

CSR, Sustainability, Ethics & Governance

*Series Editors:* Samuel O. Idowu · René Schmidpeter

Samuel O. Idowu *Editor-in-Chief*

Nicholas Capaldi · Matthias S. Fifka

Liangrong Zu · René Schmidpeter

*Co-Editors*

# Dictionary of Corporate Social Responsibility

CSR, Sustainability, Ethics and  
Governance

 Springer

*Editor-in-Chief*

Samuel O. Idowu  
London Guildhall Faculty of  
Business & Law  
London Metropolitan University  
London  
United Kingdom

*Co-Editors*

Nicholas Capaldi  
Legendre-Soulé Distinguished Chair  
in Business Ethics  
Loyola University  
New Orleans  
Louisiana  
USA

Matthias S. Fifka  
Institute of Economics  
Friedrich-Alexander-University  
Erlangen-Nuremberg  
Erlangen  
Germany

Liangrong Zu  
International Training Center  
International Labour Organization  
Turin  
Italy

René Schmidpeter  
Cologne Business School (CBS)  
Cologne  
Germany

ISSN 2196-7075

ISBN 978-3-319-10535-2

DOI 10.1007/978-3-319-10536-9

Springer Cham Heidelberg New York Dordrecht London

ISSN 2196-7083 (electronic)

ISBN 978-3-319-10536-9 (eBook)

Library of Congress Control Number: 2015931635

© Springer International Publishing Switzerland 2015

This work is subject to copyright. All rights are reserved by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed. Exempted from this legal reservation are brief excerpts in connection with reviews or scholarly analysis or material supplied specifically for the purpose of being entered and executed on a computer system, for exclusive use by the purchaser of the work. Duplication of this publication or parts thereof is permitted only under the provisions of the Copyright Law of the Publisher's location, in its current version, and permission for use must always be obtained from Springer. Permissions for use may be obtained through RightsLink at the Copyright Clearance Center. Violations are liable to prosecution under the respective Copyright Law.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

While the advice and information in this book are believed to be true and accurate at the date of publication, neither the authors nor the editors nor the publisher can accept any legal responsibility for any errors or omissions that may be made. The publisher makes no warranty, express or implied, with respect to the material contained herein.

Printed on acid-free paper

Springer is part of Springer Science+Business Media ([www.springer.com](http://www.springer.com))

disclosure can be distinguished. Whistleblowers may either make their allegations internally, within the whistleblower's employing organization, or externally, e.g. to government authorities, lawyers or the media.

The decision of whether or not to blow the whistle depends on the alternatives that are available and whether the benefits outweigh the costs. Whistleblowing can be encouraged through incentives, i.e. the provision of rewards to whistleblowers but also to employers who establish effective whistleblowing procedures. Many corporate governance codes around the world stipulate whistleblowing policies as part of best practices. People are more likely to take action if there is an option for absolute confidentiality. Anonymous channels encourage employees to report allegations without fear of reprisal. However, anonymous whistleblowing might be less effective due to decreased perceptions of credibility of whistle-blowing allegations [2]. Moreover, many countries provide whistleblower protection against retaliation through legislation.

According to Section 301 of the Sarbanes-Oxley Act of 2004 the audit committee must establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls or auditing matters; and the confidential, anonymous submission of concerns by employees.

- [1] Near, J.P., & Miceli, M.P. (1985). Organizational dissidence: The case of whistle-blowing. *Journal of Business Ethics*, 4, 1–16; Robinson, S. N., Robertson, J. C., & Curtis, M. B. (2012). The effects of contextual and wrongdoing attributes on organizational employees' Whistleblowing Intentions Following Fraud. *Journal of Business Ethics*, 106, 213–227.
- [2] Hunton, J. E., & Rose, J. M. (2011). Effects of anonymous whistle-blowing and perceived reputation threats on investigations of whistle-blowing allegations by audit committee members. *Journals of Management Studies*, 48(1), 75–98.

## Win-Win Situation

**Cristian R. Loza Adui**

A win-win situation refers to a circumstance in which the outcome of a particular action generates benefits for both parties involved. The term win-win situation is used in opposition to win-lose situations that are the result of pursuing the dominant strategy in game theory, for example in the context of the prisoner's dilemma or in zero-sum games.

Win-win solutions to business problems with ethical dimensions are multiple [1]. In the context of Corporate Social Responsibility (CSR) win-win situations are

---

C.R.L. Adui

Friedrich-Alexander University of Erlangen-Nurnberg, Erlangen, Germany

Catholic University of Eichstaett-Ingolstadt, Eichstaett, Germany

the expected outcome of business engagement in social or environmental issues. Thus, to reach a win-win situation the socially responsible activities should generate benefits for the society—social case—and also for the companies carrying out those activities, i.e. the business case [2]. While the social benefits of CSR are mostly self-evident, there are different positions regarding the existence of a business case for CSR, ranging from skeptical voices that deny its existence or emphasize the difficulties to identify and measure the economic benefits of CSR, to studies that support the existence of a business case for CSR with empirical evidence [3].

Some authors extend the win-win terminology to win-win-win situations or triple win situations to highlight the fact that companies could simultaneously enhance their economic, social and environmental performance, satisfying the demands of their stakeholders and contributing to sustainable development through their voluntary CSR activities [4].

- [1] Nielsen, R. P. (2009). Varieties of win-win solutions to problems with ethical dimensions. *Journal of Business Ethics*, 88(2), 333–349.
- [2] Habisch, A. (2006). Die corporate-citizenship-Herausforderung: Gesellschaftliches Engagement als Managementaufgabe. In K. Gazdar, A. Habisch, K. R. Kirchhoff, S. Vaseghi (Eds.) *Erfolgsfaktor Verantwortung. Corporate social responsibility professionell managen* (pp. 35–49). Berlin: Springer.
- [3] Schreck, P. (2011). Reviewing the business case for corporate social responsibility: New evidence and analysis. *Journal of Business Ethics*, 103(2), 167–188.
- [4] Elkington, J. (1994). Towards the sustainable corporation: Win-win-win business strategies for sustainable development. *California Management Review*, 36(3), 90–100.

## Works Council

### Matthias S. Fifka and Lisa M. Fleischhauer

A works council, or *Betriebsrat* in German, is closely related to the system of co-determination and constitutes a part of employee representation at the establishment level (*Betriebsebene*). In Germany, a works council can be elected as soon as there are at least five permanent employees who are eligible to vote. However, the existence of a works council is not mandatory. The size of the council depends on the size of the company, but it always features one council as well as a vice council,

---

M.S. Fifka  
Institute of Economics, Friedrich-Alexander-University Erlangen-Nürnberg, Erlangen,  
Germany

L.M. Fleischhauer  
Cologne Business School, Cologne, Germany