field of ideas, and which also included the social responsibilities of corporations towards the environment. However, the content and the significance of environmental responsibilities of corporations widened in the course of time. Therefore, apart from the other social responsibilities, corporations are now expected to do their best to reestablish the environmental balance. For this reason, the term 'social responsibilities' or other related concepts became inadequate to explain 'environmental responsibilities' and it became necessary to distinguish the studies concerning environmental responsibilities. The concept of corporate environmental citizenship (CEC), which has been developed parallel to the development of 'social responsibility' (Carroll, 1998; Maignan and Ferrell, 2000, Küskü and Zarkada-Fraser, 2004), has started to be used by researchers (see Rondinelli and Berry, 2000) in order to indicate corporate responsibilities for the environment. Thus, the concept of 'CEC', the study of interaction between the environment and the corporations, may be defined as *all of the precautions and policies corporations need in order to reduce the hazards they give to the environment*. This concept is also used as a general term in this study.

Corporations may be evaluated by focusing on their environmental citizenship (EC) practices in order to understand how powerful the institutional forces are within a given sector. Jansson *et al.* (2000) classify corporations as reactive, active and proactive with respect to their activities and strategies for environmental problems. Where corporations feel no or less institutional pressure on themselves except the legal regulations, they behave as reactive or active corporations. In contrast, where they feel more institutional forces on themselves, they behave as proactive ones. In order to make this relationship clear, the characteristics of each group can be summarized as follows.

Both the top management and lower units of the *reactive corporations* show a negative attitude for environmental activities. They consider legal obligations regarding environmental matters to be too harsh. They do almost nothing for sustainable development. These corporations form their vision and mission without considering the ecological environment (Payne and Raiborn, 2001). The managers in these corporations adopt a reactive approach: they do not take any action until laws or regulations are put into

effect (Jansson *et al.*, 2000; Banerjee, 2001). They do not care for environmental activities unless the legal liabilities or the general regulations of the sector they belong to oblige them to take action or unless they feel public pressure (Payne and Raiborn, 2001). These corporations do not usually have an environmental management unit. These companies are often referred to as passive, defensive or reactive (Rojsek, 2001).

Corporations in the *active* group are the ones that have discovered that being active to protect and preserve the environment is another way of making profit (Jansson *et al.*, 2000). Instead of feeling obliged to obey the regulations, these corporations are in search of environmentally friendly products while finding ways in which they can use this difference in terms of cost and competitiveness. Yet, corporations in this group do not often have environmental management units. Payne and Raiborn (2001) stated that these organizations probably engage in such activities for the 'wrong' reasons: cost reduction, revenue enhancement or reputation improvement. In other words, the activities are likely to provide short-term monetary benefits greater than their costs (p. 161). This means that they will operate within the law and will seek to find environmental improvements that reduce costs or improve productive activities so that short-term profits are enhanced and shareholder value is increased (Payne and Raiborn, 2001, p. 162).

Both the top management and the small units in *proactive corporations* bear a positive attitude towards the activities to protect and preserve the environment. In all their functions they pay the utmost care to CEC activities and also try to find opportunities through environmental activities for their business (Jansson *et al.*, 2000). Mission statements and management letters for organizations in this category highlight a concern for, and focus on, the natural environment. They recognize that the environment must be protected not only through laws but also through their own proactive involvement. Many of these companies are quick to design, develop and implement environmental management systems as specified by ISO 14001, and to seek certification or selfdeclaration according to that standard (Payne and Raiborn, 2001, p. 162). Instead of adopting the environmental regulations or following the trends in environmental activities, proactive corporations do their best to develop already existing environmental activities and to create innovative methods (Sharma and Vredenburg, 1998). To achieve this aim, they usually set up an environmental management system. Additionally, proactive corporations discuss environmental matters and activities in their annual reports, and allocate part of their annual budget for environmental activities. All the employees share the environmental responsibility. Furthermore, they support other institutions such as public relations groups, the state, NGOs etc. to take part in their environmental activities, and they also care for the suggestions coming from these groups (Rondinelli and Berry, 2000). In short, these companies manage environmental problems rather than merely reacting to them (Rojsek, 2001, p. 39). Moreover, proactive corporations prefer finding ways to create less pollution and waste in the production process to reduce the already existing pollution. In other words, they try to conduct activities to protect and preserve the environment rather than applying the regulations enforced by legislators or by the industry (Rondinelli and Berry, 2000). They follow environmentally friendly technologies, and even encourage research and development activities to produce such technologies. By making these attempts, they tend to be more innovative in general, and their adoption of advanced environmental practices stems from a deep commitment to find solutions to reduce waste and improve efficiency (Florida and Davison, 2001, p. 67). Therefore, they become known as good corporations, leading to more efficient, cost-effective and profitable results (Rondinelli and Berry, 2000). Proactive corporations see these CEC activities as an advantage for their competitiveness (Banerjee, 2001).

