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Institutional Work and Legitimation in the Construction of CSR Standards The Case of ISO 26000

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Abstract:

This paper studies the initiation and construction of transnational CSR standards and looks at the case of ISO 26000. By focussing on the actors and by applying the concept of institutional work, the analysis distinguishes between six forms of institutional work which had been undertaken: the creation of the standard (discursive/substantial), the mobilization of support (internal/external), and the organization of an inclusive space for discussion (consultation/negotiation). On the one hand, the social position of the initiators and of the organization that produces the standard as well as the external conjuncture can either hamper or facilitate the construction of a standardization project. On the other hand, certain forms of institutional work can foster the legitimation of the project. Legitimacy, potentially bestowed by an interested audience, is a necessary condition for the recognition and adoption of the standard by corporations. The analysis reveals the legitimation mechanisms in the initial construction of a CSR standard and shows that the amount of the different forms of institutional work varies depending on the specific context of a standardization initiative.

1. Introduction

The number of transnational initiatives in the field of corporate social responsibility (CSR) has been constantly increasing over the past twenty years. The resulting sociopolitical standards are a form of voluntary regulation which is part of an emerging CSR institutional complex. It consists of a network of actors and sets of principles, norms and rules that aim at influencing transnational companies to reduce their negative impact and improve their social and environmental behaviour in an increasingly globalised economy (Sales and Beschorner 2006). The standards are developed in a variety of ways by public, private or multi-stakeholder actors (Abott and Snidal 2009). Among the best-known multi-stakeholder standards are the *Fair Labor Association*, the *Global Reporting Initiative*, the *UN's Global Compact* and *ISO 26000*. In the context of the creation of new standards, I would like to identify the actions that are required for a standardisation project to succeed so that the standard acquires the potential to become widely recognised and used.

I argue that in many cases the initiators of a standard perform important work to create the conditions for the success of a standardisation project well before the development and launch of the standard itself. In order to deepen our understanding of the actions required to create a new transnational CSR standard, I have chosen to study the case of the ISO 26000 standardization project developed by the International Organisation for Standardization. This standard, which was launched in 2010, provides guidance on the underlying principles of social responsibility, on the fields of action and the means to integrate socially responsible behaviour into corporate practice. The ISO project is particularly interesting given that the organisation is attempting to carve out a space for itself in the field of CSR. By applying the concept of *institutional work*, introduced by Lawrence and Suddaby (2006, 2009), I will focus on the actors and the construction processes. This will allow me to take into account the agency of the actors in neo-institutional theory without necessarily attributing them the role of institutional entrepreneurs (Battilana, Leca and Boxenbaum 2009). This article contributes to research by developing a typology of the main types of institutional work undertaken during the development of a standardisation initiative. It also contributes by developing an understanding of their role in the initial legitimation of such a project.

In this case study I use a process tracing method that recognises the importance of context. It also identifies the causal processes by which events influence others: "...process tracing investigates the workings of mechanism(s) that contribute to producing an outcome" (Beach and Pedersen 2013: 4). My work relies on a variety of primary empirical sources and some secondary sources (Rohlfing 2012: 169): interview data with key actors, organisational documents, work by authors active in the field of CSR, as well as work by other researchers. The chapter is structured as follows: first, I present the theoretical framework, which includes a typology of the forms of institutional work in CSR standardisation and their links with the legitimation of a project. I then establish the chronology of events that led to the decision to develop ISO 26000 while applying my conceptual framework to analyse the processes and uncover the mechanisms at work (Beach and Pederson 2013: 16). Finally, I discuss the implications concerning the respective roles of the different forms of institutional work for the success or failure of a standardisation project.

2. Institutional Work in the Construction of a Standard

The diffusion and institutionalisation of a CSR standard presupposes multiple processes that take place over a long period of time. I advance the idea that in the case of ISO 26000, the processes of institutionalisation start when the idea for the standardisation project is presented for the first time. The initiators of the initial idea must create interest among other actors and mobilise support in favour of the project. They must also build a network that includes organisational and individual actors to support the initiative in question. And finally they must generate legitimacy for the project. If the standardisation succeeds and generates wide adherence, the regulation organisation will might become a private transnational authority (Tamm Hallström and Boström 2010; Green 2014).

I conceptualise the activities undertaken by the standardisation project initiators as “institutional work.” This activity is defined as “the purposive action of individuals, groups or organisations aimed at creating, maintaining or disrupting institutions” (Lawrence and Suddaby 2006: 215). In their article, Slager, Gond and Moon (2012) conceptualise standardisation as a product of institutional work. They distinguish three types of institutional work in the institutionalisation of the FTSE4Good index. This chapter builds on this work by examining types of institutional work, undertaken by *skillful social actors* (Fligstein 2001), in the creation of a new CSR standardisation project.

Based both on theoretical foundations and my empirical evidence, I have established a typology of six types of institutional work than can be grouped into three main types (Figure 1). They are complementary and can be accomplished conjointly.

