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Critical Analysis of Factors that Influence CSR Adoption in BP in Azerbaijan

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List of Abbreviations

BP – British Petroleum

CSR – Corporate Social Responsibility

ASPU – Azerbaijani Strategic Performance Unit

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ABSTRACT OF THESIS submitted by:
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Corporate social responsibility (CSR) is a concept that suggests that commercial corporations have a duty of care to all of their stakeholders in all aspects of their business operations. CSR is quite a new trend in the developing countries and its adoption in multinational corporations operating in the developing world is not the same as it is in the developed world.

A contributing factor to the success of CSR is the motivation and commitment of employees. Therefore, this study contributed to the research in the field of employees' approach to CSR. This study is focused on employees in BP in Azerbaijan, especially on a specific target group from the departments of Communications and External Affairs and Health, Safety, Security and Environment because these departments are the ones which deal with CSR and environmental responsibility.

The main research question was "What approach do BP/Azerbaijan employees take toward CSR and if they are willing to participate in its adoption in BP/Azerbaijan?" Research is mainly based on interviews with BP employees. As research shows, the majority of the interviewees had a negative approach toward CSR in BP and did not seem to be willing to participate in its adoption in BP/Azerbaijan voluntarily. Research shows that the majority of the interviewees are motivated only by self-interest at their work in BP and some of them are carrying out some socially useful activities voluntarily, but not within their work at BP.

1. INTRODUCTION

1.1 Background to the research

Corporate social responsibility (CSR) is a concept that suggests that commercial corporations have a duty of care to all of their stakeholders in all aspects of their business operations. This concept is closely linked with the ideas of Sustainable Development which argue that companies should be responsible for their decisions not only on financial factors, such as profit, benefits, investments, but also on the environmental and other consequences of their activities.

British Petroleum (BP) is one of the world's largest energy companies; it employs over 96,000 people and operates in over 100 countries worldwide (BP 2005). BP is also the main oil company in Azerbaijan which is exploring and extracting offshore oil and gas resources in the Caspian Sea region, and its investment in Azerbaijan is one of the company's biggest foreign operations (Gulbrandsen and Moe 2007). Some authors (Skjaerseth *et al.* 2004) argue that it is difficult to identify whether oil extractive multinational companies' investments in developing countries can bring positive outcomes. That is the reason why it is important to study CSR; especially in a multinational company such as BP. As Brammer *et al.* (2006) state, the more geographically diversified a company is the better it is in its CSR performance. The importance of studying CSR in BP in Azerbaijan arises from the fact that BP is one of the key companies in this country and its impact on the Azerbaijani environment, economy and society is significant; and therefore BP's success in CSR performance in Azerbaijan is extremely important. It is necessary to investigate what CSR in BP/Azerbaijan is built on and what is the role of employees on CSR adoption in BP Azerbaijan. Specifically, it is necessary to investigate views on CSR of specific group of employees of BP, such as: employees of the Communications and External Affairs and Health, Safety, Security and Environment departments, because these departments are able to contribute to CSR

development in BP in Azerbaijan more than others and willingness of these departments' employees to do so is one of the main interest of current research.

1.2 Aims and Objectives

This project will investigate BP employees' personal approach toward CSR and company's environmental responsibility, and will attempt to answer the question: What approach BP/Azerbaijan employees take toward CSR and if they are willing to participate in its adoption in BP/Azerbaijan? The focus will be made on specific target group: employees of the Communications and External Affairs and Health, Safety, Security and Environment departments.

It is people who will (or will not) influence a company's activities at the end of the day and that is why it is necessary to estimate their relations toward the company's activities, toward the environment and to evaluate their willingness to participate in CSR activities of BP. It is important to focus on the employees of the Communications and External Affairs and Health, Safety, Security and Environment departments, because these people are the ones in a position to change and develop CSR strategy of the company from its roots.

Among the interests that this thesis has are the following issues. It is interesting to investigate:

- whether commitment to CSR is inversely related to being motivated by financial gain;

- whether employees committed to CSR can influence CSR-related policy in the company;

- whether willingness to participate in CSR activities voluntarily is positively connected to theoretical commitment to CSR.

This work will focus on two levels of business ethics at BP: obligatory and volunteer. First is BP employees' approach to CSR which is based on Code of Conduct and the second is BP employees' personal concerns about contribution to society's development through the company they work for. First will be studied by investigating similarity between principles set in Code of Conduct and

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employees principles, and the second will be studied by investigating employees motivation at work.

And, one of the aims of this work is to give some useful recommendations on how to improve employees' approach toward CSR and how to increase their willingness to participate in its adoption in BP/Azerbaijan - that might give useful recommendations for other multinational companies operating in countries in transition and in developing countries as well –, which will be the main value of the work.