In active corporations, as in reactive ones, environmental activities focus only on attempts to not make already polluted environment any worse. In other words, they think that it is enough to obey the legal and industrial obligations (Banerjee, 2001). Since institutional forces are not very powerful, the EC

activities of reactive and active corporations depend on the economic and technical demands, not on social or cultural demands. In contrast, when the characteristics of proactive corporations are studied, it is clearly seen that their activities are carried out not because of economic and technical demands but because of social, cultural, political and legal demands. So we can conclude that as the institutional forces become more powerful the number of activities carried out by corporations increase, and they tend to become more proactive. In other words, as mentioned by Hoffman (1999, 2001), institutional forces are of vital importance in the transformation of a corporation's activities from reactive to proactive.

It has been found that corporate social responsibility and environmental responsibility is a global phenomenon and that the different cultural and market settings in which managers operate may have little impact on the corporate managers' behaviour relating to corporate social responsibility (see, e.g., Dunlap, 1994; Quazi and O'Brien, 2000). Most importantly, there do not appear to be major differences between the developed and less developed nations in terms of public perceptions of the nation's most serious types of environmental problem. The same problems, such as air and water pollution, are clearly seen as major national problems for all countries around the world. Furthermore, in making decisions, corporate managers from developed countries are more likely not to take action that is detrimental to the reputation of the company, as they fear regulation as well as consumer dissatisfaction (see Singhapakdi *et al.*, 2001, p. 138). Hence, it is possible that corporations in developed countries give much more importance to the EC activities due to the higher customer/client expectations. Additionally, in most cases, CEC practices have an important effect on the expenses of corporations (Dubinsky and Ingram, 1984; Donaldson, 1996; Fülöp *et al.*, 2000; Singhapakdi *et al.*, 2001). Therefore, it is believed that corporations in developing/underdeveloped countries are more likely to ignore the CEC activities due to their main concern for the problems of economic growth (Dunlap, 1980; Rowe and Wehrmeyer, 2001; Franzen, 2003). Based on above arguments the following hypothesis can be formulated: *In developing countries, where economic and technical demands for the production of goods and service are higher than the social and cultural demand, the corporations generally behave as reactive or active instead of to be proactive. Therefore, in order to protect and preserve the environment, in developing countries, legal forces are more needed than other institutional forces.* The next section reviews empirical research in order to understand the relationship between CEC activities and institutional forces in a developing country.

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## Empirical Research

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### CEC Activities of the Chosen Country

As a developing country, Turkey has been chosen as the sample country for this study for three important issues, which are related to environmental concerns. First, Turkey is situated in an environmentally sensitive region of the world. It is at the crossroads connecting Asia, Europe and Africa. Four seas, the Black Sea, the Marmara Sea, the Aegean Sea and the Mediterranean, surround it. Due to these conditions, Turkey has to play a dynamic role in diverse environmental activities, particularly in the Mediterranean, the Black Sea, the Caucasus and Central Asia. Second, similar to other industrializing countries, Turkey's high rate of economic growth experienced during the 1990s resulted in booming industrial production and led to higher levels of energy consumption, imports, air and water pollution and greater risks to the country's environment. This means that sustainable economic development needs sound environmental policies. Third, since it was founded, Turkey has always wanted to be a full member of the European Union, and has thus tried to make its economic and political preferences accordingly. Full

implementation of the Customs Union with Europe will increase pressure for higher standards of environmental quality, besides other economic and social problems, because attempts at protection of the ecological environment have increased rapidly among the member countries since 1973, when the European Union put the first Environment Action Plan into effect. As a result of these three crucial issues, it will be increasingly necessary to take environmental considerations into account in Turkey.

