Post-Partnership Strategies for Defining Corporate Responsibility:
The Business Social Compliance Initiative

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Abstract

While cross-sectoral partnerships are frequently presented as a way to achieve sustainable development, some corporations that first tried using the strategy are now changing direction. Growing tired of what are, in their eyes, inefficient and unproductive cross-sectoral partnerships, firms are starting to form post-cross-sectoral partnerships ('post-partnerships') open exclusively to corporations. This paper examines one such post-partnership project, the Business Social Compliance Initiative, to analyse the possibility of post-partnerships establishing stable definitions of 'corporate responsibility'. We do this by creating a theoretical framework based on actor–network theory and institutional theory. Using this framework, we show that post-partnerships suffer from the paradox of striving to marginalise those stakeholders whose support they need for establishing stable definitions of 'corporate responsibility'. We conclude by discussing whether or not post-partnership strategies, despite this paradox, can be expected to establish stable definitions of 'corporate responsibility'.

Introduction

Cross-sectoral partnerships between governmental organisations, civil-society organisations (CSOs), and corporations are frequently presented as a way to achieve sustainable development (e.g., Hartman *et al.*, 1999; Loza, 2004; Moody-Stuart, 2004; Ählström and Sjöström, 2005). This vision, on the part of both practitioners and academics, has led to conferences dedicated to the partnership theme (e.g., the 2004 International Conference of the Greening of Industry Network in Hong Kong), as well as extensive research into particularly corporate–CSO relationships (e.g., Henriques, 2001; Rondinelli and London, 2003; Argenti, 2004; Hamann and Acutt, 2004; Teegen *et al.*, 2004; McDonald and Chrisp, 2005). However, while the partnership idea is flourishing, some corporations that first tried using the strategy are now changing direction. Cross-sectoral partnerships naturally involve multiple pitfalls regarding inter-sectoral relationships (e.g., Zadek, 2001; Wade-Benzoni *et al.*, 2002; Rondinelli and London, 2003). More importantly, and less acknowledged, they also involve conflicts in terms of *intra*-sectoral relationships. As Braun and Gearhart (2004), Compa (2004), Egels-Zandén and Hyllman (2006), and others have shown, conflicts in relationships between two types of CSOs, i.e., unions and non-governmental organisations (NGOs), rather than conflicts between CSOs and corporations often account for collapsed cross-sectoral partnerships.

In response to these intra-sectoral conflicts between CSOs, some companies seem to have grown tired of what are, in their eyes, inefficient and unproductive cross-sectoral partnerships, and have decided to approach corporate responsibility issues single handedly. Historically, such an approach has been an indication of an initial immature corporate response to demands for more extended corporate responsibility, i.e., a *pre*-partnership strategy. The limited success of this approach then led to the era of *cross-sectoral* partnerships. The perceived failure of these partnerships, however, seems to have led some firms to return once again to single-handed approaches. However, this time such strategies comprise informed *post*-cross-sectoral partnerships strategies ('post-partnership' strategies) rather than immature pre-partnership strategies.

Based on a qualitative study of one such post-partnership project, the Business Social Compliance Initiative (BSCI), which aimed to define and implement 'corporate responsibility' among suppliers of (mainly European) corporations in consumer product industries, we analyse both the negotiations related to post-partnership projects and whether or not such projects can successfully establish stable definitions of 'corporate responsibility'. Here we use the label 'corporate responsibility' to denote both the *content* and the *implementation* aspects of corporate responsibility. The types of inter-organisational negotiations leading to certain, and not other, definitions of corporate responsibility are poorly understood (Rowley and Berman, 2000; Newton, 2002; Ählström and Egels-Zandén, 2006). However, it is important to develop such an understanding if we are to understand the struggles that precede the establishment of definitions of 'corporate responsibility', definitions that eventually come to be taken for granted.

To analyse these inter-organisational negotiations connected with post-partnership projects and their outcomes in terms of definitions of 'corporate responsibility', we create

a theoretical framework based on actor–network theory (ANT) and institutional theory. Doing this contributes to existing research in three ways. First, it continues the introduction of ANT into corporate responsibility research. While in many regards fruitful for analysing corporate responsibility issues (in particular, the establishment of definitions of 'corporate responsibility'), ANT has so far only rarely been used in corporate responsibility research (Newton, 2002; Egels, 2005; Ählström and Egels-Zandén, 2006). Second, the developed framework contributes to ANT research by enriching ANT with institutional theory regarding the conferring of legitimacy in the establishment of definitions. Third, it also contributes to research into institutional theory by, on the basis of an ANT framework, showing that artefacts (such as texts and technical devices), in addition to human actors, can play important roles in conferring legitimacy.