This thesis is structured in the following way. First of all, variety of literature on the related topics is covered. Literature review describes origins of business ethics, its necessity for corporations, Corporate Social Responsibility (CSR) as part of business ethics and environmental responsibility as one of the main aspects of CSR. It discusses BP rebranding itself from British Petroleum to beyond petroleum and brings arguments of several authors about the reason of this action and specifics of multinational companies in the developing world are also discussed. Furthermore, special attention is given to humans in organizations and human motivation at work as humans are the main objects of the current research and it is important to investigate why specific group of BP employees (from the Communications and External Affairs and Health, Safety, Security and Environment departments) are working for BP and how motivational factors influence their willingness to participate in the CSR activities of the company.

After that, interviews that were made during the field research are carefully analyzed. Interview results are compared to the theories raised from the literature review in order to support ideas that came from the analysis of the interviewees with existing literature.

As a conclusion, the main points of research findings will be emphasized and recommendations on how to improve current situation will be given.

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2. LITERATURE REVIEW

2.1 Introduction

This thesis aims primarily to study BP employees' influence on Corporate Social Responsibility (CSR) adoption in the company, within which it studies the company's business ethics, its CSR, environmental aspects of the latter, BP's commitment to CSR and employees' approach to all of these issues.

This chapter begins by considering business ethics as the basis for CSR and employees' role in it. It discusses whether there is such a thing as "business ethics", describes its origin and meaning, discusses whether a company has any responsibilities beyond its responsibility to shareholders and, if so, what kind of responsibilities they are. Further, Corporate Social Responsibility itself is discussed in detail; it is considered what CSR is as an "ideal" and what it means for business and a special attention is given to environmental responsibility of the companies. Then, a variety of literature is reviewed on the issue of corporate responsibility, and consideration is given to who takes the responsibility in CSR.

Afterwards, a brief description of BP is given and variety of literature is reviewed on the issue of British Petroleum (BP) rebranding itself to beyond petroleum (bp) and it is discussed whether the company did that to raise its reputation in public's opinion or because it is really concerned about the environment. Furthermore, specifics of multinational corporations in the developing world are discussed.

As employees as one of the stakeholders are the most significant objects of the current research special attention is given to humans in organizations and human behavior in organizations in this literature review. A variety of literature about humans in organizations is reviewed, investigating their approach to an organization's values and principles, it is discussed whether their own principles and values can be similar to those of the organization where they work, and their behavior in a corporate environment is discussed. As motivation is the core reason for why people

do or do not behave in a certain way and because this thesis aims to investigate the extent to which employees' motivation can help CSR's improvement in the company, a separate subtopic reviews human motivation at work and then collective mind and behavior in an organization is discussed. Moreover, as this thesis tries to investigate what employees' influence is on the corporation and how employees themselves feel about it, the scope for individuals to shape the direction of corporation and, conversely, for corporations to 'mould' their employees, is also analyzed.

Conclusions will be drawn and the results discussed. A summary is provided about the contribution of this work to the existing literature and about its importance.

2.2 Ethics and CSR

2.2.1 Business ethics

The word 'ethics' takes its origins from the Greek word 'ethos', which means 'character' or 'custom'. Ethics can be understood as a set of values and moral principles (Sims 2003). Ethics as a discipline studies what is good and what is bad, and studies obligations as a moral responsibility (Sims 2003). Business ethics, a subset of ethics, can be understood as the application of common ethics to business activities which operate in the conditions of a free market (Zuzworsky *et al.* 1995); and according to Sims (2003) it studies what is good or bad, right or wrong behavior within the context of business activities. As Vickers (2005) puts it, business ethics recently became an issue of higher priority among businesses.

Business ethics is of importance because business's misbehavior attracts the worst publicity. It is true that business is not the only field where ethical misbehavior occurs, it also occurs in such fields as law and politics, but business's misbehavior is basically led by such human qualities as self-interest which has usually had a very bad reputation (Barry 1991), and people working with

business are usually pragmatists (Zuzworsky *et al.* 1995), which also worsens business in public opinion. That is the reason why it became so important to study business ethics. Demand for a special business ethics and the "moralization" of commercial life has been raised by academics, because the latter has a privileged position in the society where its actions are important and significant, and the power that the corporation has in society gives it important social responsibility (Barry 1991). It is important to study business ethics not only because businesses themselves understand that their long-term profit maximization depends very much on "their willingness to assume responsibility for the social and environmental consequences of their global footprint" (Colliera and Esteban 2007), but also because society's awareness about the necessity of CSR is increasing and pressure from regulators and auditors on companies is becoming stronger. Moreover, there is also increasing pressure from institutional shareholders "in their demands for adequate risk management" (Colliera and Esteban 2007). For instance, the study of MORI (Dawkins 2005) shows that majority of consumers take into consideration a company's CSR when making a decision about buying or not buying a particular product or service. It is important how companies are perceived because the "faith of stakeholders in company conduct is essential" (Anderson *et al.* 2005). Therefore, it became an important issue to study business ethics because there is a demand from the companies and because businesses itself realizes its importance.

