Duarte Alonso, A and Austin, IP

Entrepreneurial CSR in the context of a regional family firm: A stakeholder analysis

http://researchonline.ljmu.ac.uk/id/eprint/3900/

Citation (please note it is advisable to refer to the publisher’s version if you intend to cite from this work)


LJMU has developed LJMU Research Online for users to access the research output of the University more effectively. Copyright © and Moral Rights for the papers on this site are retained by the individual authors and/or other copyright owners. Users may download and/or print one copy of any article(s) in LJMU Research Online to facilitate their private study or for non-commercial research. You may not engage in further distribution of the material or use it for any profit-making activities or any commercial gain.

The version presented here may differ from the published version or from the version of the record. Please see the repository URL above for details on accessing the published version and note that access may require a subscription.

For more information please contact researchonline@ljmu.ac.uk
Entrepreneurial CSR in the context of a regional family firm: A stakeholder analysis

Purpose: The purpose of this study is to contribute to the extant literature of family firms and corporate social responsibility (CSR), examining the case of West’n Fresh, a regional Western Australian family firm. Moreover, in adopting stakeholder theory (ST) the firm’s involvement in and resulting benefits from CSR are investigated.

Design/methodology/approach: In-depth telephone and face-to-face interviews with three members of the firm, including one of its two owners, were further complemented through onsite observations and secondary data from the firm’s website and media reports.

Findings: Entrepreneurial CSR emerges as a critical element in the family firm’s business philosophy, whereby through innovative practices the ownership is able to create a balance between the firm’s financial objectives and socially responsible initiatives. In particular, the development of food products creates business opportunities while at the same time addresses the needs of different consumer groups, in particular, aged care individuals. These findings have alignements with the four theses of ST; for instance, the recognition of various stakeholder groups by the firm’s ownership, and the initiatives to improve their quality of life clearly suggest associations with normative thesis.

Originality/value: Although the field of family entrepreneurship has grown significantly, many under-researched aspects of this discipline remain. For instance, family business research, including on CSR conducted in Western Australia, a state with a very strong economic significance, and with multiple links to the outside world is very limited.

Keywords: Family firm, entrepreneurship, CSR, stakeholder theory, regional Western Australia.

Paper type: Research paper

Introduction
The importance of family businesses has been recognised in the academic literature (e.g., Birdthistle and Fleming, 2005; Carrigan and Buckley, 2008). Kraus, Pohjola and Koponen (2012), for instance, posit that these firms account for as much as 85% of all businesses in OECD countries, while Birdthistle (2008) underlines that they represent the most usual form of enterprise structure. While “no generally accepted definition of a family business” (Birdthistle, 2008, p. 422) exists, various definitions have been nevertheless proposed. Chua, Chrisman, and Sharma (1999) define a family firm as a business managed or governed with the purpose of pursuing and shaping the vision held by a small number of families or members of a family, in ways that are considered sustainable, and through generations of the same family or families. A more succinct definition is provided by Bingham et al. (2011), who describe family businesses as those companies where family members have substantial influence by controlling management and/or ownership.

Numerous areas related to family entrepreneurship continue to be under-researched. Indeed, there is a dearth of studies illuminating the potential of family firms as learning organisations (Birdthistle and Fleming, 2005). Little attention has been paid to the functioning and nature of
these firms (de la Cruz Déniz and Cabrera Suárez, 2005), or “how family ownership affects diversification decisions” (Gomez-Mejia, Makri, and Larraza Kintana, 2010, p. 223). Furthermore, the entrepreneurial potential of family owned firms has not been clearly identified by family business studies (Habbershon and Pistrui, 2002), and the links between family firm performance, ethics, and involvement “is a sparse research area” (O’Boyle, Rutherford, and Pollack, 2010, p. 310).

More geographically related to the present study, Madden, Scaife and Crissman (2006) identify the limited work that “has been elucidated about the Australian small business landscape” (p. 49) regarding these businesses’ corporate philanthropy and involvement in their community. Gallo (2004) identifies that social responsibilities, together with broader issues of ethics of family firms have been studied to a limited extent. More recently, Fitzgerald et al. (2010) not only reveal that little attention has been paid to family or small firms, but also refer to the ‘myopic view’ of previous research, which predominantly has focused “on the business system” (p. 525) of family firms, thereby omitting critical dimensions, such as the “orientation of the owning family to the community” (p. 525). Cennamo et al. (2012) criticise the existing literature for remaining silent regarding whether or not family firms are more prone than other types of firms to become actively involved with their stakeholders.