Theoretical framework

Actor–network theory

Actor–network theory was developed to describe the negotiations that precede the establishment of definitions and of taken-for-granted – in ANT parlance, 'black-boxed' – 'facts' (e.g., Callon and Latour, 1981; Catasús, 2000; Newton, 2002). The framework has been applied in relation to, for example, the establishment of scientific (e.g., Latour and Woolgar, 1979; Law, 1994; Latour, 1999), economic (e.g., Callon, 1998a, 1998b; Helgesson and Kjellberg, 2004), and information system-related 'facts' (e.g., Mähring *et al.*, 2004; Holmström and Robey, 2005; Lanzara and Morner, 2005; Norén and Ranerup, 2005; Porsander, 2005). Despite such broad application of ANT in these organisational theory areas and despite recent calls for more ANT research into corporate responsibility (Stubbs, 2000; Newton, 2002), actor–network theory has so far only rarely been used in corporate responsibility research (Newton, 2002; Egels, 2005; Ählström and Egels-Zandén, 2006). This dearth could be related to the above mentioned lack of focus in previous research into the inter-organisational negotiations that precede the establishment of definitions of corporate responsibility.

The arguably most central concept in ANT is *translation* (Callon, 1986a, 1986b). Translation can be defined as comprising the acts of negotiation and persuasion by which an actor is able to set the agenda for and – in ANT parlance – *gain the authority* to speak and act on behalf of other actors (Callon and Latour, 1981). Hence, translation occurs when an actor is able to persuade – in ANT parlance, *enrol* – another actor to accept its proposed definition. As multiple actors come to accept a specific definition, an *actor-network* forms around the definition (Callon, 1986b). This actor-network constantly reproduces the definition, defending it from competing definitions proposed by other actors. As Clegg (1989) notes, defending a definition requires that the actors in an actor-network constantly restrain other actors in the actor-network from becoming enrolled in other actor-networks supporting competing definitions. Hence, translation and enrolment are always three-party processes – i.e., one actor is enrolling, another actor is being enrolled, and one or more actor(s) fail to enrol. ANT studies focus on these struggles between different actors, or actor-networks, trying to enrol other actors to support their preferred definitions of an issue – in our case, the issue of 'corporate responsibility'. This

focus on struggles over the right to define issues has made some authors claim that ANT is essentially about how power is constructed in practice (Latour, 1991; Czarniawska and Hernes, 2005).

Institutional theory

Just as translation is arguably the most central concept in ANT, so legitimacy is central to institutional theory. The theory asserts that organisations' ability to survive not only depends on their effectiveness but also on their legitimacy (e.g., Meyer and Rowan, 1977; DiMaggio and Powell, 1983). Legitimacy can be defined as 'a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions' (Suchman, 1995, p. 574). In short, legitimacy can be said to be the acceptance of an organisation by its 'external environment' (Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Meyer and Scott, 1983; Deephouse, 1996). In turn, the 'external environment' could be said to comprise an organisation's stakeholders (cf. Freeman, 1984; Donaldson and Preston, 1995; Rowley, 1997).

While legitimacy is conferred by stakeholder acceptance, not all stakeholders are equally capable of conferring legitimacy (Meyer and Scott, 1983; Deephouse, 1996). In general, governmental organisations have been presented as particularly capable of conferring legitimacy due to their authoritative social position (e.g., Meyer and Scott, 1983; Galaskiewicz, 1985; Baum and Oliver, 1991). Additionally, and more specifically in relation to corporate responsibility issues, we believe that large, well-known NGOs comprise a second such influential stakeholder group, thanks to their influence on public opinion (cf. Meyer and Rowan, 1977; Meyer and Scott, 1983; Boli and Thomas, 1999; Egels-Zandén and Kallifatides, 2006). Finally, it is also reasonable to assume that labour unions comprise a third influential group, at least in relation to workers' rights (the focus of this paper), due to their historically central position in workers' rights negotiations (e.g., Weston and Lucio, 1998; Piazza, 2002; Braun and Gearhart, 2004; Frundt, 2004).

If this reasoning regarding legitimacy is applied to the establishment of definitions of 'corporate responsibility', it becomes clear that such definitions will only become accepted, i.e., be stable over time, if they are perceived as legitimate by those stakeholders able to confer legitimacy on the definition. The concept of 'stakeholder' is here, as applied to the establishment of definitions, conceptualised as stakeholders to the corporate responsibility definition. Hence, as in research into actor-network theory, and as a first step in linking the two theoretical frameworks, the corporate responsibility definition is itself treated as an 'actor' capable of having stakeholders (cf. Callon, 1991; Latour, 1991; Star, 1991).

Method

To explore how corporations using post-partnership strategies try to create legitimacy for their proposed definitions of corporate responsibility, and to determine whether or not these efforts seem to be successful, we make use of material drawn from a qualitative study of the Business Social Compliance Initiative (BSCI). The BSCI is only open to

(mainly European) corporations, and aims at developing and implementing a code of conduct regarding workers' rights at the involved companies' suppliers, i.e., it aims at defining the buying corporations' responsibility for their suppliers' operations. Our reliance on a qualitative method for studying the BSCI is well in line with previous actor-network theory studies (e.g., Callon 1986a, 1986b; Palmås, 2005), and with studies attempting to combine ANT and institutional theory (e.g., Czarniawska and Sevón, 1996; Déjean *et al.*, 2004).