2.2.2 Origin and meaning of business ethics

The morality of corporations became an important issue in the late eighteenth century when large-scale corporations were founded and separation of ownership from management occurred (Barry 1991). The role of business in society also was an interesting issue for scholars for a long time (Salzmann *et al.* 2005). Although Friedman (1970) states that business corporations have no social responsibilities but maximizing profit, and he refuses to admit that business has any responsibilities to society, Vickers (2005) claims that it became an important issue recently to prove that corporations have social responsibility. As he (Vickers 2005) puts it, the main thing in any recovery

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process is admitting that there is a problem, and business ethics issues arose when it became obvious that business has a problem with ethics.

Friedman (1970) claims that the idea of social responsibility is about business doing good without doing it for profit and it would reduce profit and dividends and would undermine market mechanisms; and, according to him, this is not ethical toward a corporation's stakeholders. Barry (1991) disagrees with that and states that business ethics requires corporations to have wider social responsibilities than any other small enterprises or individuals, because society allows them to exist as it is government that allows them to operate and government is ruled by the society. However, Friedman (1970) claims that when business people claim that business is concerned not only with profit maximizing, but also with bringing benefits to the society, they are aiming to defend business and to show that it actually has a "social conscience", but actually they are concerned only about profit (Friedman 1970). His arguments are based on the idea that a corporation has to be concerned only about profit maximization, because otherwise it risks losing its profit, which will automatically increase a company's prices that will also affect customers, which is negative for society in general.

Reviewing the various opinions on whether corporations have or do not have a broader responsibility to society, it can be said that Friedman's opinion seems to be more radical than others. He states that the only responsibility the corporation has is the responsibility to its shareholders and it does not have any responsibility to its other stakeholders. Nevertheless, this statement seems to be too narrow, because responsibility to shareholders includes responsibility to other stakeholders as well, especially when talking about long-term success of the company. If company wants to be successful in long-term, it has to have a positive image in the eyes of its stakeholders (for example, consumers). Stakeholders can be defined as groups which are carrying risks of the businesses (Colliera and Esteban 2007), for instance: communities where business operates, customers, shareholders, employees etc.

In spite of all controversial opinions about existence of business ethics, Sims (2003) states that business responsibility exists, and not only to its shareholders, but also to its internal and external stakeholders who encourage organizations to behave in the right way. As Corporate Social Responsibility is part of a company's business ethics, it is important to investigate what it literally means and what it is in fact.

2.2.3 Corporate Social Responsibility

Corporate Social Responsibility as a concept emerged first in the 1960s among American corporations which were operating a business in developing countries (Engle 2007). It is impossible to find the exact definition of CSR as different authors interpret it in different ways and therefore variety of definitions is reviewed.

The term "corporate social responsibility" (CSR) has been used lately to express corporate activities that are not directly connected to maximizing profit. Business uses this term to explain its voluntary activities, such as reducing environmental damage and philanthropic donations (Murray 2003). Akgeyik (2005) defines CSR as a company's commitment to manage its role in a society in a responsible manner, to promote and protect common public interests. According to Anderson *et al.* (2005), CSR goes beyond the fundamental business responsibility to increase profits to meeting the needs of all stakeholders, not only shareholders. Hemingway (2005) states that the main aim of CSR is to have a positive image in stakeholders' perception about the corporations. As Colliera and Esteban (2007) put it, CSR is "a response to stakeholder expectations that companies assume responsibility for the effects of their operations". A study made by Anderson *et al.* (2005) shows that there are plenty of benefits from including CSR in a company's strategy, especially the establishment of value through positive relations with stakeholders.

Corporate Social Responsibility plays a significant role in corporations not only because corporations feel the pressure that they owe a responsibility to society but also because the

reputation of the corporation has become very important for the corporation's success in recent years (Vickers 2005). According to Engle (2007), it is not only government and non-governmental organizations that must play a role in addressing sustainable development issues, but also private sector, especially multinational corporations. Many business people are convinced that the main aim of Corporate Social Responsible is improving a business' reputation. As DiMaggio and Powell (1983) claim, companies' desire to include CSR in their structure corresponds with the values and needs of modern society. For example, a survey that was conducted among 500 Major Turkish Industrial Enterprises shows that 80% of the companies consider that the main role of CSR is to improve the company's reputation and image and 95% claim that financial benefits are not the main reason for their CSR, which means that most of the companies are more concerned about long-term benefits rather than short-term financial benefits (Akgeyik 2005). Zuzworsky *et al.* (1995) argue that it is wrong to consider profit maximizing to be the core reason of CSR, because then there is a danger that if business has to choose between two actions, one of which will be ethical and a second will increase its profit, it will choose the latter option, which is fatal for long-term business, because such things as brand, image and reputation deliver better long-term profitability and it is impossible to achieve without CSR.