Types of Institutional Work in the Creation of a Standard					
Mobilisation of Support		Creation of the Standard		Organisation of an Inclusive Forum	
1. Internal Support	2. External Support	3. Discursive Creation	4. Substantial Creation	5. Consultation	6. Negotiation and Decision Making

Figure 1: The Types of Institutional Work in the Creation of a CSR Standard

Mobilisation of support and the constitution of a network of actors takes place within (1) and outside (2) the organisation producing standards. Internally, the actors that initiate the project try to convince actors with decision making power and influence to

back them. Without this organisational support, the project is bound to fail. Externally, the institutional work involves building a network of influential individual and organisational actors that support the project. Given the standard producing organisation does not have legal or coercive power, this support network is key to the future institutionalisation of the standard. An extended network based on interpersonal connections is an important social resource that can be used to advance the project.

The *creation* work is, in this case, a process that consists of building the new standard by recombining pre-existing and institutional components that are available to the actors (Campbell 2004: 71). Taking inspiration from Campbell's work, I distinguish two types of creation. *Discursive creation* (3) involves developing a vision for institutional change (Battilana, Leca and Boxenbaum 2009: 79). This includes the work associated with creating new normative and cognitive associations through the development of framing and re-framing narratives and activities. *Substantial creation* (4) includes the establishment of new rules, monitoring systems and sanctions as well as new practices. The association of the standard with already legitimate cultural symbols, rules and practices allows for a certain degree of legitimacy transfer, which can lead to better acceptance of the new institutional element (Tolbert and Zucker 1996).

The *organisation of a forum for consultation* (5) and, *negotiation and decision making* (6) consists of bringing together actors interested in the new regulation. They should come from different societal sectors in order to take into account the plurality of interests and societal expectations. I define the forum as a place for debate which "makes understandable the heterogeneity of existing ideas around a (public) policy and the plurality of representation and action systems within which these ideas are found" (Fouilleux, 2000: 279). If a forum can lead to the production of ideas, it can also lead to the transformation of ideas into instruments (Fouilleux, 2000: 279). The notion of consultation refers to the exchange of ideas and expectations associated with a CSR standardisation project.

For *negotiation and decision making*, it refers to the desire of the actors to have their ideas heard, to pursue their interests and to change the power relationship in their favour when developing a standard (Helfen and Sydow 2013). If consultation provides participants limited influence over the process, access to the decision making forum provides them with real co-decisional power (Fransen and Kolk 2007). A very limited and homogenous group of actors can more easily develop a standard, but it can risk failure

in obtaining recognition by other types of actors in the CSR field. Hence, the standard would have more difficulty becoming institutionalised. Ideally, the negotiations between the participants will allow them to find middle ground between the different requests presented by economic and social actors (companies, unions, governments, NGOs) and favour the construction of a standard that takes them at least partially into account. Accordingly, the initiators must try to find a certain level of participant inclusiveness. They must also try to include actors that are critical of the standardisation project in question, but which are vital given their important position in the CSR field.

3. Standard Creators and their Quest for Legitimacy

In order to ensure that a transnational standard diffuses and becomes institutionalised in corporate practices, it must be accepted and also perceived as being legitimate - primarily by the companies concerned, but also by their clients and suppliers, civil society actors and public authorities. From the start of a standardisation project, the initiators can undertake legitimisation work in a more or less explicit way.

Empirical legitimacy can be defined as a quality assigned by a collectivity when it believes that “the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, definitions” (Suchman 1995: 574). In the context of the creation of a new regulation, the legitimisation process can be divided into two components: (1) the work of actors involved in legitimating the standard and (2) the evaluation and attribution of legitimacy by actors who constitute the audience (Bitektine 2011; Tost 2011). This analysis focuses on the first component, which consists principally in the construction of discursive arguments that connect shared values in a social field with regulatory elements (Steffek 2003: 271; Palazzo and Scherer 2006). *Moral or normative legitimacy* is particularly important in the creation of a standard. According to Suchman (1995), moral legitimacy reflects a positive normative perception based on an evaluation using criteria of *just* and *good*. The evaluation can relate to the goal in question and the objectives associated with the proposed regulation. It can also relate to formal rules and procedures, the expected or real consequences of the actions as well as to leaders (Suchman 1995: 577-582). Moral legitimacy is thus assigned on the basis of a positive evaluation of the goal, the functioning of the organisation and the elaboration processes associated with the standard based on a socially constructed normative system. Beisheim and Dingwerth (2008) have shown that the implementation of democratic procedures (the principles of inclusion, deliberation, transparency and

accountability) increases a standard's chances of success. The moral legitimacy assigned to persons is based on their expertise, charisma or their moral authority. Broadly speaking, this refers to the social position of the actor in their field (Battilana, Leca and Boxenbaum 2009: 76); a respected position can facilitate institutional work.