Notably, with few exceptions (e.g., Cronin, 2001), studies specifically examining CSR among Australian family firms are very limited. This dearth of knowledge is clearly evident among family firms operating in the state of Western Australia, and even more so in its regional areas. This gap is the more significant given this state’s significant contribution to the country’s economy. For instance, its abundant natural resources have fuelled financial wealth, with mining and petroleum exports accounting for nearly AU$ 100 billion in 2012-2013 (Government of Western Australia, 2014). Reports also highlight the importance of Western Australia in live sheep and cattle exports (Kingwell et al., 2011), and wheat production, which represents roughly 50% of Australia’s total, and of which 95% is exported to the Middle East and Asia (Government of Western Australia, 2015). Further, media reports (Jericho, 2015) indicate that, while Western Australia’s economy represented a modest 11% of that of the entire country in 2004, today it is close to 17%.

This case study contributes to the field of CSR research and family firms from a regional Western Australian perspective, examining the case of West’n Fresh, a family firm operating in the town of Manjimup, located nearly 300 kilometres south of Perth. CSR has been defined as the ongoing commitment by businesses to behave in an ethical manner, while contributing to economic development, thereby enhancing the quality of life of employees, their families, local communities, and society (WBCSD, 1998). McWilliams and Siegel’s (2001) definition states that CSR are “actions that appear to further some social good, beyond the interests of the firm and that which is required by law” (p. 117). This case study addresses the following research questions:

To what extent is the selected family firm involved in CSR initiatives?
In what ways, if any, is the firm involved in such initiatives?
What are the main reasons, if any, for such involvement?
What benefits, if any, are there to be gained from such CSR involvement, for:
   a) The other stakeholders, such as growers, or the broader community/society?
   b) The firm itself?
Given the various links between the firm and other stakeholders, including its clients/consumers, the community and society, and aligned with previous research examining CSR (Perrini and Minoja, 2008) among family firms, stakeholder theory (ST) (e.g., Donaldson and Preston, 1995; Freeman, 1994) is adopted as the study’s foundation. The findings addressing the research questions above could provide new and valuable information to practitioners concerning a regional firm’s specific strategies and their potential or actual impacts on stakeholders. Similarly, the adoption of ST could advance knowledge and enhance understanding of the family firm’s CSR initiatives, encouraging its further adoption and development in future family firm research.

**Literature Review**

**CSR and family firms**

A growing body of literature on family businesses identifies significant aspects of firms’ involvement in CSR and CSP practices. Among other contributions, research by Dyer and Whetten (2006) identifies stronger CSR commitment among family firms versus those with no family involvement. Family firms’ management perceive reputation and image as fully associated with their firms, and prioritise the avoidance of any reputational damage through irresponsible behaviours or actions (Dyer and Whetten, 2006).

Another contribution (Uhlaner et al., 2004) explains that, while family firms vary in terms of their commitment to socially responsible behaviours, their management’s ways of engaging set them apart from other non-family enterprises. Indeed, family firms tend to blend “traditional roles of the family social unit” (Uhlaner et al., 2004, p. 187) and economic considerations. Some important findings made by Uhlaner et al. (2004) reveal that being a family firm plays a key role in management’s behaviour to their stakeholders. In particular, the authors note “a strong sense of responsibility” (p. 190) toward employees, followed by clients and suppliers. In the main, conforming to legal and ethical expectations, community development and economic benefits illustrate firm’s relations with its stakeholders (Uhlaner et al., 2004).

Uhlaner et al.’s (2004) research is supported by de la Cruz Déniz and Cabrera Suárez (2005), who also note a lack of homogeneity concerning family firm’s involvement in CSR. Consequently, in order to find determinants of various corporate social behaviours and orientations, they suggest the usefulness of future research that analyses family characteristics, notably culture and values. Also aligned to the last two studies, and in the context of small family firms, Peake et al. (2014) posit that while these businesses generally display high levels of concern for social responsibility, particularly at community level, these firms are nevertheless heterogeneous in terms of their participation in, and preferences for, social responsibility.