Akgeyik (2005) claims that CSR is becoming more and more significant for corporations because of the modern perception that a sustainable business is the most successful one and it is impossible to reach the company's goals by short-term profit maximizing; therefore, it is important to focus on long-term responsible behavior through CSR.

It is worth emphasizing that although many consider CSR to be a modern trend, some of the business practices under the "CSR" title today are not new. It has been a practice for more than a century that companies did philanthropic activities, especially in terms of donating money and sending experienced workers to less developed places (Murray 2003). But since the 1980's, corporate social responsibility has become one of the main attributes of business (Akgeyik 2005).

CSR's adoption by a large corporation is also a result of competitive isomorphism, which means that organizations accept the structure of the most efficient organizations in order to achieve the same level of success as the latter do. If the most successful company is getting governmental rewards, then other large companies copy its structure in order to get the same rewards (DiMaggio and Powell 1983). If one company is more environmentally responsible than others and it gets governmental recognition because of that, then the other companies will try to become more environmentally friendly in order to achieve the same level of success as their competitor. Necessity of CSR is not even about competition or desire to be a successful company, but, as Colliera and Esteban (2007) put it: "CSR is not an optional extra", because all businesses are responsible for their impact on stakeholders now and in future generations. This is even more important when talking about companies which operate on a transnational level. When large companies operate globally in a multinational context, CSR must be put in a very effective way, because it is local staff that has to make decisions "without the benefit of consultation" and it is difficult to influence these decisions without a good CSR strategy (Colliera and Esteban 2007).

Many NGO's – for example "Friends of the Earth" – refuse to accept the term "CSR" as they do not believe that socially responsible behavior can be implemented on a voluntary basis. They state that CSR is also a rebranding of common business donations (Murray 2003). Nevertheless, in fact CSR includes many more responsibilities than charitable donations, as Murray (2003: 8) puts it, "Corporate social responsibility is about how a company manages relationships with all its 'stakeholders', whether staff, shareholders, consumers or the communities in which it operates". As Vickers (2005) puts it, business ethics is responsible for keeping the balance between the needs of the organizations' shareholders and stakeholders as these needs are usually in conflict with each other.

It is arguable that CSR can never be taken seriously by companies as long as it remains voluntary, because for most organizations CSR is "no more than a cosmetic exercise, designed to ward off the

threat of new legislation" (Murray 2003, 9). For instance, there is a study on the business case for Corporate Sustainability, where it is investigated that Business Case for Sustainability may exist, however in practice it is usually weak and in most of the cases it is limited to the reduction of operational risks (Salzmann *et al.* 2005). Therefore, as long as CSR remains voluntarily, company does only minimum of what it actually could do in framework of its CSR.

2.2.4 CSR's environmental aspects

When talking about corporate social responsibility in recent years, one of the main issues that come into mind is environmental responsibility. As Barry (1998) argues, corporations are seen as first culprits of environmental degradation because of their capitalist motivations' self-interest and the desire for profit. Talking about such an issue as "self-interest", it must be emphasized that environmental ethics requires individuals to change their personal attitudes towards the environment, to be more concerned about the values that they share with others than about profit (Barry 1998). Barry claims that employees should know what the consequences of their behavior in the corporations are and what kind of impacts it might have on the environment.

Some (Zuzworsky et al. 1995) consider that taking into account the current environmental situation of the planet, any business decision will affect human health and human well-being. CSR and its environmental responsibility can minimize the environmental damage that the company's activities create and the larger is the corporation the more opportunities it has to pay attention to its CSR. According to Brammer *et al.* (2006), the size of the company is an important factor on a company's ability to develop its CSR.

Talking about environmental responsibility of corporations, Chryssides and Kaler (1996) consider that sometimes it is difficult to decide what exactly is meant by environmental responsibility, because it is not clear which issues are included in the term "environmental". As they argue, it is not clear if health and safety issues can be considered 'green' and if so, it is not clear if the

company can be considered environmentally responsible if it lets its employees sit in front of unprotected screens without trying to install filters which could reduce the risk of radiation. Vickers (2005) states that "sustainability" has become quite popular among corporations in recent years, because of the keen necessity to balance the environmental needs of business and society, and one of the aspects of sustainability is its environmental part. As he states, modern global development will significantly increase environmental impact of business (Vickers 2005). Therefore, environmental responsibility of corporations will become one of the most significant aspects of worldwide CSR. Engle (2007) states that environmental responsibility of the company is one of the main parts of CSR. Talking about any kind or responsibility of corporations, it is worth studying who takes the responsibility in CSR: individuals or companies themselves? The next subsection is analyzing this issue.