If moral legitimacy relies on the perception of rightfulness, *pragmatic* or *instrumental legitimacy* relies on the perception of usefulness (Suchman 1995: 578). Pragmatic legitimacy is assigned if the audience finds instrumental value in a CSR standard. Some actors and addressees may consider that a proposed standard would be useful or "profitable." This leads them to be supportive of its development. The participation in the development of a standard can also be perceived as useful if it can provide certain advantages. These include the ability to influence the project processes and outcomes, becoming an "insider" and an expert in this kind of regulation, or acquiring an informational advantage over other actors in the field.

While other work in the field has also highlighted the importance of legitimacy in the construction of the ISO 26000 project (Boström and Tamm-Hallström 2010; Ruwet 2012), the distinction between the different kinds of legitimacy and their relationship with institutional work allows us to obtain a better understanding of this standardisation phenomenon. I argue that certain types of institutional work can favour the legitimation of the standardisation project. At the same time, the social position of the individual initiators (recognised expertise, networks) as well as the position of the standardiser in the CSR field (reputation, credibility, material resources) can either hinder or facilitate institutional work. The characteristics of the field (Battilana, Leca and Boxenbaum 2009: 85) and the opening of a policy window (Kingdon and Thurber 1984) can also favour the initiators' work. In the figure below, I outline the principal relationships we can observe between institutional work and legitimacy in a standardisation project (Figure II): (A) initiators with a respected position can facilitate the mobilisation of support; (B) the discursive creation must allow for the legitimation of the standard's goal and objectives; (C) the organisation of a forum facilitates procedural legitimacy.

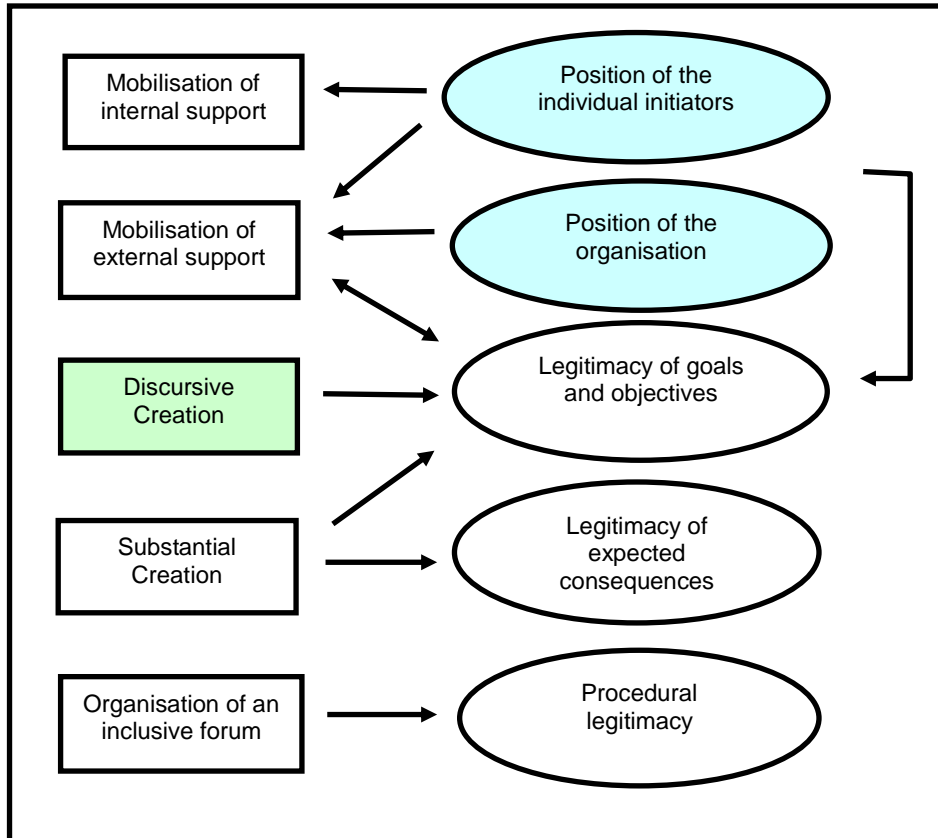


Figure II: Model of the relationship between institutional work and legitimacy.

4. The Construction of the ISO 26000 Project

Founded in 1947 and headquartered in Geneva, the International Organisation for Standardisation (ISO) is a private federation made up of more than 160 national standards organisations. About two thirds of the members are public entities with varying degrees of governmental independence (Murphy and Yates 2009: 25).

The standard *ISO 26000 – Guidance on Social Responsibility* was initiated in 2001 and developed between 2005 and 2010 as part of a multi-stakeholder process by an international working group. Following a very favorable vote by ISO members, the standard was launched in November 2010 (ISO 2010). While the standard’s development phase from 2005 to 2010 has been examined by different authors (Helms W. S., Oliver C. and Webb K. 2012; Bres L. and Raufflet E. 2011; Tamm Hallström K. 2010; Ruwet C. 2010; Capron M. et al. 2010), the long process between the initial idea and the official launch of the project has received less attention. Therefore, my analysis

tries to show the importance of the various types of institutional work which were employed in the origination of this project.