Niehm et al.’s (2008) investigation found that commitment to CSR practices was related to family operators’ enduring relationships with their local community. The commitment nurtured a disposition among operators to support the community. Importantly, there was a perception that such support was reciprocal over time, namely, in the form of economic exchanges that were also perceived as beneficial for both the family business and the community (Niehm et al. (2008).

Fitzgerald et al.’s (2010) findings in rural areas of the United States based on data from the National Family Business Survey (2000 panel) underline the economic and social climate within the community as a factor contributing to business operators’ responsible actions;
moreover, those resources (financial, social, or human) business operators possess can be invested to address problems in communities (Fitzgerald et al., 2010). For example, in communities experiencing economic vulnerability, the authors perceive that business operators were more prone to make contributions, financially, and providing technical assistance. Consequently, Fitzgerald et al. (2010) conclude suggesting the importance for policymakers to recognise the numerous contributions of family firms, and design policies to not only help sustain family firms, but also encourage the development of human capital.

A discussion of ST

Over the decades, researchers have alluded to the seminal work of Freeman (1984) where he defines ‘stakeholders’ as any group or individual who are affected by or can affect the achievement of a business’s objectives. The theoretical framework that has emerged from Freeman’s (1984) or other contributions, ST, is essentially a theory of ethics and organisational management (Phillips, Freeman, and Wicks, 2001, p. 480), which has become a key subject in the literature of business and society and business ethics (Phillips, 1997). ST begins with the fundamental notion that values are explicitly and necessarily part of conducting business (Freeman, Wicks, and Parmar, 2004). According to Jones (1995), advocates of ST attempt to describe a) “what managers actually do” (p. 406) regarding stakeholder relationships, b) what might occur “if managers adhered to stakeholder management principles” (p. 406), and c) “what managers should do vis-à-vis dealing with firm stakeholders” (p. 406).

Freeman (2001) proposes a model depicting the stakeholders of a large corporation. In a clear illustration of the central importance of the corporation, Freeman (2001) illustrates customers, employees, suppliers, owners, management, and the local community revolving around the corporation. Similar to Freeman (2001), Donaldson and Preston (1995) present an input-output model, with four main stakeholders: Suppliers, investors, customers, and employees revolving around the firm. A second model extends the number of stakeholder groups, to further include governments, trade associations, communities, and political groups. Donaldson and Preston’s (1995) research is very significant to the present study, as they discuss several central theses or aspects associated with ST:

Descriptive/empirical, presenting a model which describes corporations as a collection of competitive and cooperative interests with intrinsic value (Donaldson and Preston, 1995). Another view (Jones, 1995) underlines that descriptive/empirical interpretations are intended to explain or describe how managers/firms actually behave.

Instrumental, establishing a framework to examine any links between practices of stakeholder management, and achievements of different corporate performance objectives (Donaldson and Preston, 1995). A different observation (Jones, 1995) indicates that the thesis intends to describe what will actually happen if firms’ management behave in particular ways.

Normative, implying the acceptance of two fundamental ideas: a) that stakeholders are groups or people with legitimate interests in substantive or procedural aspects of corporate activities, and b) “The interests of all stakeholders are of intrinsic value” (Donaldson and Preston, 1995, p. 67), in that they deserve consideration for their own sake, and need not be based on their ability to take forward the interests of other groups, including shareholders. Freeman (1994) posits that ST can be unpacked into various stakeholder theories, and each of them has a normative core, strongly associated to ways in which managers should act, or corporations be
governed. Moreover, this thesis is related to the moral correctness of the behaviour of firms’ management (Jones, 1995).

Although much of the ST literature only mentions these three theses, a fourth, managerial, is also presented. First, Freeman et al. (2004) explain that ST is managerial, directing and reflecting “how managers operate” (p. 364). Further, this thesis does not only predict cause-effect relationships, or describes existing situations, but also recommends practices, attitudes, and structures; taken together, these elements represent stakeholder management (Donaldson and Preston, 1995). Moreover, as the main attribute, stakeholder management demands “simultaneous attention to the legitimate interests of all appropriate stakeholders” (p. 67).