2.2.5 Who takes the responsibility in CSR?

One of the core reasons behind the difficulty of understanding human behavior within corporations is the fact that corporations are understood as an entity, which can act intentionally and have a guilty mind (Barry 1991). It is important to emphasize that business ethics is based not only on individual conduct under basic ethical norms but on special duties of a non-contractual type that belong to the business enterprise. According to Barry, "the corporation is being treated not merely as an aggregate of individual agents but as (almost) a biological 'entity', a moral agent that can be the subject of praise and blame" (Barry 1991, 25). Beyond excluding individuals' ethical norms from ethics of business enterprise, this issue also creates a problem of adding responsibility of business to people who work for it.

Therefore the main problem for traditional liberal individualist ethics and economics is that individuals do not feel any responsibility for a corporation's wrong behavior (Barry 1991). Liberal political philosophers usually used to attach such notions as justice and responsibility only to individual actions and that is why they considered that the statement that corporations can act as an

entity and that they can be seen as moral agents, is morally wrong (Barry 1991). The fact that entities such as societies and nations can actually act and be seen as a moral agent only shows in the eyes of liberal theorists that individuals use such entities to evade moral responsibility for their own actions, which is very true for corporations. Moreover, according to Chryssides and Kaler (1996), it is impossible to pass responsibilities to corporations because corporations do not have intentions, it is people who do. As Chryssides and Kaler put it: "without that ability any attribution of moral responsibility is nonsense" (1996, 238), because we cannot add moral responsibility to something that does not have any intentions just as we cannot add moral responsibility to machines. As Friedman (1970) puts it, the corporation is an artificial person and therefore its responsibilities are also artificial, while only real people can have real responsibilities. And at the end of the day, someone should carry responsibility for a corporation's wrong behavior and this someone is not a robot or abstract notion of a "corporation" entity, but a real person. Despite that Dobson and Sabino (1995) claim that it is wrong to assume that managers of corporations can carry the whole responsibility for their corporation's ethics, because they are responsible only to shareholders, who, in turn, can be held responsible by other stakeholders, Barry (1991) states that usually it is the Board of Directors which carries responsibility for the corporation's behavior. If any wrong action of a corporation has to be sued, it is the Board of Directors who will face the problem not other employees. But the structure of the corporation should be organized so that all employees carry responsibility for the corporation's wrong behavior (Barry 1991).

When we talk about managers and executives, it is important to keep in mind that these people are not only "corporate managers" and "executives" but also individuals with their own rights and lives. The corporate manager, as an individual, has his own responsibilities beyond his responsibilities within the corporation. He may have responsibilities to his family, his country, his church, his friends and his religion. He can refuse to work for a particular corporation if he feels that his responsibilities to the corporation compete with his responsibilities to his religion and

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church (if the latter is higher in his priority list). He also may spend his own money on charity events, which might be seen also as social responsibilities. However, in this case he acts not as an agent but as a principal, because he is spending his own money, not the money of the corporation. And if his actions, described above, can be seen as social responsibilities, then these are responsibilities of an individual, but not of the business (Friedman 1970). Friedman disagrees with individuals having responsibilities for the company as he does not believe in CSR at the company at all. However, according to Barry (1991), CSR must take place in the company and the core mechanism of CSR's development and improvement is people, and it can never be achieved ideally if employees do not feel responsibility for the corporation's wrong behavior.

Barry (1991) emphasizes that the behavior of individuals is not the same within corporations as their behavior in their outside life. He states that the lives of corporations transcend the lives of its members, where individuals do things, right or wrong, that they would never do outside of the corporations.

For Friedman (1970) it is not even necessary to transfer responsibility to the corporation as he considers that a corporation's ethics may differ from that of the commonly accepted, which does not make it worse than the latter. He considers that sometimes self-interest, which drives the public good, is moral in business relations. Friedman's idea of ethics is very similar to that of Adam Smith's. He also believes that behavior of profit maximizing is not opposite to general ethical norms. Friedman (1970) states that the responsibility of business people is "to conduct business according to their desires, which generally will be to make as much money as possible while conforming to the basic rules of society, both those embodied in law and those embodied in ethical custom". Nevertheless, Dobson and Sabino (1995) argue with that; they state that people as individuals can have a strong sense of what is morally right and morally wrong when it is related to their own personal actions, but it is not the same when they are representing a corporation as its members, because in this case they are responsible not only to their own sense of morality but also to others. Vickers (2005) assumes that spirituality in the workplace will grow quite fast in the

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following years and strong spiritual values can help to avoid ethical cynicism in the corporations and therefore will encourage ethical behavior in organizations more: even if employees cannot carry a corporation's responsibility by themselves, their ethical behavior will make them responsible for a corporation's wrong behavior anyway.