The data for the study were collected from written documentation (e.g., websites, official policies, presentations, newspaper articles, and published BSCI documents) and semi-structured interviews (lasting on average one and a half hours each). Between 2004 and 2006, we conducted 23 interviews with representatives of organisations involved in, or related to, the BSCI. All those interviewed were responsible for BSCI-related and/or code of conduct-related matters at their organisations, and personally had direct or indirect contact with the BSCI. The interviewed organisations consisted of: i) companies involved in the BSCI (e.g., KappAhl, Lindex, and JC), ii) companies proactive in terms of codes of conduct but not involved in the BSCI (e.g., H&M and Indiska), iii) NGOs involved in workers' rights (e.g., the Swedish Clean Clothes Campaign, Fair Trade Center, and SwedWatch), iv) labour unions (e.g., the Commercial Employees' Union and the Industrial Workers' Union), and v) BSCI representatives (e.g., the project manager). The interviews focused on the positions of interviewees' organisations regarding the suggested BSCI code of conduct and monitoring system, the processes leading up to this code and monitoring, and the long-term survival ability of the BSCI. The collected written documentation was then mainly used to validate the information obtained in interview, revealing few inconsistencies.

After data collection, the data were coded by the two authors so as both to chronologically represent BSCI development and to categorise each organisation's position regarding the BSCI, its code of conduct, and suggested monitoring. These descriptions were then sent to most of the interviewees for validation. Few changes were suggested by the interviewees, and all changes were incorporated into the final case description.

The collected data clearly focus on Swedish garment retailers and organisations, all interviewed corporations being garment retailers, and only the BSCI project manager representing a non-Swedish based organisation. This focus was chosen since – as shown in more detail below – for Swedish garment retailers the BSCI represents a post-partnership strategy following eras of pre-partnership and cross-sectoral partnership strategies. Other firms might, of course, have joined the BSCI for other reasons, for example, as a first attempt to deal with 'corporate responsibility' issues. Nevertheless, this paper treats the BSCI as a post-partnership project, an interpretation supported by the fact that the Swedish garment retailers were highly active in the formation of BSCI. The working methods of Swedish garment retailers are similar to those of international garment retailers, and to those of Swedish and international retailers in related consumer product industries, with codes of conduct and monitoring systems (cf. Frenkel, 2001; Murphy and Mathew, 2001; van Tulder and Kolk, 2001; Graafland, 2002; Sethi, 2002; Winstanley *et al*., 2002; Ählström and Egels-Zandén, 2006; Egels-Zandén and Hyllman,

2006). Given this and the fact that most BSCI members are garment retailers (particularly those involved in BSCI from its inception), we believe that the study presents relevant insights into post-partnerships, not only from a Swedish, but also from at least a European perspective.

The Business Social Compliance Initiative

Setting the scene: from cross-sectoral partnerships to post-partnerships

In the 1980s and early 1990s, European and US corporations offshored and outsourced much of their production to developing countries (e.g., Jones, 2005; Taylor, 2005). This was particularly the case in low-skill industries, such as the garment, footwear, and toy industries (e.g., Christerson and Appelbaum, 1995; Hathcote and Nam, 1999). While this strategy did succeed in lowering costs, working conditions were often poorer in these developing countries than in the countries where production had previously been located (cf. Chan and Senser, 1997; Chan, 1998, 2000; Lee, 1998, 1999). This led to extensive criticism from NGOs and unions based on the notion that production, but not responsibility, could be outsourced and offshored (van Tulder and Kolk, 2001; Roberts, 2003; Frenkel and Kim, 2004). After being the subject of media exposés, Levi's was the first company to react to this criticism by adopting a code of conduct for its suppliers' operations (e.g., Zadek, 2001), and most other large consumer product companies eventually followed suit (e.g., Braun and Geerhart, 2004).

In Sweden, companies were able to avoid criticism until the mid 1990s, when the Swedish Clean Clothes Campaign (SCCC) was launched. Initially, Swedish garment retailers (the first targets of SCCC campaigns) resisted pressures for an extended definition of 'corporate responsibility', but continuous media exposés and the loss of legitimacy in the eyes of consumers made them alter their position and adopt a *pre-partnership* strategy, i.e., they attempted, single-handedly, to define 'corporate responsibility'.[1] It quickly became apparent that Swedish unions and NGOs were unsatisfied with such unilateral solutions, and, in 1999, four of the largest Swedish garment retailers (H&M, Lindex, KappAhl, and Indiska) joined and helped finance a *cross-sectoral partnership*. The project, later known as 'DressCode', represented collaboration between a dozen NGOs, a handful of unions, and the four firms. Despite initially promising progress, the project collapsed in 2002, after three years and three million SEK, without any concrete results. The collapse resulted from the withdrawal of union support from the project, which was related to conflict between the NGO-promoted code of conduct and the union-promoted global agreement approaches to the problem (Ählström and Egels-Zandén, 2006; Egels-Zandén and Hyllman, 2006).