Some researchers have considered ST when studying different sizes of businesses, including Russo and Perrini (2010), and Perrini (2006). This last author suggests that ST may be the more appropriate framework to examine CSR among large corporations, while relationships between CSR and small and medium enterprises (SMEs) might be better understood through the lens of social capital. Even more limited has been the use of ST as a tool to understand CSR practices and initiatives among family businesses. Perrini and Minoja (2008) partly considered the theory in their literature review when they investigate the antecedents of the CSR process, and the different dynamics that underline such process. Although there are no associations with ST, their findings nevertheless reveal the significance of entrepreneurs’ value systems and beliefs in establishing a sustainable firm strategy. In addition, the association between financial and social performance is to some extent contingent upon the type of competitive strategy selected by the firm (Perrini and Minoja, 2008).

By adopting ST as its theoretical foundation, the present research contributes to the broader literature on CSR and family firms, and to the very limited body of academic knowledge on CSR and family businesses in regional Western Australia.

Methods
This case study is fundamentally concerned with examining: a) the extent to which a family firm is involved in CSR initiatives, b) ways in which it is involved, if any, c) main reasons for such involvement, and d) the main benefits that may accrue from such involvement, namely for external stakeholders (e.g., community, society) as well as internal (the firm). In this process ST is adopted as the study’s theoretical framework (e.g., Donaldson and Preston, 1995; Freeman, 1984). Various publications discussing CSR in the context of family firms were considered and integrated in the process of designing the research questions (e.g., Cennamo et al.; Dyer and Whetten, 2006; Fitzgerald et al., 2010; Gallo, 2010; Niehm et al., 2008; Peake et al., 2014; Perrini and Minoja, 2008).

Given the characteristics of the research, which investigates CSR through the case of a global family firm operating in regional Western Australia, a case study (e.g., Eisenhardt, 1989; Yin, 1981; 1989, 2003), and a qualitative methodology (Patton, 1990) are chosen. According to Eisenhardt (1989), “case study is a research strategy which focuses on understanding the dynamics present within single settings” (p. 534). Case study research has a distinguishing characteristic, namely, it seeks to explore a) contemporary phenomena in a real-life context, particularly when b) the boundaries between context and phenomena are not particularly evident (Yin, 1981). Typically, case studies can combine different data collection methods such as interviews, observations, or questionnaires; consequently, the evidence gathered can be quantitative as well as qualitative (Eisenhardt, 1989). Qualitative methods can be applied to gather intricate details about different phenomena, including thought processes that are
difficult to learn about and/or quantify by using other, more conventional research methods (Straus and Corbin, 1990).

In discussing purposeful sampling, Patton (1990) notes that qualitative methods typically focus “in depth on relatively small samples, even single cases (n = 1), selected purposefully” (p. 169). The power and logic behind purposeful sampling is the selection of “information rich cases” (Patton, 1990, p. 169) to study in depth. In investigating information-rich cases, researchers can learn significantly about issues of key relevance to the purpose of the study; hence the label ‘purposeful sampling’ (Patton, 1990).

The selection of West’n Fresh, the studied firm, is based on the knowledge of various industry and government experts. This study is in fact part of a broader project, which examines contemporary issues from the perspective of firm and producer associations’ managers and owners, as well as managers and directors of chambers of commerce, and other government institutions. A preliminary round of interviews with ten of these experts during 2015 identified West’n Fresh as a model family firm. Subsequently, the firm was contacted by email; the content of the message explained the objectives of the research and made a formal invitation to the ownership to participate. Following the acceptance, an initial, 45-minute telephone interview was conducted with one of the owners (P1); during the interview, a second request was made to visit the firm.

In December of 2015, a three-hour visit by one of the researchers allowed for onsite observations of the firm, its operations, and for a second round of interviews, with P1 and with two other members of the firm’s administration/management who were more familiar with the firm’s CSR related activities. One of these members currently works as a product developer (P2) and the second as assistant to the owners (P3). The different interviews were transcribed verbatim, and cross-checked by the members of the research team for content clarity and consistency. Content analysis, “a research technique for making replicable and valid inferences from data to their context” (Krippendorff, 1989, p. 403), whose key objective is to classify the numerous words in text “into much fewer content categories” (Weber, 1990, p. 12), was implemented.