In the context surrounding ISO's reflection on the standardisation of social responsibility, two aspects were particularly important. First, various transnational CSR standards had already been developed using multi-stakeholder approaches.¹ The ISO was not the first actor to enter this field. Secondly, while the ISO, in the wake of the Rio 92 Summit, created a standard for environmental management systems (ISO 14001), there was resistance to the development of new standards for management systems among ISO members. At the same time, several national standardisation organisations began to develop CSR standards, and the ISO risked being left out of these developments.

In May, 2001, the ISO Council² discussed the question of standardisation in the field of corporate social responsibility. The request for these discussions came from Ziva Patir, a member of the ISO Council. Following this meeting, the Council requested the ISO Committee on Consumer Affairs (COPOLCO) to explore the possibility of creating a CSR standard (ISO 2001: 12).³ Kernaghan Webb, who was part of the "Consumer Protection in the Global Market" working group, wrote the report dealing with the question.

In June 2002, the COPOLCO dedicated its annual meeting to the issue of CSR. Patir and Webb presented arguments in favour of the development of a CSR management system standard. The report *The Desirability and Feasibility of ISO Corporate Social Responsibility Standard* (COPOLCO 2002a) was discussed and then submitted to the ISO Council. In its resolution, the COPOLCO noted that the development of a CSR management system standard (*ISO CSR MSS*) was desirable, feasible, and it recommended that the ISO Council create a multi-stakeholder group to examine the question and make recommendations concerning standardising CSR (COPOLCO 2002b).

The ISO Technical Management Board (TMB) then created a consultative group (*High-level Advisory Group on CSR, SAG*) to study the question.⁴ It was presided by

¹ See notably the categorisation of standards by Abbott and Snidal (2009).

² The Council is the governing body of the ISO. It includes ISO managers, Committee presidents responsible for developing policy orientations and twenty elected committee members.

³ ISO Council Resolution 18/2001.

⁴ ISO Council Resolution 27/2002.

Daniel Gagnier, then Vice President of Alcan and President of the Technical Committee on the Environment (ISO/TC207). Other members of the SAG were also active in Technical Committees. The group met several times between January 2003 and May 2004. The TMB changed its mandate twice, lightening its workload to accelerate the process (iisd 2003b). Kernaghan Webb presided the committee responsible for writing the report (iisd 2004a). The report recommended the ISO develop “A guidance document, and therefore not a specification document against which conformity can be assessed,” but also listed a number of elements that the ISO needed to consider before undertaking standardisation (iisd 2004a; SAG 2004).

In Stockholm in June 2004, the ISO organised a conference to gauge the reaction to its entrance into the CSR field.⁵ There was a large majority in favour of an ISO-SR project. The TMB, now presided by Ziva Patir, notably consulted with the president of the SAG (actor 1) and shortly after the conference decided to prepare a “*New Work Item Proposal*” (NWIP) for a “*Guidance Document on SR*”.⁶ This proposition was the first formal stage of the standardisation process, which includes a total of six stages. The ISO was conscious that it had to adapt its usual working methods: “ISO will be entering into a new area of standardization, in which it will need to engage new groups of stakeholders” (ISO 2004: 1). Concerning the inclusion of stakeholders, the TMB recommended to its members to name a delegate for each of the six stakeholder categories (industry, government, labour, consumers, NGOs, other). In contrast to the Technical Committee experts, which represent national standardisation organisations, the Working Group experts spoke on behalf of their stakeholders (iisd 2004b: 6). Furthermore, the TMB requested the establishment of national mirror committees in order to prepare consensus positions on the draft standards. The ISO decided to assign the development to a new international working group (WGSR) with wide latitude, under the direct responsibility of the TMB (iisd 2004b: 6). Following a call for candidates for the presidency of the future Working Group, Sweden and Brazil were chosen to act as co-presidents (iisd 2004b).

In October 2005, the ISO submitted the NWIP to a vote by its members. Convinced that the vote would be favorable, the Brazilian and Swedish standardisation organisations began to prepare for the first WGSR meeting. An ad hoc planning group, made up of ex-members of the SAG as well as ISO employees, participated (iisd 2004b).

⁵ ISO News, June 2004.

⁶ ISO TMB Resolution 35/2004.

The vote on the project was very favorable, which allowed the ISO to move on to the next stage. The first WGSR meeting took place in March 2005 in Brazil. Shortly before the meeting, the ISO and the International Labour Organisation (ILO) signed a Memorandum of Understanding (MoU) which aimed at ensuring consistency between the new standard and international labour conventions.

In total, eight conferences took place between 2005 and 2010. While the WSGR worked independently from the TMB, the latter intervened after the first meeting to end discussions about the kind of document to be developed.⁷ The following figure provides an overview of the main stages in the origins of the project.