Simultaneously with the collapse of the cross-sectoral project, 'DressCode', in 2002, the Brussels-based Foreign Trade Association (FTA) launched the Business Social Compliance Initiative (BSCI).[2] In contrast to 'DressCode', the BSCI was a partnership project open exclusively to corporations. The only role for NGOs and unions was potentially through the BSCI 'Advisory Council', which was only allowed to advise the member firms, and hence, had no direct influence on the project. While different firms

likely had different reasons for joining the BSCI, Swedish garment retailers (both those directly involved in 'DressCode' and those carefully following its development) regarded the project as a potential strategy for defining 'corporate responsibility' *without* NGO and union involvement – i.e., to them the BSCI represented a *post-partnership* opportunity. Several Swedish garment retailers also decided to join this project, and explicitly stated that their decision was greatly influenced by the fact that the BSCI was corporation driven. Hence, the retailers perceived BSCI as more likely to create what they regarded as a desirable, stable definition of 'corporate responsibility' than any renewed cross-sectoral partnership effort would.

Formation of the BSCI and the code of conduct

In 2002, two Swedish garment retailers (Lindex and KappAhl), previously involved in the cross-sectoral DressCode project, participated in the working group initiating the formation of the BSCI. Following discussions in this group, it was decided that the BSCI should operationalise 'corporate responsibility' for suppliers' operations through formulating a single harmonised code of conduct. The focus on codes was perceived as logical, given that at the time, most international MNCs had already adopted codes of conduct governing their own and their suppliers' operations (cf. Schlegelmilch and Houston, 1989; Sethi, 1999; Guillén *et al*., 2002; Nijhof *et al*., 2003). In general, codes of conduct seem to be the tool for operationalising and defining corporate responsibility preferred by MNCs and NGOs, while unions tend to prefer global agreements (e.g., Gallin, 2000; Compa, 2004; Connor, 2004). Hence, BSCI's chosen focus on codes of conduct rather than global agreements can, regardless of the code's content, be seen as an attempt by the corporations participating in the BSCI to steer the definition of 'corporate responsibility' in their preferred direction.

The BSCI code of conduct is based on the ILO Declaration on Fundamental Principles and Rights at Work, the UN Universal Declaration of Human Rights, and the UN conventions on children's rights and discrimination against women. The code of conduct complies with most of these conventions but do not demand stricter performance than that defined in them. Hence, like most codes of conduct, it defines a *minimum* performance level that constitutes 'corporate responsibility'. The content of BSCI's code of conduct can be understood based on the historical negotiation processes *preceding* the BSCI project. As the BSCI manager notes, nowadays MNC codes of conduct are all highly similar (cf. Carasco and Singh, 2003; Kaptein, 2004). Hence, what comprises 'suitable' content of a code of conduct, itself a subquestion of what comprises a 'suitable' definition of 'corporate responsibility', seems to have become, in ANT parlance, 'black-boxed', or in institutional theory wording, 'taken for granted', *prior* to the BSCI post-partnership project. This 'taken-for-grantedness' expressed itself in our study in that all BSCI corporate members, non-BSCI corporations, unions, and NGOs were overall satisfied with the content of the code.

The most significant difference between the interviewed actors' perceptions of the BSCI code was that unions and NGOs felt that the code should include 'living wages', while the corporations, and the BSCI's actual code of conduct, opted for 'minimum wages'.[3] The debate between 'living' and 'minimum' wages is an old and contentious one in both Swedish and international code of conduct discussions (cf. Braun and Gearhart, 2004;

Connor, 2004; Frundt, 2004; Ählström and Egels-Zandén, 2006). Hence, the BSCI's focus on 'minimum wage' can be regarded as an effort to stabilise the definition of 'corporate responsibility' in favour of BSCI members, while union and NGO criticism can be seen as an effort to promote a competing 'living wage' definition. In addition to the lack of 'living wage' requirements, the NGOs have also criticized the BSCI's code for not entailing educational requirements, i.e., for not imposing mandatory worker education as part of the code's content. Here, the firms seemed more willing to alter the BSCI code to accommodate the NGOs' suggestion.

While the interviewed NGO representatives mainly criticised the *content* of the BSCI's code of conduct, the unions mainly criticised the choice of *approach*, i.e., code of conduct rather than global agreements. For the unions, codes of conduct represent a unilateral attempt by firms to bypass unions in defining 'corporate responsibility'. Codes are perceived as mere internal policy documents having little bearing on the corporations' social relations. Rather than codes, the unions advocate legally binding global agreements negotiated between firms and unions. However, BSCI members have consistently rejected this alternative tool for operationalising 'corporate responsibility'. Given that the BSCI strives to be exclusively for corporations, this choice seems rational, since adopting global agreements would change the BSCI from a post-partnership into a cross-sectoral partnership project.