That only one firm and three of its members, including one of the two owners, were selected represents a limitation in this research; as a result, and as various authors suggest in regards to case study research (e.g., Darke, Shanks, and Broadbent, 1998; Meredith, 1998), the overall findings may not be generalizable. However, the study provides added and useful empirical evidence of CSR practices from the perspective of a family firm operating regionally and reaching globally.

Demographic characteristics of the firm
The studied firm, West’n Fresh in its current was established a decade ago; originally, however, the family started growing avocados in 1987. While only three permanent staff worked in the firm until 2014, the significant growth experienced by the firm since has required the addition of other team members. The number of the firm’s administration and management members has more than doubled, with new additions focusing on the areas of market research, marketing, financing, and operations management. On the packing floor, approximately 20 people are employed permanently; thus, overall, the firm represents a medium size business in Australia, or more than 20 but fewer than 200 staff, based on the categorisation of the Australian Bureau of Statistics (ABS, 2001). However, numbers fluctuate depending on the firm ownership’s demands for packing and exporting avocados;
for instance, at the time of the visit, both local and outside staff totalled approximately 40 people.

Results
West’n Fresh’s extent of, ways, and rationale for CSR involvement
The interview content, on-site observations and media reports concerning the family’s entrepreneurial activities clearly identify a strong association between these and CSR. Moreover, the aspect of entrepreneurial CSR emerges as a key concept characterising West’n Fresh’s business philosophy and its socially responsible initiatives and projects. In referring to the work of Schumpeter (1934), Sweezy (1943) discusses several characteristics of entrepreneurs, initially mentioning “the ability to appreciate the possibilities of an innovation” (p. 93). More importantly, entrepreneurs must have leadership qualities, whereby they need to overcome social and psychological opposition standing in their way of conducting business (Sweezy, 1943). Entrepreneurs can also be a source of change, symbolised by several elements of capitalist reality, including business cycles and profits (Sweezy, 1943). These traits are clearly illustrated in the findings, particularly among West’n Fresh’s ownership.

Essentially, having worked in the avocado industry since the mid-1970s, and compared to the newer, 2014 recruits (P2 and P3), P1, as well as her husband, the firm’s co-owner, had accumulated very extensive expertise, knowledge, and awareness, including of the multiple changes occurring in this domain, and resulting demands. In response to such demands and complexity, P1 explained that the ownership had planned, designed, and executed a number of strategies to guarantee the long-term sustainability of the firm. In this process, the interests of other, local stakeholders were addressed.

First, having experienced increased competition and the prospects of a glut in production, over the years the firm had exited avocado production to become a fully equipped packing and exporting operation. Currently, the firm handles the production of over 40 local avocado growers, and the recent growth in capacity and employed staff suggested the firm’s increasing success, as well as that of the local producers. This apparent success rests on the ownership’s business philosophy to build a sustainable business, and a sustainable business environment; for example, P1 noted: “I am successful in who I am and what I do, but my driver is to make other people successful, and doing that creates a better place…and if you can make a real difference to people’s lives you can make a difference at community life.”

Second, the interest of the local producers, and the long-term sustainability of the firm are also illustrated in various key initiatives. In the first, P1’s husband is involved in consulting avocado growers: “He helps them from the whole land, irrigation, the right way to plant it... generally, they will send their leaf analysis and he tells them what to put on.” In the second initiative, the element of innovation played a key role, with P1 facilitating the involvement of her son, who is knowledgeably in information technology, as the result of growers’ needs: “some people with other commodities... wanted me to do something for them, and I just go ... What is your cost of production?” And they do not know. And I find that really frustrating because I said “how can I add value to your business if you do not know what it costs you to produce?” Subsequently, P1’s son developed an application to assist growers in learning more about their operation, including production costs. Clearly, the welfare of the local growers translates into healthier and higher quality production, potentially more value added onto the products, better brand image, and long-term client loyalty, with benefits for all stakeholders involved (the firm, the local growers, consumers).
Third, the increasingly complex nature of the avocado industry, with competition, the fluctuation of the Australian dollar exchange rate (parity with the U.S. dollar in 2011; 70 cents in the beginning of 2016), and increasing costs of production, has also led to the firm’s renewed efforts to introduce new innovative practices to guarantee long-term sustainability. In doing so, West’n Fresh is expanding its range of beneficiary stakeholders beyond the local community to world-wide consumers, thereby further highlighting the significance of entrepreneurial CSR. For example, P1 commented on the need to up-scale avocado production, investing in technologies to speed up processes, and also to develop new products. According to all three participants and as noticed during the onsite visit, the firm has recently invested five million Australian dollars to purchase equipment related to individual quick frozen (IQF) food processing, as well as high pressure processing (HPP), and build the facilities to accommodate both equipment and staff. Through these significant investments, West’n Fresh is clearly stepping into new food markets, developing products for the baby and aged care consumer populations, including for exports.