Although Turkey is situated in an environmentally sensitive region of the world and has numerous crucial environmentally problematic issues, neither the public nor the state in Turkey gave much attention to ecological environment problems before the early 1980s. The state had almost no planning, investment and training policy to protect the environment. Although several measures to protect the environment were stated in the state's development plans, these remained as 'intentions' and failed to protect the environment (see Dura, 1991). The most important development was the Environment Law that came into force in 1983. In 1991, the National Ministry of Environment was established. Many improvements have since been accomplished in order to address environmental problems in Turkey. A series of actions, such as publishing magazines and booklets and organizing environment conferences with the participation of state institutions, universities, NGOs, foundations and associations, city governorships, municipalities, private sector and city environmental units, has been especially conducted by the Ministry of Environment to set up environmental awareness and to disseminate this awareness to a maximum number of people (for more details, see Küskü, 2003a, 2003b).

Against all attempts to protect the environment, preservation and protection of the environment has not had the desired effect, and problems have worsened and accumulated until the present day. Some important reasons for the inadequacy in environmental management have been stated as follows: 'Environmental policy is not clearly defined; institutional framework and capacity are insufficient to undertake adequate monitoring and enforcement; the Ministry of Environment has limited authority compared with other line ministries as well as low priority on receiving funds from the general budget; there are difficulties in the links between authority, responsibility and tasks allocated to various public authorities; the weak capital and financial markets lead to negligible participation of the private sector, especially regarding loans given by commercial banks for environmental investments; and there is a low level of environmental awareness as well as inadequate public involvement' (Sezer *et al.*, 2003, p. 460).

Over the next few decades, environmental problems are expected to intensify at local, national, regional and global levels, due to increasing economic activities and population growth (MFA, 2004). According to the above arguments, it can be said that the Turkish situation represents a rather under-developed character in terms of environmental issues. For this reason, performing scientific research in Turkey regarding CEC will help understanding of the reality in developing countries.

Although there have been some studies regarding the concept of environmental behaviour of Turkish corporations (e.g. Demir, 1995; Karaca, 2000; Karagozoglu, 2001; Küskü, 2001; Sezer *et al.*, 2003; Küskü and Gür, 2004; Ozen and Ozen, 2004), so far little research has been done directly on the concept of 'environmental citizenship' (Küskü and Aydın, 2002) related to the behaviour of companies. Therefore, this study may be a good example to illustrate the EC behaviour of corporations in Turkey.

## Research Methodology

Since findings show that social responsibilities of corporations and related topics differ from one industry to another, or even from one corporation to another, it is better to limit the studies to those topics within one industry (Eisenhardt, 1989; Sharma *et al.*, 1999). Therefore, this study was limited to only a few industries: the Turkish automotive industry, the Turkish pharmaceutical industry and

the Turkish textile industry. Due to not only their important roles in the Turkish economy, but also the potential hazards they create for the ecological environment by means of their products and production process, the study of these three industries is significant (for more detail about the industries see Küskü, 2003b).

This study was focused only on large-scale corporations; assuming that the scale of a corporation should have an effect on the environmental citizenship activities in developing countries because of their economic effect and political power (see Fülöp *et al.*, 2000; Florida and Davison, 2001). As for the Turkish automotive industry, the member of the Automotive Manufacturers Association of Turkey (<http://www.osd.org.tr>), for the Turkish textile industry and the Turkish pharmaceutical industry, the first 500 corporate list published by the Istanbul Chamber of Industry was chosen as the population. Because of the funding limitations, eight automotive corporations (sampling rate: 47%), seven pharmaceutical corporations (sampling rate: 46.7%) and seven textile corporations (sampling rate: 7.2%) were selected around and in Istanbul as the sampling. As a result, 22 corporations from three different industries form the sample of this study.