The BSCI's proposed monitoring

As well as a common code of conduct, the BSCI has also developed a common monitoring system for all its members. The core idea is to move from being a buyer- to a supplier-driven monitoring system. Rather than all buyers having to monitor all their suppliers, in practice leading to several buyers monitoring the same supplier, the BSCI system aims to synchronise the monitoring, making only one audit per supplier necessary. The results of the audits will then be entered into a common database, in which the BSCI members can search for information regarding their current and/or future suppliers. By reducing the number of controls on each supplier, the BSCI members envision lowered monitoring costs for each member. While simple in theory, this monitoring idea comprises a fundamental transparency shift among the involved firms. Previously, retailers have seldom or never shared such important information regarding suppliers with their competitors. Hence, a consequence of the BSCI attempt to define 'corporate responsibility' is that stronger alliances between European retailers are being created.

BSCI monitoring is to be conducted by external auditors accredited by Social Accountability International (which created the SA8000 standard). Some BSCI members refer to these auditors as 'independent', since there is no direct relationship between the retailers purchasing the audits and the auditors. Some even claim that BSCI audits are more 'independent' than those performed by unions and NGOs, since NGO and union audits are dependent on these organisations. On the other hand, the interviewed union and NGO representatives argued that proposed BSCI monitoring is not 'independent', and that union- and/or NGO-led monitoring is necessary for 'independence'. Unions and NGOs seem to have limited trust in external audits purchased by retailers and often produced by multinational consultancy agencies. Hence, as noted in previous research

into code of conduct monitoring (cf. O'Rourke, 2003), the question of *who* should conduct audits and what is to constitute *independence* are central matters in BSCI negotiations concerning the definition of 'corporate responsibility'. Hence, the proposed BSCI monitoring system can be regarded as a corporate effort to define 'corporate responsibility' in a way that minimises the role of unions and NGOs. However, the unions and NGOs seem reluctant to accept this assigned minimised role, and are consequently challenging the proposed BSCI monitoring system.

While NGOs and unions were critical of the proposed monitoring system because of its perceived questionable 'independence', they were also critical of the fact it was based on announced and official interviews. As noted in previous research into codes of conduct (O'Rourke, 1997; Doig and Wilson, 1998; Frenkel and Scott, 2002; Graafland, 2002; Healy and Iles, 2002; O'Rourke, 2002; Winstanley *et al.*, 2002; Hemphill, 2004), the interviewees were concerned that such monitoring practices were incapable of identifying breaches to a code of conduct, since suppliers can deceive auditors using announced and official interviews. In comparison, BSCI members and the interviewed non-BSCI corporations were more optimistic concerning these monitoring methods, while still recognising the potential for deception.

Another controversial aspect of the proposed BSCI monitoring system is the audit frequency. The BSCI has proposed that each supplier is to be monitored every three years, provided no adverse remarks were made in the previous audit. The audit frequency was discussed in the initial phases of the BSCI project. While auditing more frequently than every three years was perceived as likely to ensure higher compliance rates, BSCI members felt this would be too costly. However, all interviewed NGO representatives were highly critical of this, from their perspective, too infrequent auditing; they argued that it would provide too much latitude for the deterioration of working conditions during the years without audits.

In sum, BSCI members argued that they had developed an independent and cost-efficient monitoring system that would secure compliance with the BSCI code of conduct. However, the unions and NGOs argued that the proposed BSCI monitoring system was no more credible than infrequent corporate-directed internal audits. Furthermore, the interviewees were highly critical of such internal systems, claiming that they provided inadequate information regarding suppliers' code of conduct compliance, and hence were insufficient for successfully implementing codes of conduct.

Involvement of NGOs and unions

NGO and union involvement in the BSCI is restricted to participation in its Advisory Council. This council was envisioned as representing the interests of the BSCI's major stakeholders, such as unions, NGOs, suppliers, import and export business associations, the European Commission, the ILO, and the UN Global Compact. Hence, BSCI members have designed the Advisory Council to be a forum of all its major stakeholders – not only unions and NGOs. The council convenes twice a year to advise BSCI members on how to define and implement 'corporate responsibility' at the factories of BSCI members'

suppliers. As the label 'advisory' implies, the council has no direct influence on BSCI decision making, other than offering convincing arguments.

The conducted interviews show that the Advisory Council is envisioned by BSCI members as serving an important function. It is envisioned as representing both a forum for union and NGO participation, and an opportunity for these organisations to criticise the project. The vision seems to be that, through such involvement and possibility of expressing criticism, unions and NGOs will come to accept and support the proposed BSCI definition of 'corporate responsibility'. In practice, this vision is apparently far from being realised. So far, few, if any, unions or NGOs have participated in the Advisory Council meetings. The union and NGO representatives explain their lack of involvement by referring to the Advisory Council as a 'hostage' role, i.e., they perceive participation in the Advisory Council as signalling implied support of the BSCI project without offering any direct influence on the decision making processes. As a condition for participation, some unions and NGOs have demanded that the BSCI's Advisory Council be given the right of veto over the decision making processes, which would turn the BSCI from a post-partnership project into a cross-sectoral partnership project. However, BSCI members have dismissed the veto argument, leading to an apparent deadlock, with unions and NGOs refusing to participate under the post-partnership terms and firms refusing to turn the BSCI into a cross-sectoral partnership. Important networks of unions and NGOs, such as the Clean Clothes Campaigns, have even actively advised their members not to join the BSCI Advisory Council. Some of the interviewed non-BSCI involved corporations claim that this adversary relationship between the BSCI and unions and NGOs is one reason for not joining the BSCI, since they perceive there to be credibility risks associated with joining a project that lacks both union and NGO support.