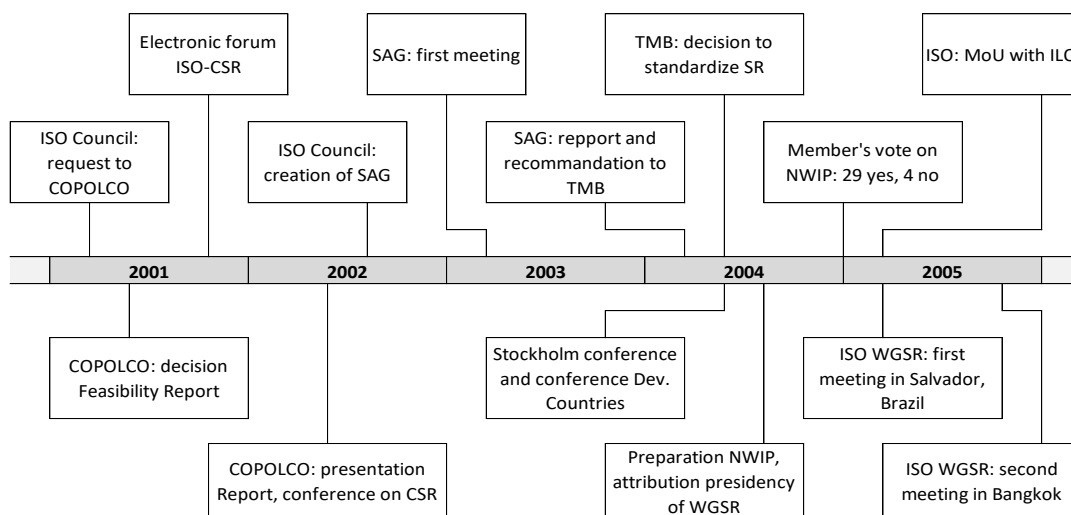


Figure III: Main stages in the origins of the project

5. Institutional Work in Favour of the Project

5.1 The Positions of the Initiators

At the start of the project, the circle of people involved in the ISO-SR project was quite small. SAG members played an important role in the creation of the initiative, and several of its members were also influential participants in the WGSR (Ruwet 2012).⁸ I have highlighted the involvement of Ziva Patir and Kernaghan Webb. The former has spent her career in the field of standardisation. She was the director of the Israeli standardization organisation (SII) from 1996-2007. In 2000, she developed, under the

⁷ TMB Resolution 38/2005.

⁸ According to work by Yassir Yaghfour (2012), only 13 people played a major role during the development of the standard between 2005 and 2010.

auspices of the Israeli government, the standardisation project SI 10000 on social responsibility and community involvement (actor 2). She was a member of the ISO Council, and from 2004-2007 the ISO Vice President and President of the TMB. Influenced notably by Naomi Klein's book "No Logo," she wanted the ISO to contribute to "counter the dark side of globalisation" (Patir 2002). She also believed that management system standards have been successful and wanted to extend their success with a standard on social responsibility (Patir 2005).

As for Kernaghan Webb, he works in the Office of Consumer Affairs for the Canadian government and is notably responsible for a project on voluntary codes. He is interested in new kinds of governance and argues for collaborative governance (Webb 2005). He sees voluntary regulations as a promising avenue, one that could complement or even precede state regulations. In this perspective, the ISO project can be seen as a laboratory for new types of sociopolitical regulations.

As an organisation, the ISO defines itself as a neutral actor that responds to requests from its members by providing them a standardisation platform.⁹ But the organisation also wanted to enter into new markets. During a conference, Patir showed how the ISO will ensure its "global relevance" by becoming active in fields such as nanotechnologies and social responsibility (Patir 2005). Given that the ISO finances itself in part through the sale of standards, it has an interest in developing new standards that will be popular. This also applies to national standardisation organisations. They lend their support by providing the secretariats for the numerous Technical Committees and by contributing to the ISO budget. In return, they expect certain advantages (Murphy and Yates 2009: 31). Beyond the sale of standards, some ISO member bodies finance their operations through consulting and certifications services.

5.2 The Mobilisation of Support and the Constitution of a Network

The initiators were able to take advantage of their experiences gained during other standardisation projects. They were also able to mobilise support thanks to their legitimacy as experts and their positions within the ISO network. Specialist in voluntary codes, Kernaghan Webb was well placed to write the COPOLCO report.¹⁰ His previous

⁹ Source: http://www.iso.org/iso/fr/home/standards_development.htm, (consulted May 14, 2015).

¹⁰ It is interesting to note the similarities between the stages proposed in a guide for the creation of voluntary codes, coedited by Webb (Government of Canada 1998), and the first

work also allowed him to build a network of experts and to understand the inner workings of ISO standardisation. In the following paragraphs I outline the means used to connect with and mobilise influential actors from the different stakeholders.