Perceived benefits from CSR involvement
Strategies and involvement in consulting and the development of technology to support the local farmers have, first, boosting production and enhancing quality, and helping growers to add overall value and maximise their production, and second, improving the firm’s bottom line through revenues. Further, the new investments and plans of West’n Fresh’s ownership to expand the range of product offerings are aiming to positively affect various stakeholders, starting from the firm, through added revenues, consumers, and both the local (Manjimup) and other communities. For example, being part of Generation Z, P2 commented on her own life philosophy and values regarding sustainable food ways, and farming, and how she sought to associate these values to those of firm in order to add value to food production, in this case, to avocados and their by-products. Some of these by products included those supported by IQF and HPP based technologies.

In regards to the aged care group, P1 summarised the ownership’s current project to develop ready-to-eat meals for the elderly, many of whom, for financial reasons, can only afford cheaper, low quality food products: “The whole idea was about how to get nutrition in a way that they could easily eat... Because in a C-class hospital the most exciting time of the day is when they wheel them up to the food and then they sit there and they put stuff in front of them. They do not have chefs as cooks; they have someone to do it. I have been there, and it might have been the roast or the meat is really tough... if we can do meat products and make it tender through HPP...”

The significant investments made by West’n Fresh’s ownership arguably have an expected long-term return on investment, with potentially lucrative financial benefits both domestically and internationally by tapping into the rapidly-expanding domestic and international aged care industry. Indeed, the phenomenon of an ageing population in different countries, and comments provided by P1 and P3 underlined the interest and potential opportunities, for instance, in the Asia-Pacific region. While clearly the ownership’s entrepreneurial spirit, business strategies, and the incentive to strive for long-term sustainability are at the heart of such innovative and technology related initiatives, its values in the form of ethical considerations and moral obligations emerge strongly (P1): “…realising that these people have contributed to our society all their life; they worked hard and they paid taxes, then our responsibility I believe is to do the right thing by them. And if innovation and technology means that we can do that in a better way, well, then so be it.”
Similarly, P3, the product developer, perceived significant opportunities in the baby food line, especially given different concerns for food safety and also the apparent positive image of Australian food products: “I think we will be hitting a winner, especially if we start to export to the Asian countries…” The development of other products demanded the import of foods from neighbouring developing countries, with potential benefits for local communities (P3): “We are getting coconuts from [country name], so we’ll be helping out farmers over there as well. So that kind of [business] translates over to our vision and mission statements of trying to create a sustainable future for future farmers, whether it be in Australia or the people doing the coconut project overseas.” Again, outsourcing products, in this case from a developing country, can significantly add value to the food lines being developed, in this case baby foods. In addition, such activity may be perceived favourably by many consumers, and therefore provide important benefits for the firm, both financial and nonfinancial (reputation, enhanced image, brand image). However, purchasing products from lesser developed regions/countries may also contribute to supporting food growers in those geographies. The benefits of West’n Fresh’s development of a food product for the aged and vulnerable groups, therefore, may also deliver the further benefit of achieving substantive gains to developing country primary agricultural producers’ currently in-need of consistent markets.

Discussion
The above findings, conceptualised in Figure 1, confirm the strong links between entrepreneurship and CSR, thus, highlighting the significance of entrepreneurial CSR. This notion is further supported in earlier entrepreneurship research, where entrepreneurship is defined as ‘new entry’ (Lumpkin and Dess, 1996), and also referred to as “the content of entrepreneurial decisions… addressing what is undertaken” (Lumpkin and Dess, 2001, p. 432). The term entrepreneurial orientation (EO), which is useful in distinguishing and characterising critical entrepreneurial processes (Lumpkin and Dess, 1996), and in answering “the question of how new ventures are undertaken” (Lumpkin and Dess, 2001, p. 432) also aligns with the context of the findings. Lumpkin and Dess (1996) underline that EO “describes how new entry is undertaken” (1996, p. 136), and identify five key dimensions, namely, autonomy, innovativeness, risk taking, proactiveness, and competitive aggressiveness. Some of these dimensions are clearly associated with the study’s findings, particularly in proactiveness, innovativeness, or risk taking.