In sum, attempts of BSCI members to include unions and NGOs in the project, through the BSCI Advisory Council, seem to have been unsuccessful. Unions and NGOs have declined to participate under the corporations' defined conditions. In turn, BSCI members have been unwilling either to alter the authority of the Advisory Council or to create alternative ways for unions and NGOs to influence the project. All in all, this has led unions and NGOs to criticise the project, not only regarding its proposed code of conduct and monitoring system, but also its decision making processes, i.e., unions and NGOs are critical of the BSCI's post-partnership structure.

The post-partnership paradox

Post-partnerships: an attempt to renegotiate roles

The BSCI study illustrates an important aspect of post-partnerships – namely that they serve to renegotiate the roles of unions, NGOs, and corporations in defining 'corporate responsibility'. During the pre-partnership era, corporations were both uninformed about issues of corporate responsibility and often acted in isolation. This made them easy targets for coalitions of unions and NGOs (such as the Clean Clothes Campaigns), and these coalitions were largely able to dictate the definitions of corporate responsibility to be used (Ählström and Egels-Zandén, 2006). In the cross-sectoral partnership era, firms started to become more knowledgeable about corporate responsibility issues, and were

able to participate more actively in negotiations regarding the definition of their responsibility. Still, in these partnerships, NGOs and unions retained a veto and the possibility of resigning from the partnership. For example, in the cross-sectoral 'DressCode' project, first the unions and then the NGOs decided to withdraw their support, leaving the project without any tangible output despite the firms' expressed wishes to continue it. Hence, in both pre-partnerships and cross-sectoral partnerships, NGOs and unions are in an influential position to define 'corporate responsibility'.

However, in post-partnerships this situation has changed. In post-partnerships, NGOs and unions are forced into becoming spectators of the definition processes. In the BSCI, they are only invited to the Advisory Council, and, as NGOs and unions note, this is mainly a 'hostage' role offering no direct influence on the definition processes. Hence, post-partnerships (like pre-partnerships) represent an attempt by firms to gain control of how their responsibility is defined. However, the differences between *pre*-partnerships and *post*-partnerships are that: i) the firms are more knowledgeable in post-partnerships, i.e., it is more difficult for NGOs and unions to use their knowledge advantage to direct the definition processes, and ii) the firms are joining partnerships together with other firms rather than acting in isolation. In actor-network theory terms, as firms start to create post-partnership projects, they are creating actor-networks around their desired definition processes (Callon, 1986a, 1986b). In this respect, the BSCI is unique; rarely, if ever, have so many European retailers collaborated regarding what is, from a business perspective, such a sensitive issue. Hence, post-partnerships can be seen as an attempt by firms to counterbalance the powerful actor-networks formed by unions and NGOs (such as the Clean Clothes Campaigns) by organising themselves into equally powerful actor-networks. By then leveraging the strength of these actor-networks, the firms are trying to renegotiate their responsibility as comprising, for example, codes of conduct rather than global agreements, 'minimum' rather than 'living' wages, external Social Accountability International-certified auditors rather than NGO and/or union auditors, and three-year rather than more frequent auditing intervals. However, as shown in the next section, this attempt to mobilise a corporate actor-network while marginalising the union–NGO actor-networks seemingly entails a problematic paradox.

Legitimacy: a missing link in actor–network theory

While actor–network theory is helpful for describing the negotiations that precede the definition of 'corporate responsibility', i.e., the formation of, and conflicts between, actor-networks, it is less useful for explaining whether or not corporate post-partnership strategies can be expected to successfully establish stable definitions of 'corporate responsibility'. As Yearly (2005) notes, actor–network theory provides limited insight into when an actor-network can be expected to successfully establish a stable definition and when it cannot. Therefore, we argue that ANT benefits from linkages to institutional theory regarding the conferring of legitimacy.

Legitimacy is a central aspect in the studied processes of defining corporate responsibility. To understand why this is so, we need to understand why corporations in the mid 1990s embraced an extended sense of 'corporate responsibility', adopted codes of conduct, and later joined the BSCI. In turn, this is related to the distribution of power

along the value chain in low-skill industries (such as the garment, footwear, and toy industries). In these industries, with their low investment thresholds and requiring low-skilled employees, almost all power is located at the buyer end of the chain (i.e., the corporations in the BSCI), since suppliers operate under conditions of fierce competition, while there are high entry barriers on the retailer end of the value chain (Gereffi, 1994; Traub-Werner and Cravey, 2002). Hence, suppliers and the workers in their factories have limited opportunities to demand alterations to workers' rights – at least if such alterations would increase production costs, which they tend to do (cf. Lee and Lim, 2001; Liew, 2001; Cooney *et al.*, 2002; Cooke, 2004). Consequently, the reason for corporations extending their 'corporate responsibility' was not – and still we believe is not – to secure access to products or to do the 'right' thing (although this certainly could be seen as a positive side effect), but rather to gain and repair their legitimacy in the eyes of consumers.