Barry (1991) underlines that corporations have a life apart from the lives of its members as individuals and the identity of corporations cannot be build on information about its members' identities. Nevertheless, it does not mean that the corporation itself carries all responsibilities as a 'person', which exists separately from its members. Sometimes corporate executives are placed in a situation where it is difficult to decide between loyalty to the company and basic common morality, but this does not mean that the problem has to be solved by transferring responsibility to an artificial agent. Individuals may not feel strong personal responsibility for a corporation's activities, because they cannot be responsible for the whole corporation on an individual basis. However, they do have responsibility all together as a corporation. (Pettit 2007). Pettit calls this *incorporated responsibility.* According to him, a corporation is anyway fully responsible for its activities and it consists of its employees. Pettit's main approach is that "no incorporated agency without incorporated responsibility, and this even when individual responsibility is diminished" (Pettit 2007, 172).

Pettit (2007) tries to investigate if individuals are fit to be held responsible for organization's activities? First of all, he gives a definition of what it means to be held responsible. According to Pettit, considering someone to be responsible means that if something bad was done then it is this person who must be blamed, and vice versa, if something good was done then it is this person who should be praised. Furthermore, someone can be responsible only if he fits all conditions that can make him responsible for something. Pettit (2007) emphasizes three conditions which can be indicators of someone being suitable to held responsibility, namely: *value relevance, value judgment* and *value sensitivity.*

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He draws these conditions not only for individuals but also for groups, because a group also can be considered to be responsible for a corporation's activities if it meets the conditions mentioned above. By value relevance – Pettit means that the group is an independent agent and it faces a value-relevant choice where they can act well or badly; value judgment means that the group understands that it is able to judge about the relative merits of these choices; and value sensitivity means that a group is able to regulate its ability to choose between available options according to the judgment of the values of these options. Anyway a group consists of its members and therefore options are made by individuals. As Pettit (2007) puts it, members' responsibility is the responsibility of people working in the group as part of the entity which can do something right or something wrong. According to Brammer *et al.* (2006), the size of the company is an important factor on a company's ability to develop its CSR and to influence on its workers' willingness to participate in CSR activities. Therefore, it is of importance to study CSR's role in large corporations such as BP.

2.3 BP and multinational companies

2.3.1 BP from British Petroleum to beyond petroleum

BP, originally British Petroleum, is a multinational oil company, which is among the largest energy corporations in private sector (BP International 2007). It plays a key role in the countries where it operates, especially in developing countries (Skjaerseth *et al.* 2004). It has accepted more regionally focused approach since 2001 (Skjaerseth *et al.* 2004), it states that it will undertake innovative steps to build guidelines on ethical behavior for communicating with host governments and local employees. BP claims that its operations benefit the countries where it operates (Skjaerseth *et al.* 2004); as it states, its aim is to be 'a force for good'. According to Anderson *et al.* (2005), the nature of the oil industry requires oil companies to be socially and environmentally

responsible. It is worth mentioning that BP recently gained a significant support for its active involvement in environmental issues, especially in the field of global climate change, and for its contribution to CSR agenda (Christiansen 2002). BP published a Sustainability Report in 2005, which, according to David Woodward, sets the standards for transparent reporting for BP group and for the energy industry globally (COMPASS 2006). It is important to mention that Sustainability Report of BP in Azerbaijan is available in both Azerbaijani and English languages (COMPASS 2006). According to David Woodward, sustainable business is one of the key components of BP's long-term commitment (BP 2005).

Multinational oil company BP Amoco rebranded itself from "British Petroleum" to "bp: beyond petroleum" in 2000 (Beder 2002). As Beder claims, by this rebranding BP underlined that it is not only an oil company, but also energy company, which had put solar energy in its portfolio and is able to step away from oil. According to Ware (2004), BP is no longer British Petroleum focused on the UK or US, but BP is a "global corporation spanning six continents" (Ware 2004). And, as he states, what makes BP a great organization is that it builds trust and makes a significant contribution to society.

Moreover, BP also replaced its logo with a new one, which is sunburst named after the ancient Greek sun god – Helios. The color of new logo is green, white and yellow (Christiansen 2002). This logo was chosen in order to show that BP is committed to the environment and solar power (Maclean 2000).