Figure 1 Here

Entrepreneurial CSR thus extends from other forms of CSR, including ‘proactive CSR’, which is presented in two articles examining Australian manufacturing SMEs (Torugsa, O’Donohue, and Hecker, 2012, 2013). Proactive CSR encompasses practices and strategies implemented by businesses that go beyond regulatory obligations, and contribute positively and broadly to society (Torugsa et al., 2012). The comments and observations demonstrate that the firm is already significantly involved in proactive forms of CSR, including providing employment to local residents, or apprenticeships for local youth. In addition to these proactive forms of CSR, the investments and market research, the presence in domestic and international consumer markets, and the networks established West’n Fresh to broaden its current business focus, while at the same time positively affect a variety of stakeholders. Thus, entrepreneurial CSR can be conceptualised as the balancing act of conducting entrepreneurial activities geared towards a firm’s long-term financial sustainability, while correspondingly significantly contributing to the firm’s stakeholders. In West’n Fresh’s case, external stakeholders, such as the aged care and infant groups, together with their families are at the core of entrepreneurial CSR.
The findings also find support in research by Chrisman, Chua, and Zahra (2003), where they posit that social responsibility is another avenue by which family values and aspirations may have an effect on firms’ resource management, including through adding, evaluating, or bundling. Ultimately, social responsibility may have implications in terms of noneconomic benefits (Chrisman et al. 2003), which, in the case of West’n Fresh, would be through enhanced brand and firm image. Finally, research on SMEs operating in regional in regional Australia (Moyeen and Courvisanos, 2012) identifies these firms’ greater awareness, as compared to larger firms, of issues within their communities. This notion may also be applicable in the present study, where the owners’ decade long experience residing and operating in Manjimup have resulted in greater awareness, knowledge and stronger links within this town and its community.

Various associations were observed between the results and ST, particularly the theses proposed by Donaldson and Preston (1995). The descriptive/empirical thesis is demonstrated in West’n Fresh ownership’s intention to perform a balancing act, whereby the investments made to enhance the firm’s sustainability align with stakeholders’ interests, namely, local/overseas food growers working for/with the firm and consumers (aged care group, infants, and their families). Associated with the descriptive/empirical, the instrumental thesis clearly emerges in the form of the ongoing projects West’n Fresh’ ownership is undertaking, and the ultimate goal to benefit various external stakeholders, while at the same time adding value to food production, diversifying, and making financial gains. For example, P1’s comments underlined the long-term societal benefits from introducing new technologies to improve the quality and characteristics of meals for the aged care group.

The normative thesis is highlighted in participants’ commitment to recognise the needs of different stakeholders. P1 acknowledged the significance of improving growers’ benefits while improving the quality of life of different consumer groups, P2 the aspect of sustainability, with clear implications for both internal/external stakeholders, and P3 concerning food growers in a developing country, as well as consumer needs. Thus, there is a clear recognition of the ‘intrinsic value’ certain groups- of not all- of stakeholders represent (Donaldson and Preston, 1995). Finally, the managerial thesis is apparent in the ways in which West’n Fresh’s ownership conducts stakeholder management, particularly, and aligned with Donaldson and Preston’s (1995) proposition, and simultaneously paying attention to the genuine interests of various groups of stakeholders.