Some general characteristics of the corporations in the study may be summarized as follows. While all the automotive and pharmaceutical corporations included in the study operate in a group, the majority of textile corporations (71.4%) operate independently. All of the corporations export to some extent. All the textile corporations were established with domestic capital. However, most of the corporations in the automotive industry (62.5%) and all of the corporations in the medical industry were established with foreign capital. 77.3% of the corporations possess a standardization certificate (quality security certificate). 57.1% of the pharmaceutical corporations, 71.4% of the textile corporations and 100% of the automotive corporations have a quality security certificate concerning environmental activities. The majority of the corporations (72.7%) have produced written documents about their vision and mission (pharmaceutical corporations 100%, automotive corporations 62.5% and textile corporations 62.5%).

In this study, data was collected from three qualitative sources, allowing cross-checking in order to improve the validity of data (Yin, 1994). First, data was gathered about the CEC activities of the three selected industries from secondary sources such as written media (newspapers, periodicals etc.) and related Internet sites, so as to understand the environmental tendencies in general. When the written documents were studied, it was found that there are no considerable differences between the corporations in this study and the population. For this reason, it is assumed that it would not be wrong to make generalizations about each industry from the data collected from the selected corporations. Second, data about the corporations included in the study was gathered from their web pages, training booklets, organization charts, procedure booklets and application files for any environmental awards in order to understand whether the selected corporations have written strategies for CEC activities. Third, data was gathered through face-to-face interviews to obtain detailed data about the specific environmental activities of the sample corporations.

In order to lessen the effect of social desirability, at least two members of the staff working as managers and/or experts in their companies directly in charge of the environmental activities of the corporations were interviewed. During the interviews, an original questionnaire form consisting of open-ended questions was used. In order to control possible researcher bias, the interviews were audio-taped at all organizations except one automotive and two textile corporations, where audio-taping was not permitted. During the interviews, extensive notes were also taken by the interviewer. An interview summary form was prepared after each interview within 24 hours to highlight emergent themes and other issues of interest (see Sharma *et al.*, 1999). In the process of filling in the summary form, when it was realized that the data collected was not satisfactory, follow-up interviews were conducted with the same members of the corporations. Each interview lasted at least half an hour.

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## Findings of the Research: EC Practices of Turkish Corporations

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In the evaluation of corporations being reactive, active or proactive, the corporations in this study have been evaluated under the following five criteria: *corporate general tendency towards environmental activities* (including six variables), *corporate management tendency towards environmental activities* (including four variables), *the tendency to share environmental activities* (including two variables), *tendencies about production concerning environmental activities* (including six variables) and *tendency to use environmental activities to attract customers* (including two variables) (see Table 1). This section summarizes the data obtained from the corporations, which have been studied with respect to the variables included in the study.

### Corporations' General Tendency towards Environmental Activities

There are some differences among corporations with respect to their environmental policies and environmental management systems. Most of the automotive and pharmaceutical corporations have an environmental policy (see Table 1), which they started to develop late in 1998. The reason for the corporations' wishes to obtain certification was given as its help to guide their environmental activities and its driving force, which required them to be more systematic and disciplined. However, as the formation of their environmental policies coincided with the start of their environmental management systems, it should be considered that after they had started a certain environmental system they then decided to verify it with a certificate, and developed an environmental policy, which was the only way to get that certificate. On the other hand, among the textile corporations, no meaningful relationship has been found between having a written environmental policy and having a quality security certificate about environmental protection. Although the majority of the textile corporations have an environmental quality security certificate (ÖKO-TEKS 100), only two of them have a written environmental policy. The fact that they started to get environmental quality security certificates after 1999 shows that they were fulfilling an obligation to keep their exports going.

Half of the automotive and the pharmaceutical corporations have a managerial unit in charge of organizing and applying environmental activities. The automotive and pharmaceutical corporations that do not have a special unit in charge of the environmental activities usually employ an environmental engineer who works in the technical department. On the other hand, an overall look at the organization schemes of the textile corporations has illustrated that they do not have an organizational structure that implements environmental activities. Corporations in the textile sector usually conduct their environmental activities through a quality coordination department, or a quality security directorship.

Apart from the legal obligations and sector regulations, there seems to be a meaningful relationship between the sectors in which the corporations operate and the philanthropic environmental activities they conduct. While only two of the textile corporations carry out philanthropic activities, half of the automotive corporations and most of the pharmaceutical corporations do so. Whether the corporation has an environmental policy or whether it has a foreign partner generally determines the extent of its philanthropic environmental activities. Most of the corporations with an environmental policy, and most of the corporations with a foreign partner, have stated that they are engaged in philanthropic activities for the protection and the preservation of the environment in addition to the imposed legal obligations.