Furthermore, BP does not use its name with the capital letters anymore. The new name suggests lower-case letters, which is supposed to show that present bp is much friendlier than the old imperialistic one (Beder 2000). BP had undertaking rebranding from British Petroleum to beyond petroleum because BP had become a global business and such identification of the company as "British" would cause problems in some operation regions (BP International 2007). Beder (2002)

wonders whether BP's rebranding and changing logo is an indicator of the company's environmental concerns or it is only BP's cynical attempt to improve its image in the eyes of modern public, which has a lot of concerns about environment. For example, there was a study of MORI by Jenny Dawkins (2005) about consumer attitudes and behavior, where it was found out that the majority of the consumers (45%) when making decisions about buying a product or service from a particular company, take into consideration if company shows commitment to social responsibility. According to Maclean (2000), a representative of Greenpeace rejected BP's rebranding by stating that BP does not stand for Beyond Petroleum, is only stands for "Burning the Planet". Here it would be of importance to mention Skjarseth *et al.* (2004), who stated that it might be dangerous for companies to make value-based statements, because if the words are not followed by actions the company may become very vulnerable to criticism.

Actually, it is worth emphasizing that BP did a lot of activities in investing in environmental issues. According to Ware (2004), as the environment is the biggest issue affected by BP's work, the company uses its skills to make the maximum benefit to environmental issues. For example, BP Solar became the third biggest producer of solar panels in the whole world (BP International 2007). Another example is that on February 11, 2007 BP claimed that it will spend 8 billion dollars over ten years to research alternative methods of fuel (BP International 2007). Moreover, Anderson *et al.* (2005) suggest that CSR is an important component of BP's strategy.

Although BP attempts to gain the image of an environmentally friendly company, there is plenty of criticism about its activities, which are actually crucial for the environment. For instance, Beder (2002) emphasizes that BP was cited by EPA toxic release data as the most polluting company in the US in 1991. Moreover, he states that BP is still searching for oil in such environmentally sensitive areas as Atlantic Frontier and Alaska. And BP's image has been damaged after the accident in Texas City in 2005, where 100 people were injured and 15 were killed (BP International

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2007). It is worth mentioning that according to Bill Schrader, ASPU (Azerbaijani Strategic Performance Unit) President, the report about accident in Texas has to bring cultural change to BP in Azerbaijan (COMPASS 2007a). As he states: BP in Azerbaijan has to ensure that behavior at BP is sustainable. According to Gulbrandsen and Moe (2007), several NGOs in Azerbaijan organized campaigns to stop the construction of Baku-Tbilisi-Ceyhan (BTC) pipeline because it was causing pollution and infrastructure damage.

 Beder (2002) assumes that BP invests more in the company's image than in solving environmental problems. According to Maclean (2000), the company spent $7 million on researching the new brand alone.

As Beder (2002) states, an oil company can make as many claims as it wants about its concerns about the environment and preventing global climate change, but it will do its best to ensure that there is always a possibility to "go on drilling for fossil fuels and expanding its markets for them" (Beder 2002). The existence of controversy here highlights value of research into CSR in BP.

Mark Ware, group vice president Communications and External Affairs of BP made a speech on November 7, 2004 in the European conference on Corporate Social Responsibility in Maastricht. In his speech he basically explained what CSR is in the view of BP. Why BP pursue responsibility at all? As Ware (2004) state, the first reason is need for principles and the second is desire to achieve sustainability in BP's business. BP does not exclude profit-making from its CSR strategy. BP is aware of stakeholder concerns about social issues, therefore it can be said that BP is aware of the benefit of CSR not only to reputation but also to profit (Anderson *et al*. 2005). According to Ware (2004) BP spends a significant part of its profit on social activities. For example, if BP makes a profit of one and a half million euros per hour, it spends four million euros per hour in such duties like taxes, and therefore if BP stops making profit, it will be irresponsible to its stakeholders (Ware 2004).

Opinions about BP and its social and environmental responsibility are very various. It arises from the fact that sources where BP is mentioned are either pro-BP sources, such as Mark Ware (Group Vice President Communications and External Affairs of BP) and Bill Schrader (Azerbaijani Strategic Performance Unit President, BP), or anti-BP sources, such as environmental NGO statements (Greenpeace). However, there are not much independent neutral opinions about BP and its CSR and it adds value to the current study.