For the drafting of the COPOLCO report, an electronic discussion forum was used, which allowed for the identification of actors who were favorable to standardisation and helped build a network of support. The report proposed the development of a procedural standard which would be complementary to existing substantial standards (COPOLCO 2002a: 55).¹¹ Thus, the perceptions of competition were reduced, which facilitated cooperation with other standardisation organisations. The participation of the UN's Global Compact (UNGC) and the Global Reporting Initiative (GRI) in SAG seems to be based on mutual interest. The ISO was able to benefit from the expertise of the two organisations in the field of CSR, and the organisations were able to ensure that the ISO project remained complementary to their own initiatives. During the Stockholm conference, a UNGC representative gave UN support for the ISO-SR project (ISO 2004b).

Another means used to generate support was to highlight the negative consequences of previous refusals by ISO members to standardise in the field of occupational health and safety. The argument used was that if the ISO did not standardise CSR, someone else would: "The resistance to OHS didn't stop occupational health and safety management – it just moved it away from ISO".¹² The ISO also argued that its standardisation process was much more inclusive and representative than that of other private organisations (Tamm Hallström 2006). Reminding participants of the "OHS failure" did not just have the aim of signaling that the ISO should not miss out on this market opportunity. It also aimed at mobilising support among union and developing country representatives.

The support for the project by representatives from developing countries was based on the following rationale: the representatives saw their countries as beneficiaries of a CSR standard that had the potential to improve corporate behaviour. They also believed that their participation in the ISO provided better opportunities compared to

phases of the ISO project.

¹¹ Later, the SAG would establish a clear distinction between private and public standards, and would highlight that the ISO is not authorised to regulate in a field where public authorities are responsible (SAG 2004).

¹² Patir, cited in ISO 2001: 11.

other standardisation initiatives, which were often dominated by representatives from wealthy countries. In the early 2000s, within the ISO there was also a willingness to have developing countries play a more active role (Wood 2012: 87).¹³ Before the Stockholm conference, the Swedish standardisation organisation (SIS) had organised a workshop for developing countries where SAG members presented their favorable views on the project (Tamm Hallström 2006: 131). Developing country representatives then developed a consensual position in favour of SR standardisation (actor 2). Hence, at the Stockholm conference there emerged a majority voice in favour of an ISO-SR project.¹⁴

The results indicated crushing support by developing countries. At that point, developed country representatives could no longer say no. After the Stockholm conference and the events surrounding the Advisory Group, it was clear that if the ISO would send this kind of proposition to their national members, it would be approved (actor 3).

Unions and the ILO were generally against CSR standardisation by the ISO. However, their concern for maintaining influence in the development of CSR standards was important. They could have obstructed the ISO project, but would have risked being sidelined during the development of the standard, just like with the OHSAS18001 (actor 4). Thus, they reluctantly decided to participate in order to influence the standardisation process from within. The ILO succeeded in securing its role in the process with the signature of the MoU.

The ISO had also invited interested parties to state their views on the SAG report. The evaluation of the positions taken by about twenty organisations, completed by Kristina Tamm Hallström, confirmed the trend within the SAG (2006: 130). Business associations were against CSR standardisation by the ISO, NGOs were rather favorable, and developing countries were very favorable.

To summarize, the initiators prepared and used numerous meetings to build a network of support based on interpersonal relationships among people from different organisations and stakeholders. On this basis, the initiators were able to establish a strategy to ensure that the project received the widest support possible during the

¹³ Members of the ISO come mainly from developing countries, but it is industrial countries that have the most weight within the organisation. The five members with a permanent seat on the Technical Committee come from the US, Germany, the UK, France and Japan (actor 5).

¹⁴ However, an indicative vote showed that only half of participants were in favour of a certifiable standard. The other half were against the development of such a tool (Castka and Balzarova 2005: 121).

Stockholm conference, particularly by mobilising support from developing countries and some business leaders. Using this approach, favorable momentum for standardisation was created.

5.3 Discursive Creation

In this initial phase of the project, the creation work consisted principally of symbolic and discursive elements. The project was presented as a natural evolution of standardisation by the ISO. According to the initiators, CSR standardisation would result in a third generation standard, logically progressing from quality management standards (first generation) and environmental management standards (second generation) (COPOLCO 2002a: 55). The COPOLCO report also highlighted the success (in certification terms) of management system standards and the relative ease in implementing a CSR standard for companies that were already working with these standards. The arguments put forth by Ziva Patir, in order to get the ISO to consider this new field of activity, were the following: (a) it is necessary to move towards a more sustainable world,¹⁵ (b) companies have begun to understand that their success relies on a holistic approach, integrating environmental and social considerations; (c) it is a standardisation field in full development; (d) the Israeli standardisation organisation (SII) had shown that the development of such a standard was possible. “ISO is always considering the market relevance of its work and, more importantly, its leadership role on important world issues. ... I believe that because of the importance of this area, it should be ... considered as a new work area for ISO”.¹⁶ The entry into the field by the ISO would be logical and natural, and would allow the organisation to build a leadership position within a new market.