As described in the empirical section above and as has been noted in previous research (e.g., van Tulder and Kolk, 2001; Roberts, 2003; Frenkel and Kim, 2004), corporations' legitimacy was tarnished by union and NGO criticism of their lack of responsibility for workers' rights at their suppliers' factories. Herein lies the apparent paradox in post-partnership projects. The very organisations that had tarnished the firms' legitimacy in the first place and that are able to confer legitimacy in relation to corporate responsibility, i.e., governmental organisations, NGOs, and unions, are, in post-partnerships, excluded from the processes intended to create new and stable definitions of 'corporate responsibility' and to restore corporate legitimacy. Hence, those whose support is needed for the creation of stable definitions of 'corporate responsibility' are marginalised in the definition processes by, for example, only being invited to join an Advisory Council. The important question then becomes whether or not the firms, despite this paradox, seem to be able to enrol NGOs, unions, and governmental organisations, i.e., those actors able to confer the necessary legitimacy on the definition, to support the firms' proposed definition of 'corporate responsibility'.

Starting with governmental organisations, these organisations do not seem to be enrolled in the studied processes of defining 'corporate responsibility'. Hence, the studied processes can be characterised as instances of 'governance without government' (cf. Beck, 1992; Rosenau, 1992; Strange, 1996), in which non-governmental actors attempt to stabilise definitions of responsibility without the direct involvement of governmental organisations. The lack of direct governmental support means that the suggested BSCI definition of corporate responsibility needs to be seen as acceptable to its other influential stakeholder groups, i.e., NGOs and unions, in order to be perceived as legitimate.

However, the study's results provide clear indications of the opposite. The influential unions, NGOs, and coalitions (such as the Clean Clothes Campaigns) are highly critical of both the suggested BSCI code of conduct and monitoring system (i.e., the firms' proposed definition of 'corporate responsibility') and the firms' post-partnership strategy. This is, for example, illustrated by the fact that no unions or NGOs have yet to join the BSCI Advisory Council, and that some influential coalitions, such as the Swedish Clean Clothes Campaign, even advised its members *not* to join the BSCI Advisory Council, since this risks fostering the legitimacy of the BSCI.

Hence, we can conclude that from an institutional theory perspective there seems to be little chance for post-partnership projects (at least, not for the BSCI) to establish stable definitions of 'corporate responsibility', since post-partnership projects seem unable to gain support from the very stakeholders able to confer legitimacy on the definition. Consequently, it appears that the paradoxical nature of post-partnerships, i.e., the attempt to marginalise those stakeholders whose support the working definition needs, renders definition attempts unsuccessful – at least, as long as unions and NGOs consistently refuse to support the proposed definitions. If influential NGOs or unions, such as Amnesty International or the Red Cross, or influential coalitions, such as the Clean Clothes Campaigns, decide, for whatever reason, to support the BSCI's proposed definition, the situation will, of course, change. However, currently there are no indications of this happening.

Artefacts: a missing link in institutional theory

A mainly institutional theory-based interpretation of the BSCI post-partnership project indicates that the BSCI is unlikely to establish a stable definition of 'corporate responsibility', due to its unsuccessful attempts to gain support from key stakeholders able to confer legitimacy. However, a more actor–network theory-inspired interpretation provides a somewhat different picture. When identifying actors able to confer legitimacy, institutional theory focuses on organisations and human actors, overlooking the potential influence of artefacts (in ANT parlance, 'non-human actors') (cf. Callon, 1991; Latour, 1991; Star, 1991).

From an ANT perspective, a definition's stakeholders can consist of both human and non-human actors; thus, not only can we conceptualise a definition as an 'actor', we can also conceptualise artefacts as 'stakeholders'. Doing this opens up the possibility that artefacts could potentially constitute a fourth stakeholder group – in addition to governmental organisations, NGOs, and unions – also able to confer legitimacy regarding corporate responsibility. The influence of artefacts stems from the fact that they manifest the outcomes of previous negotiations between actors (Latour, 1991). As such, they stabilise previous agreements, making them more difficult to alter. In accordance with Latour (1991, p. 103), we believe that artefacts can be described as 'society made durable'. Hence, even though current generations of actors may disagree with the definitions that certain artefacts support, the artefacts themselves are difficult to change, since doing so is often costly. This reasoning is very similar to the better-known reasoning underlying 'sunk costs' or 'technological lock-ins', which make it costly and difficult to shift from unsustainable to sustainable technical systems (e.g., Dosi, 1982; Sæther, 2000; Könnölä and Unruh, 2006).

