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Abstract

The purpose of this study is to determine the primary motivations and concerns that promote or discourage an apparel brand's public commitment to social responsibility. Interviews with eight corporate social responsibility (CSR) representatives of apparel companies purposefully selected because of the varying amounts of content on labor compliance initiatives they publish on their corporate websites were utilized in developing a case study of CSR and public reporting in the apparel industry. The evidence collected supports the assumptions of Institutional Theory. In the past several decades, corporate social responsibility has evolved into a social norm of the business environment. As CSR has moved from the margins of business into the mainstream, apparel companies have had to adapt their policies, their organizational structure, and their stakeholder engagement strategies in order to achieve consonance with the institutional environment. The convergence of corporate social responsibility and corporate reputation through the legitimation process serves as a motivating factor for apparel companies to become more transparent about their CSR activities and to engage stakeholders in two-way communication. Apparel companies that are choosing not to become more transparent are fearful that they are unable to meet the normative expectations set forth by society. Yet until social norms for CSR reporting are refined, which may require legislation on reporting standardization, a majority of apparel companies will be unwilling to incur the costs and risks associated with greater transparency. The demands and expectations of stakeholders provides compelling support for the tenets of Stakeholder Theory. Apparel companies have identified several important stakeholder groups in addition to the company's shareholders implying that these companies do have goals and expectations beyond satisfying profit-maximization objectives. In recent years, the power of "non-traditional" stakeholders including MSIs and NGOs has grown exceptionally from almost nowhere to challenging large, multinational corporations. The next step for companies is to determine meaningful and interesting ways to engage consumers.