The majority of the corporations included in the study allocate a certain amount of money from their budgets for CEC activities except two of the automotive corporations. Additionally, most of the corporations included in the study have future environmental plans to diminish the harmful effects of their products or their production process and to carry out more environment-friendly activities, except two of the automotive and one of the textile corporations. The future plans of the corporations with

| Variables studied   | Industries (n = 22)            |                             |                                    |
|---|--------------------------------|-----------------------------|------------------------------------|
|   | Automotive<br>(n = 8)<br>f (%) | Textile<br>(n = 7)<br>f (%) | Pharmaceutical<br>(n = 7)<br>f (%) |
| <i>Dimension a. Corporate general tendency towards environmental activities</i>   |                                |                             |                                    |
| 1. Having an environmental policy   | 5 (62.5)                       | 2 (28.6)                    | 5 (71.4)                           |
| 2. Bearing an environmental management system   | 5 (62.5)                       | 5 (71.4)                    | 5 (71.4)                           |
| 3. Having a managerial unit directly responsible for the environmental activities   | 4 (50.0)                       | 2 (28.6)                    | 4 (57.1)                           |
| 4. Organizing philanthropic environmental activities  | 4 (50.0)                       | 2 (28.6)                    | 5 (71.4)                           |
| 5. Allotting a share of the annual budget for the environmental activities  | 6 (75.0)                       | 7 (100.0)                   | 7 (100.0)                          |
| 6. Having environmental future plans  | 6 (75.0)                       | 6 (85.7)                    | 7 (100.0)                          |
| <i>Dimension b. Corporate management tendency towards environmental activities</i>  |                                |                             |                                    |
| 1. The attitudes of both top management units and the other managers towards the environmental activities in general          |                                |                             |                                    |
| – Having positive attitudes   | 6 (75.0)                       | 7 (100.0)                   | 7 (100.0)                          |
| – Having negative attitudes   | 2 (25.0)                       | 0 (0.0)                     | 0 (0.0)                            |
| 2. Whether the environmental activities are perceived as restrictions or opportunities  |                                |                             |                                    |
| – Perceived as opportunities  | 0 (0.0)                        | 0 (0.0)                     | 4 (57.1)                           |
| – Perceived as threats  | 8 (100.0)                      | 7 (100.0)                   | 3 (42.9)                           |
| 3. How the expenses for environmental activities are evaluated in terms of their effect on total performance                  |                                |                             |                                    |
| – Part of social responsibility   | 0 (0.0)                        | 0 (0.0)                     | 5 (71.4)                           |
| – Cost-raising factors  | 8 (100.0)                      | 7 (100.0)                   | 2 (28.6)                           |
| 4. Opinions of managers on the legal and general regulations for the environment  |                                |                             |                                    |
| – Adequate  | 7 (87.5)                       | 7 (100.0)                   | 6 (85.7)                           |
| – Inadequate  | 1 (12.5)                       | 0 (0.0)                     | 1 (14.3)                           |
| <i>Dimension c. The tendency to share environmental activities</i>  |                                |                             |                                    |
| 1. Whether there are any training programs to inform workers and to render consciousness among them to share responsibilities |                                |                             |                                    |
| – Having in service-training  | 5 (62.5)                       | 3 (42.9)                    | 6 (85.7)                           |
| 2. Who are the responsible staff in charge of the environmental activities?   |                                |                             |                                    |
| – Top management or environmental department  | 2 (25.0)                       | 3 (42.9)                    | 2 (28.6)                           |
| – Shared with all employees   | 6 (75.0)                       | 4 (57.1)                    | 5 (71.4)                           |
| <i>Dimension d. Tendencies about production concerning environmental activities</i>   |                                |                             |                                    |
| 1. Having a filtering technology  | 8 (100.0)                      | 7 (100.0)                   | 7 (100.0)                          |
| 2. Having policies about waste disposal   | 8 (100.0)                      | 6 (85.7)                    | 7 (100.0)                          |
| 3. Reduction of wastes to a minimum   | 6 (75.0)                       | 6 (85.7)                    | 2 (28.6)                           |
| 4. Recycling of wastes  | 0 (0.0)                        | 4 (57.1)                    | 6 (85.7)                           |
| 5. Save resources   | 5 (62.5)                       | 6 (85.7)                    | 6 (85.7)                           |
| 6. Save energy  | 5 (62.5)                       | 7 (100.0)                   | 7 (100.0)                          |
| <i>Dimension e. Tendency to use environmental activities to attract customers</i>   |                                |                             |                                    |
| 1. Including the environment factor in their marketing activities   | 0 (0.0)                        | 1 (14.3)                    | 2 (28.6)                           |
| 2. Informing their customers about the production process and the possible hazards their products give to the environment     | 0 (0.0)                        | 0 (0.0)                     | 2 (28.6)                           |