The proposition to create an advisory group was also framed as continuity based on the experience surrounding the development of the ISO 14000 standard:

After the 1992 Rio Summit, ISO formed the Strategic Advisory Group on the Environment to consider whether ISO environmental management systems standards could serve to promote a common global approach to environmental management... It is recommended that ISO adopt a similar approach with respect to ISO corporate responsibility management system standards, guides, and/or other instruments. (COPOLCO 2002a: VII)

¹⁵ ISO News, 24 June 2004

¹⁶ Patir, cited in ISO 2001: 12.

I previously mentioned that the ISO presented itself as an actor that offered good opportunities for participation in the development of standards. If the “logical evolution” and “OHS failure” arguments dealt above all with its internal public and ISO members, the procedural legitimisation work, in terms of inclusion and representativeness, was addressed to an external audience interested in CSR regulation but which was less active in ISO’s standardisation work: representatives from developing countries and non-corporate actors.

The collaboration with the Global Compact office (starting in 2002), and with the ILO (after the signature of the MoU in 2005) aimed to show that the ISO recognised the role of UN actors. Therefore, the alignment towards international norms dealing with CSR should allow for a transfer of legitimacy to the ISO project.

Generally speaking, the actors created a vision of change, establish a fragile balance between a *modest attitude*, where the SR project was seen as only a partial answer, and that regulations, in the end, were the responsibility of state actors, and an *assertive attitude*, by arguing that the ISO was well placed to do it and able to provide a proven process, one that is inclusive, deliberative and transparent.

5.4 The Organisation of an Inclusive Forum

While the COPOLCO report was written from the perspective of consumer representatives, a consultation process was implemented to bring in other views. The consultation organised via the electronic forum (more than 400 members) was open to all interested actors (critical or not), and a preliminary version of the report could be commented on (COPOLCO 2002a: III). To take into account critical voices, the report contained a section with arguments against an ISO-SR standard, which was followed by a section that tried to counter these arguments (COPOLCO 2002a: 66-70). To deepen the study, the author recommended the establishment of an inclusive expert group (SAG).

The SAG had to make recommendations to the TMB, but in fact it was rather influential and had certain decision-making power concerning the broad framework for a future CSR standard. As such, the group could be considered as a forum for negotiation and decision making. The composition of the SAG allowed for a wide range of perspectives on a potential CSR standard. The group grew during the process to ensure better representativeness. Of the 24 final members, 11 were from the four ISO

geographic regions, with half representing industry and the other half stakeholders. Two representatives came from the COPOLCO and the Committee on Developing Country Matters (DEVCO). The other 11 members represented international organisations.¹⁷

The president of the SAG was to play a neutral role. However, Gagnier was in favour of CSR standardisation and tried to find a consensus to ensure that the project was not abandoned (actor 2). The recommendations made to the TMB had to be based on a consensus among members. But the report presented the different participant points of view (SAG 2004: 1). A quote from the report highlights these divergent opinions: “Overall, opinions on the need for a new process of international SR standardization are quite mixed, ranging from general support to general opposition.” (SAG 2004: 73). The most contentious questions dealt with certification, whether the standard should be based on substantial performances or procedures (management system), as well as on the role and legitimacy of the ISO as an actor in transnational governance.

The negotiations within the SAG resulted in two important changes. Firstly, the members were in agreement that social responsibility does not only concern businesses (actor 4). As such, the recommendation notes that the future standard should deal “with businesses and other organisations”, as is the case for all ISO standards (iisd, 2004a). Secondly, business representatives were entirely against a certifiable management system standard. They highlighted their experience with the ISO 14001 standard, which showed that certification was costly for companies without adding significant value. Some business representatives were generally against the development of ISO management system standards (ISO 2001: 49). Given that companies were the main targets of the standard, one can argue that they had quasi-veto power over certain elements of the standard. To avoid blockages against the project, the initiators had to abandon the idea of a certifiable standard.

The Stockholm conference was another way to organise a consultation forum. It brought together 350 participants¹⁸, because:

¹⁷ The participants were representatives of the ILO, the International Confederation of Free Trade Unions, the International Chamber of Commerce, the International Organisation of Employers, the International Federation of Standards Users, Consumers International, the WWF, the UNGC, the GRI and Human Rights Watch (which however never participated in a meeting) (iisd 2003b; iisd 2004a).

¹⁸ ISO News, June 2004.

...the ISO acted in an innovative way by saying: 'Ok, it was sixteen people from around the planet. We want to see in a broader framework if what they wrote is good and can receive global acceptance.' The Stockholm conference was organised for this reason (actor 3).