**Conclusions**

Despite the popularity of CSR and its significance for both practitioners and academics, many aspects related to this field continued to receive marginal or no attention at all. For example, various authors identify knowledge gaps concerning family business research and CSR (e.g., Cennamo et al., 2012; Fitzgerald et al., 2010; Gallo, 2004). The dearth of knowledge is even more pronounced in the context of Australian family firms, with very few academic contributions to date (e.g., Cronin, 2001). Not surprisingly, studies focusing on regional Australian firms and their involvement in CSR initiatives and practices, particularly in Western Australia, are almost inexistent. This case study contributes to the extant literature, analysing and evaluating the case of West’n Fresh, a family firm based in regional Western Australia; with ST being adopted as the theoretical framework to facilitate understanding of the firm’s CSR practices. In-depth, face-to-face, un-structured telephone and face-to-face interviews with the co-owner of the firm and two assistants were complemented by an onsite visit, which allowed for insightful observations, and by website and media reports.
The significance of entrepreneurial CSR is identified, in that the firm’s current business strategies and initiatives embracing and merging both entrepreneurial and socially responsible principles, philosophies, and concepts. Fundamentally, in the process of adding value to avocado production (P1), as well as maximising food production elsewhere (e.g., P3), the firm is simultaneously contributing to the welfare of various stakeholder groups, particularly food growers, and several groups in society, such as individuals in aged care. These conclusions find alignment with Donaldson and Preston’s (1995) four theories of ST. In particular, the behaviour of West’n Fresh’s management is associated with of a) specific forms of entrepreneurial CSR activities planned/designned, b) a recognition of the intrinsic value that various stakeholder groups represent or have for the firm, and c) the resulting involvement in stakeholder management, executing entrepreneurial CSR initiatives, thus, paying simultaneous attention to the interests of the various stakeholders (Donaldson and Preston, 1995).

Implications
While clearly not applicable to all family firms operating in all industries, the present case study demonstrates that the consideration and amalgamation of entrepreneurial and CSR principles, or entrepreneurial CSR, represents a key strategy that could help fuel strategic, innovative, and financially rewarding business practices. In the context of innovation, the findings underline the different developments undertaken by West’n Fresh in product development. However, in pursuing entrepreneurial CSR, innovation could also take other forms or dimensions. Strategically, entrepreneurial CSR could serve as a platform to develop ideas and projects. For instance, firms’ ownership/management operating in service environments could embrace innovation to improve existing service delivery. In doing so, innovation would provide the firm with a medium to generate intrinsic (e.g., improved competencies, capabilities, efficiency, reputation, employee satisfaction), as well as extrinsic benefits (e.g., financially, increasing market exposure), while making a positive impact on different groups of society.

The aforementioned alignment between the findings, the firm ownership’s entrepreneurial philosophy, its involvement in, and implementation of stakeholder management, including through CSR activities, and the four theses proposed by Donaldson and Preston (1995) underline valuable theoretical implications. Fundamentally, the adoption of ST in the context of family entrepreneurship research has potential usefulness and applicability. In the present study, it helped illuminate, explain, and associate intricate elements of family firm entrepreneurship versus socially responsible initiatives. Because the proposed concept of entrepreneurial CSR may require more exploration to determine its applicability and operationalisation in other family firm environments, for instance, through multiple case studies, the further adoption and application of ST could be invaluable. Another implication is the consideration of a similar approach when exploring entrepreneurial CSR in the context of SMEs or large firms, with potentially similar outcomes in gathering valuable resulting insights.

Limitations and Future Research
The study is based on data from one family firm and three participants, including one of the co-owners, whose comments are much more prevalent in view of her experience, involvement, and knowledge of the firm. In addition, the data were collected in the second half of 2015, and therefore no longitudinal follow up was conducted. Thus, the potential for the findings to reflect or replicate other family business scenarios concerning entrepreneurial
CSR or other themes, and therefore the generalizability potential of the overall findings is limited. However, the case study adds to the existing, and limited, body of knowledge concerning family firms, particularly those operating in regional Western Australia, and CSR. In addition, the study provides avenues for future exploration. For example, research could seek to address some of the limitations of this study, identifying other model family firms in Western Australia or other states/regions of Australia, which would allow for potentially useful comparisons between a) different conceptions and implementations of entrepreneurial CSR, and b) different industries. Future research could also adopt a longitudinal analysis, which would help inform practitioners and academics of the various developmental issues or variations in long-term involvement in entrepreneurial CSR practices and initiatives. Given the importance of family firms for many nations’ economies, these lines of research could also be considered in other countries. Finally, the further adoption of ST could enrich future research, providing more theoretical rigour, potentially guiding efforts to further develop the theory, and, as in the present study, help illuminate stakeholder management and associations with family firm related entrepreneurial CSR.

References


Freeman, E. (1984), Strategic management: A stakeholder approach, Pitman, Boston, MA.


Strauss, A. and Corbin, J. (1990), Basics of qualitative research, Sage, Newbury Park, CA.