**Table 1.** Variables studied and findings

environmental management systems are to develop and improve their current systems, and to provide continuous progress in all stages of their operations for both better quality and better environmental protection.

### **The Tendency of the Management Regarding Environmental Activities**

Almost all of the people interviewed, except two people working in automotive industries, stated that both the top management and the other management units have a positive attitude in supporting and directing the environmental activities.

There is a meaningful relation between the sector of a corporation and its general perception of the environmental issues. All of the corporations in the automotive and textile sector perceive environmental issues as 'threats', which restrict the activities of their corporation. On the other hand, more than half of the pharmaceutical corporations carry out their environmental activities with the intention that these will create new corporate opportunities. Moreover, for most of the automotive and textile corporations in the study, expenses for environmental activities are considered as cost-raising factors. However, the majority of pharmaceutical corporations regard these expenses as a part of their social responsibility.

All the corporations, except one in the pharmaceutical sector, have stated that the legal obligations and general regulations enforced by the sectors are adequate. This reveals the importance of legal obligations and the standards of the environmental systems with respect to the protection and preservation of nature, which will be inherited by future generations (Küskü and Gür, 2004). Though the corporations find the legal obligations adequate, they have also emphasized the lack of control and enforcement.

### **The Tendency to Share Environmental Activities**

More than half of the corporations investigated give environmental training to their employees in order to inform them about CEC activities. While the textile corporations have the lowest percentage (three out of seven) for in-service training, more than half of the automotive corporations (five out of eight) and all of the pharmaceutical corporations except one give environmental training to their employees.

In all three sectors, a great majority of the corporations (15 out of 22) share the responsibilities of CEC activities with 'all their employees'. In the corporations where these responsibilities are not shared, top management or the units who are in charge of environmental activities take full responsibility.

### **Tendencies in the Production Process about the Environmental Activities**

The vital effects of legal obligations, industrial regulations and the environmental management system can best be seen in the production process. All the corporations surveyed for this study have biological treatment, wastewater treatment and chemical treatment units. The reasons for the installation of these units were given as the obligation to fulfil 'legal/governmental regulations', 'common trends in the sector/industrial practice' and 'environmental management systems'. However, the corporations in this study generally do not use 'advanced treatment techniques', but standard treatment techniques, which are sufficient to fulfil the obligations of the legal regulations imposed upon them. The reasons for using standard techniques instead of the advanced ones were given as 'the advanced techniques being costly' and 'the current techniques being sufficient for legal obligations'.

Almost all corporations in this study, except for one textile corporation, have a waste removal policy. Yet, a waste recycling and recovery policy, which is a sign of a modern approach, is remarkably scarce among them. While the automotive industry has not done a great deal for the recovery process, more than half of the textile corporations and a great number of corporations in the pharmaceutical industry

have waste recovery policies. Only the corporations with an environmental policy and an environmental management system care for the reduction in the use of resources and the amount of waste, and the subsequent savings in energy costs.

### Tendency to Use Environmental Activities in Attracting Customers

The majority of corporations do not tend to use environmental activities as a marketing tool. Nor do they perceive environment-friendly activities as a means of marketing. Furthermore, they do not inform their customers about the possible hazards their products and/or their production processes may pose to the environment. This reveals the fact that neither do the customers have any pressure to put on corporations to oblige them to adopt environmental activities, nor do the corporations try to improve their strategies to inform their customers/consumers.