We can see that from the start, the initiators organised several consultations for the "ISO-SR" project. They tried to integrate proponents of the different perspectives in a first negotiation group. The work aimed at increasing procedural legitimacy and creating a standard taking into account the interest of different types of actors was continued during the SR Working Group meetings between 2005 and 2010. Firstly, the ISO encouraged the participation of interested organisations from different fields (liaison organisations). Secondly, it asked national standardisation organisations to send representative delegations based on the definition of the six categories of stakeholders. Finally, it recommended the creation of inclusive national mirror committees. These mirror committees constituted the decentralised consultation forums. However, the ISO could not choose the delegates, and could not guarantee a good and effective representativeness. The shared Working Group presidency between Brazil and Sweden aimed at promoting a better North-South balance. Finally, the publication of the ISO WGSR working documents aimed at increasing the transparency of the negotiation process.

More than 200 people from 43 countries and 24 liaison organisations took part in the first working group conference to elaborate the standard in March 2005 in Salvador (Brazil). The number of participants in the negotiation and decision making forums increased during the subsequent meetings (in total 8 international meetings took place between 2005 and 2010) to reach more than 400 people from 83 countries and 42 liaison organisations. This increase in participant numbers during the process, as well as the implementation of numerous national mirror committees, indicates an increased interest in the initiative, which I interpret as a sign of the legitimacy of the standardisation project.

6. Discussion and Conclusion

The analysis of the ISO 26000 project development process demonstrates the crucial role of the different types of institutional work. A considerable effort was made to mobilise external support. The initiators did not hold decisional power within the ISO. They had to show that the external interest and support was wide enough so that internal support could be consolidated. Broad and visible support also contributed to ensuring that actors who did not support it, including business associations, did not use their influence to block the process. The ISO formalized the project at a point where it was certain that the majority of interested parties would support it. Therefore, the mobilisation of external support was a means used to build the necessary internal confidence so that the project could start.

For the creation work, the data shows that substantial creation was preceded by a long period of discursive creation. First, the goal of the standard was legitimized through discourse on its potential role in the reduction of negative consequences of globalisation. Beyond this openness to meet a social demand, the ISO also saw a market opportunity in a field that was increasingly populated by other CSR initiatives. The initiators developed a rhetoric that tried to “naturalise” the project (logical continuation, subsequent development of management system standards). They also tried to inject it with urgency and to promote inclusiveness in the participation of interested parties. The discursive creation was crucial in persuading the actors to support the project. In a kind of virtuous cycle, this discourse legitimised the standardisation project for potential supporters. If the project was able to win support among recognised actors in the field of CSR, the project’s legitimacy would be reinforced. In turn, this facilitates the mobilisation of support. Even after the start of the substantial creation, the discursive creation was continued. Events at the start of the substantial creation confirm that companies were the first audience. For example, to legitimate the project, or at least reduce resistance among business representatives, the ISO 26000 initiators backed away from the certification option.

Concerning the organisation of a forum, the initiators developed a consultation space by organising electronic forums and conferences. Their openness to many different types of participants was quite high. We can characterise the process as semi-public, to the extent that a considerable part of the information about issues and the discussions themselves were publically available. Participants were also encouraged to

consult their respective networks and interest groups. The ISO supplemented the consultation forum with the organization of a negotiation space through the creation of the SAG group. The negotiation forum, based on the concern for representativeness, was continued with the WGSR. Given that the ISO had the reputation of being, above all, at the service of companies from wealthy countries, its challenge was to get other types of actors to participate without losing business support. Therefore, the initiators were very active in the work that would allow them to generate procedural legitimacy. This refers to the recognition that the development procedures for the standard were based on democratic values of stakeholder participation and transparency. Being a private organisation and a new player in the CSR field, the ISO could not count on its reputation in the field of sociopolitical issues. The organisation wanted to make up for this weakness by using its ability to bring together established field experts and organisations to deliberate. Procedural legitimacy seems thus to have been able to compensate for a weaker organisational position. More generally speaking, I argue that the ISO tried to create a kind of legislator, based both on expertise and representativeness. It constitutes a kind of epistemic community¹⁹, endowed with partial representativeness and a certain degree of decisional power. In the absence of the usual democratic procedures, an audience seems ready to legitimate this kind of arrangement.

In conclusion, the use of the concept of institutional work has been fruitful in uncovering the dynamic processes involved in the transnational regulation of corporate responsibility. Focusing on the processes leading to the birth of a standardisation project within the International Organisation for Standardisation, I have highlighted the types of institutional work that are essential in this kind of endeavour. On the one hand, the institutional work was facilitated by a favorable context and by the social position of the initiators. On the other hand, the initiators succeeded, by means of institutional work, in building a rationale for the project, raising interest in the endeavour, and involving many important actors in the field. In spite of the resistance of certain actors from the business and union sectors, the initiators were able to create a favorable dynamic for the standardisation of CSR. The entry of the ISO into the field was legitimised.

¹⁹ Peter Haas defines an epistemic community as a "...network of professionals with recognised expertise and competence in a particular domain and an authoritative claim to policy relevant knowledge within that domain or issue-area." (1992: 3).

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