Editorial: The role of CSR leadership

The societal issues that humanity is facing, from climate change to a global pandemic, require a new kind of leadership – responsible, compassionate and guided by long-term thinking. It is crucial in the context of corporate social responsibility (CSR) that such leaders emerge and change business for good.

Leadership is one of the most researched (and possibly the most complex) topics in management. Whether political, social or business – great leaders inspire people and bring out the best in others and in the organisations/societies/countries that they lead. In general, leadership is defined as "influencing, motivating, and enabling others to contribute to the effectiveness and success of the organisations of which they are members" (House *et al.*, 2004, p. 56). Leaders apply various forms of influence to motivate people and achieve a vision, shared purpose and impact.

Waldman *et al.* (2006) asserted that most CSR studies had overlooked the critical role of corporate leaders. What we do know is that the most outstanding examples of socially responsible companies – such as Patagonia, Ben and Jerry's or The Body Shop – are led or were founded by responsible leaders who genuinely believe in the power of business as a force for good (Haski-Leventhal, 2021).

There are numerous leadership concepts and frameworks relevant to CSR. Related leadership theories and styles include sustainable, responsible and ethical leadership, purpose-driven and value-based leadership, as well as transformational, servant, authentic and shared leadership (Haski-Leventhal, 2021; Maak and Pless, 2006). Specifically, the literature on responsible leadership is fast emerging (Pless *et al.*, 2021). Maak (2007, p. 331) defined it as "the art and ability involved in building, cultivating and sustaining trustful relationships to different stakeholders, both inside and outside the organisation, and in co-ordinating responsible action to achieve a meaningful, commonly shared business vision". Adopting such a leadership style should increase CSR and positively impact the organisation and all its stakeholders.

There are three kinds of CSR leaders (Haski-Leventhal, 2021). The first kind is CEOs or managing directors who oversee the entire company and help it achieve its goals. Although in the past, CEOs have been perceived as focusing on the financial bottom-line only, with increasing stakeholder pressure, executive officers must consider other aspects and stakeholders. Second, CSR directors and officers. CSR leadership is currently undergoing a professionalisation process as it is becoming a knowledge and skill-based role. Wickert and de Bakker (2019) found that CSR managers are critical change agents in increasing social and environmental responsibility. Still, their role needs to be recognised and strengthened if firms become sustainability pioneers. Third, informal CSR leaders, usually in the form of "everyday employees". CSR and responsible organisations do not have to be led from the top down, and there is an increasingly important role for everyone in the organisation to enhance CSR. Employees can lead a company towards higher levels of CSR by transforming the organisation bottom-up, for example, via employee-led CSR and social intrapreneurship (Haski-Leventhal and Glavas, 2021).

Consequently, the most effective way of reaching strategic CSR is when it is embedded throughout the company and the vision is shared by both the formal leaders of the organisation (e.g. CEOs, founders or CSR directors) and informal leaders. They can be found

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among all employees and other stakeholders. When all three levels of leaders work in alignment, a strategic CSR embedded in every part of the organisation is more likely and effective.

Several articles in this issue of Society and Business Review examine the role of these different types of leaders in CSR. Franz Rumstadt and Dominik Kanbach offer a systematic literature review on CEO activism. CEO activism occurs when business executives publicly weigh in on socio-political debates. It refers to formal organisational leaders using their power, voice and agency to speak up on political matters to change public opinion or behaviours. When such leaders see their responsibility as transcending profit maximisation, they get involved in social and environmental issues that they care about. In doing so, they blur the boundaries between the corporate and political spheres. Their paper aims to present a guiding framework, integrate current knowledge, aggregate published findings and outline avenues for future research.

Another paper on a similar topic is "CEO statements on racial inequity – (How) do they matter to shareholders?" by Pyemo Afego, Imhotep Alagidede. Their article explores how corporate statements related to citizen protests against perceived acts of racial injustice (such as Black Lives Matter) impact share prices of these companies. Once more, this occurs when CEOs and companies step outside their "normal" activity zone to also stand up to matters perceived as significant. This study examines corporate statements that directly address issues related to protests and the possible mechanisms underlying this impact. Their findings suggest that CEOs primarily convey their stance using emotive and empathic language. Interestingly, shareholders earn a significant abnormal return of 2.13%, on average, in the three days following the release of the statements.

On the other hand, some CEOs and business leaders exhibit unethical behaviour. Boddy *et al.* offer an article on "Finding psychopaths in white-collar jobs: A review of the evidence and why it matters". This is perhaps the first paper to specifically examine the literature on white-collar psychopaths, and the findings are very interesting. The authors that corporate psychopaths are linked with aggressive humour, gender discrimination, greenwashing and reduced communications integration.

Remaining on the topic of business leadership, Husam Ananzeh's paper on corporate governance and the quality of CSR disclosure offers some important insights, particularly from an emerging economy (Jordan). The author has found that the quality of CSR disclosure and reporting in Jordan is unsatisfactory. The results also suggest that board size, auditor type, company size and profitability are positively associated with CSR disclosure quality. On the other hand, CEO duality, board diversity, ownership concentration and financial leverage are negatively associated with disclosure quality.

The issue also includes additional papers that do not examine leadership directly, yet offer related aspects such as "The role of social entrepreneurs' cosmopolitan orientation in bridging the gap between prosperity and social deprivation" and "Strategic CSR practices, strategic orientation and business value creation among multinational subsidiaries in Ghana".

I hope you enjoy this issue of SBR and that its collective knowledge will positively impact CSR leadership, governance, ethical behaviour and disclosure.

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