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## Discussion and Results of the Study

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This study has mainly tried to find out whether corporations take part in environmental activities as a result of institutional forces such as social expectations and legal obligations, or due to their own social consciousness. Additionally, the level of the activities related to the institutional forces, namely whether they are active, reactive or proactive, has been investigated.

According to the results of this study, the fact that more than half of the corporations have an 'environmental management system' and an 'environmental policy', and thus the tendency they have developed to get their employees to share the responsibility of the CEC activities, can be considered as a sign that these corporations have transformed from being 'reactive' to 'active'. On the other hand, apart from being insufficient, these efforts cannot be evaluated as proactive activities, since the main aim of the corporations here is to reduce costs as much as possible.

The Turkish corporations investigated also evaluate CEC activities on the basis of short-term plans. They state that legal obligations are sufficient to meet environmental needs. They even see the social responsibility for environmental matters as being in compliance with the legal obligations. Consequently, they perceive the CEC activities as legal obligations, not as their social responsibility or their own social awareness. To sum up, it is clear that the corporations in this study have a long way to go until they can be called 'proactive', though they have all tended to change their policies to be friendlier to the environment. In other words, they need more institutional forces to be good citizens for the environment. However, this result should not be taken just as a reality of Turkey as a developing country, because similar results have been obtained in the studies done in other countries (see Vandermerwe and Oliff, 1990; Jansson *et al.*, 2000) Yet, as stated by Hoffman (1999), institutional pressures resulting from environmental problems lead corporations to develop proactive strategies rather than reactive or active ones.

The main idea of institutional approaches, in which the corporations existing in similar industrial sectors will eventually become similar (DiMaggio and Powell, 1983; Powell, 1991), appears equally valid for CEC behaviour in the case of Turkey. In spite of some differences in practice among the three industries, textile–automotive–pharmaceutical, in the Turkish economy, some institutional pressures cause the corporations to carry out similar practices. This means that the rules in the institutional environment will dominate the corporations (DiMaggio and Powell, 1983). Although within any organizational field there may be organizations with a high or low fit to institutional norms (DiMaggio and Powell, 1983; Oliver, 1991; Kondra and Hinings, 1998), the findings of this research indicate that organizations will gradually become similar to each other, as predicted by the institutional approach. As a matter of

fact, studies on the business behaviour in Turkey have emphasized that industrial organizations have the tendency to follow each other's practices and that some organizations even imitate each other either rationally or institutionally (see Sargut, 1998). This means that corporations in the same sector are subjected to similar environmental pressures; thus, they acquire an organization parallel to the expectations and obligations placed upon them.

What are the institutional forces related to CEC practices? In the case of Turkey, it has been observed that CEC activities started to increase in 1983, when the Environment Bill was accepted. Also, increasing interest in total quality management studies as common practices in the sectors boosted the CEC activities carried out by the corporations, especially in the automotive and the pharmaceutical sectors. The corporations in the textile sector, on the other hand, were obliged to obtain the environmental quality security certificates to find foreign markets when the domestic markets diminished during the economic crisis years. Moreover, corporations having to carry out joint ventures with foreign partners due to economic worries submit to the expectations and pressures of the foreign partner to carry out CEC activities. Such practices reveal the fact that there might be more than one set of rules or logic that has an effect on a sector (Powell, 1991). On the other hand, these practices reveal that the corporations in these three sectors developed their environmental policy after they had decided to get the certificates, or their foreign partners had notified them. This means that they did not make any voluntary efforts to set up a CEC policy at all.

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## Conclusion

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The findings of this research indicate that *the legal obligations, the common practice within the sector and the institutional pressures of the foreign markets or foreign partners* are the main institutional factors in corporations' EC practices. Conversely, *the customers or the public* are relatively less effective factors on the CEC practices in Turkey. These findings show that in adopting EC policies corporations are more influenced by *obligatory regulations* coming from institutional forces than by *voluntary regulations* coming from their own social awareness, as stated in several other studies (e.g. Banerjee, 2001; Küskü and Gür, 2004; Küskü, 2001, Küskü and Aydın, 2002).