Regarding definitions of 'corporate responsibility' applicable to suppliers' operations, there seem to be two types of texts that comprise key 'artefact stakeholders' able to confer legitimacy: the UN Universal Declaration of Human Rights (and related conventions regarding child labour and women's rights) and the ILO Declaration on Fundamental Principles and Rights at Work (cf. Lozano and Boni, 2002; Egels-Zandén and Kallifatides, 2006). These texts are the result of extensive previous negotiations and are unlikely to be altered, no matter whether organisations such as Amnesty International,

the Red Cross, or the Clean Clothes Campaigns should choose to support them or not in the future (although such non-support currently seems highly unlikely). Hence, companies pursuing post-partnership strategies could enrol these texts in support of their proposed definition, and in doing so, gain legitimacy by convincingly claiming that their suggested content definition and implementation of 'corporate responsibility' is well in line with the content of these texts. They could thus achieve legitimacy for their proposed definition of 'corporate responsibility', regardless of current union and NGO positions regarding their definition and post-partnership strategy.

While in theory opening up the possibility that post-partnership projects might succeed in establishing stable definitions, despite the non-involvement of unions and NGOs, the situation seems in practice (at least in terms of the BSCI) to be less hopeful. The BSCI code of conduct does not incorporate all ILO and UN conventions (most notably, not 'living wages'). Furthermore, the type and frequency of monitoring called for in the BSCI code of conduct makes it difficult for member firms to claim that the code of conduct will be successfully implemented. Hence, so far, BSCI member firms seem to have been unsuccessful in enrolling governmental organisations, unions, NGOs, or key artefacts in support of their proposed definition of 'corporate responsibility'. Given this, few, if any, stakeholders are able to confer legitimacy supporting the post-partnership project.

Concluding discussion

In this paper we have analysed the possibility of post-partnership projects establishing stable definitions of 'corporate responsibility'. In doing so, we have argued that it is useful to link actor–network theory (ANT) to institutional theory. The ANT framework is helpful when describing the negotiations involved in post-partnerships, while less able to explain whether or not post-partnerships can be expected to create stable definitions. Therefore, we have argued that linking ANT and institutional theory would be useful for explaining the success or failure of post-partnerships. Based on institutional theory, we have identified an inherent paradox in post-partnerships: these partnerships strive to marginalise the very stakeholders, i.e., NGOs, unions, and governmental organisations, whose support they need in order to establish a legitimate, stable definition of corporate responsibility. However, an ANT framework highlights that we also need to complement institutional theory with the possibility that artefacts (such as UN and ILO conventions), as well as human actors, could also confer legitimacy. Hence, we propose that post-partnerships could gain legitimacy for their proposed definition of 'corporate responsibility' by enrolling either NGOs, unions, governmental organisations, or even *artefacts*. In the studied BSCI post-partnership project, member firms have so far been unsuccessful in enrolling any of these four stakeholder groups. Therefore, we believe that the BSCI and similarly structured post-partnership projects are unlikely to produce a stable definition of 'corporate responsibility'.

The conducted study has several implications for practitioners. For NGOs and unions, it illustrates that firms are becoming increasingly organised in their attempts to gain single-handed control over the definition of 'corporate responsibility'. However, the study also shows that NGOs and unions still seem able to destabilise the firms' proposed definitions − thanks to their ability to confer legitimacy, and given that they consistently criticise

post-partnerships such as the BSCI by, for example, refusing to join Advisory Councils. For corporations, the study illustrates the paradox inherent in post-partnership strategies. While BSCI member firms have aimed to create a stable definition of 'corporate responsibility', there seems to be limited hope of this happening in practice. This leaves post-partnership projects with three ways forward. First, the entire idea of post-partnerships could be abandoned in favour of cross-sectoral partnerships. For example, unions and NGOs could be given a more prominent role in the BSCI. Second, post-partnerships could focus more exclusively on credibly implementing the standards prescribed in influential 'stakeholder' texts. For example, the BSCI could alter its code of conduct so as to be in line with all ILO and UN conventions, and develop a more extensive monitoring system. Third, the purpose of post-partnerships could be redefined. Rather than trying to establish stable definitions of 'corporate responsibility', the partnerships could aim to replace internal corporate codes of conduct and monitoring. These are, and will be, criticised by unions and NGOs for not being 'independent' or transparent and for lacking credible sanction mechanisms. However, post-partnership projects, such as the BSCI, could potentially lower the cost to individual firms of developing codes of conduct and monitoring, while simultaneously allowing knowledge transfers between firms. Hence, post-partnership projects could comprise a successful strategy for their participating members, as long as their purpose changes from that of establishing a stable definition of 'corporate responsibility'.

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[1] Regarding the lost legitimacy, see, for example, the opinion poll published in *Expressen* (1998-01-15), 'Var tredje svensk nobbar H&M' (translated: Every third Swede is boycotting H&M).

[2] The FTA is a non-governmental organisation representing European foreign trade interests; it strives to strengthen the multilateral trading system within the WTO framework and to increase free world trade.

[3] 'Minimum wage' is the lowest legal salary level in a country, while 'living wage' is the wage level covering all basic needs (though who is to define this level is a matter of considerable debate).

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