The data collected in this study should be interpreted carefully, taking the economic and social conditions of the country into consideration. It would not be very realistic to expect the corporations to find out new ways to protect and preserve the environment in a country facing frequent economic crises and having many problems in the development process. As a matter of fact, in developing and underdeveloped countries, such as Turkey, where the unfulfilled needs are comparatively plentiful, the main reason for negligence of the CEC activities is their rather high cost. The interviewees later mentioned that legal obligations related to environmental activities are sufficient, and stated that many corporations do not carry out the legal obligations due to the lack of sanctions against the ones who break the law. It was also emphasized that the cost of obeying the legal regulations is much more than paying the fines for breaking the law. Therefore, many corporations prefer not to fulfil their legal duties. This is regarded as a common problem among developing countries (see Steger, 2000, p. 32).

Though an increase in the EC activities of the corporations due to institutional pressures has been observed, several implications have to be dealt with in order to improve their efforts to a proactive level. These implications, based on the data gathered in this study, can be summarized as follows. (i) In the corporations where the top management and the other units have no direct guidance in environmental activities, there is also no environmental policy or environmental management system. This illustrates that senior managers play a crucial role in developing and implementing corporate environmental strategies, and top management plays a visible role in designing environmental policy (Banerjee, 1998, 2001).

Therefore, the first thing to do is to make the top management and the other units aware of environmental activities. They should be convinced that their support to improve the environmental activities is of vital importance. In addition, in service training for the awareness of all employees should be required to help the corporations carry out proactive strategies. (ii) As has also been mentioned in other studies (Montabon *et al.*, 2000; Rondinelli and Vastag, 2000), foreign partners can be a means of pressure that forces corporations to adopt EC activities. Therefore, being open to foreign partners may help corporations adopt and implement advanced strategies more easily. (iii) The data gathered in this study shows that neither do the customers have any pressure on corporations to carry out proactive activities, nor do the corporations have any proactive strategies for the awareness of their customers/consumers. However, corporations with a social responsibility should try to improve the public awareness not only of their EC activities but also the environment in general. This can be realized both by informing the customers/consumers in the marketing/promotion process about CEC activities, and in other ways such as giving information about environmental matters in web pages, or by sponsoring these activities. In this way, corporations may contribute to the active participation of responsible and modern individuals for the solution of environmental problems. In a world where environmental problems are getting worse, sustainable development can only be possible with the awareness of all people, whether they are from underdeveloped, developing or developed countries. Without the support of their shareholders, corporations will not be able to achieve sustainable development on their own (Payne and Raiborn, 2001, p. 167). (iv) The majority of managers interviewed in the corporations emphasized the fact that although the legal regulations, and the application of these regulations, in the sector are sufficient, the controlling agent (the Ministry of Environment) does not fulfil its function well. Therefore, being stricter in the control process and a considerable increase in the fines to be paid may cause corporations to take the environmental activities more seriously in underdeveloped or developing countries.

In spite of introducing two important points, 'the evaluation of environmental citizenship activities within the framework of institutional forces' and 'taking a developing country as the field of study', this study has some weaknesses, as all studies of its kind do. The main weaknesses in this study can be summarized as the following. (i) Though the aim of this study had been to examine the situation in developing countries, only one country was studied. In order to make generalizations from the data collected in this study, data should prove itself valid in other developing countries. (ii) Only three sectors were included in the study, so it might be difficult to apply the information to Turkey's economy. Future studies should be held with the inclusion of various other sectors in order to make generalizations about Turkey's economy. (iii) There are concerns about the sufficiency of the corporations to represent the sector in which they exist. With more sample corporations from each sector, the data should be re-examined, and thus we might learn the reality in developing countries more precisely. (iv) Data about the corporations was collected during a certain period of time. However, as the subject of the study is open to continuous development, it might be better to collect data several times with certain intervals. This would also eliminate the 'social desirability' errors originating from the individuals from whom the data was gathered. Taking the above-mentioned weaknesses into consideration would provide more realistic and more reliable data. As a last word, it can be said that, as mentioned in recent studies (Greenwood and Hinings, 1996; Hoffman, 2001), surveying organizational action in the perspective of their environmental and institutional contexts, there is a need for more work in this area.

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