2.3.2 Specifics of large companies in the developing countries

There are quite a few studies about multinational companies in developing world (Anderson *et al*. 2005) and a significant number of them are questioning whether investments by oil extractive companies bring positive outcomes for developing countries (Skjaerseth *et al*. 2004). Ware (2004), BP's representative, mentions that despite the fact that countries with a presence of oil usually are not developing effectively, BP aims to prove that energy industry can contribute to a country's development. Brammer *et al.* (2006) state that the more geographically diversified a company is the better it is in its CSR performance. Nevertheless, Skjaerseth *et al.* (2004), who suggest that developing countries, which are dependent on oil not only do not develop performance on main social indicators, but even prevents these indicators from developing; they assume that there might be a significant correlation between inflows of oil revenues with the corruption in developing countries, which leads to poor social improvement of these countries. For instance, according to Gulbrandsen and Moe (2007), such phenomenon as 'resource curse', which means that high revenues from oil industries come together with corruption and poor development of the remaining sectors of the economy other than oil. However, Anderson *et al.* (2005) state that a mandate of Oil Company is not the same as that of government and an oil company cannot take more care on socially responsible issues than the host government does.

According to Gulbrandsen and Moe (2007), oil revenues do not contribute to non-oil sectors of the economy and benefits are not distributed among the country fairly, and multinational companies

with wide CSR agenda in macro-level issues should have to ensure that revenues from their activities benefit society of the host country (Gulbrandsen and Moe 2005).

Taking into account all facts mentioned above, Skjaerseth *et al.* (2004) claim that CSR is "an emerging challenge" that most of the largest oil companies believe to be extremely important in the up-coming years. As Ware (2004) puts it, companies should be socially responsible if they want to be great companies. In order for company to be successful in its CSR, it is important that the company involves all of its employees to its CSR activities. Therefore, it is especially important to study humans in organizations.

2.4 Humans

2.4.1 Humans in organizations/Human behavior

It is important to study humans, their behavior and values, in order to understand the business ethics conception and how ethics works in organizations. Organizations consist of technology and people, where people are much more complex than technology. The main difficulty arises from humans' behavior, which is very complex because of people's deep-seated needs and personal values (Davis and Newstrom 1989).

Organizations employ not only a person's professional skills or his brain, but actually a whole person (Davis and Newstrom 1989). People are more or less the same in many senses; however each person is also very individual and different from everyone else. Each person has a billion brain cells, the number of possible combinations of connections is enormous and bits of experience are stored inside, which means that it is simply impossible to find two totally similar individuals in this world. In scientific language it is called the Law of Individual Differences (Davis and

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Newstrom 1989). Therefore, it is impossible to expect each individual in the corporation to have the same values and to behave in a totally similar way.

Individuals' behavior is driven by personal values (Hemingway 2005). According to Hemingway, value is an enduring prescriptive belief that a particular behavior is preferred to an opposite behavior.

Not only must differences in values of individuals be taken into account, but also the capability of individuals to apply their personal values in their work in corporations. It is difficult to apply traditional moral principles to commercial life because of businesses' specific circumstances (Barry 1998). Not all human needs can always be met simultaneously because some of them compete with each other (Azqueta and Delacamara 2005) and it may create a big dilemma for employees of big corporations: to choose between prestigious work in a huge corporation with reasonable salaries and ethics and personal values. Furthermore, the standards and values of corporations are conflicting with the morality of the public (Barry 1998). The latter is closely linked with *deontology* which means that human behavior can be wrong even if it results in a good outcome, this theory does not believe that the end always justifies the means. For public morality some actions are just not 'right' and it does not matter what kind of consequences – good or bad – they will bring. However, in business it is important that actions lead to positive consequences – these kinds of actions are seen as morally right ones by business ethics. Cultivation of such common moral values as self-sacrifice, honesty, and charitable instinct is often difficult within business because of its competitive impulse (Barry 1998). Nevertheless, do employees feel comfortable with business ethics when it competes with their personal values?

Conformity plays an important role in personal values' application in corporations' activities and even in shaping personal values. Conformity itself means "dependence on norms of others without independent thinking" (Davis and Newstrom 1989, 414). Some individuals depend on the

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corporation so much that they can accept the corporation's values even if these values have nothing to do with their own.

Values of individuals are often closely linked with the society and its values. Here it makes sense to mention shared beliefs, which is, according to Bar-Tal (2000) something that are socially constructed. When individuals shape their beliefs, they share the ideas about these beliefs with other members of the community by talking about them and writing about them. According to Osteraker (1999), values and beliefs are based on information, which people get from the communication with other people. Individuals can spend a lot of time just expressing their beliefs and accepting others' beliefs; the most important are those beliefs that are shared by a concrete group, for example at a work place. According to Bar-Tal (2000), expression of social identity is based on sharing beliefs. People accept these beliefs as their social identity by becoming group members. As Bar-Tal (2000, 5) puts it "it is a process of depersonalization in which group members transform their beliefs so they are governed by an in-group prototype and not by their distinct biographical experiences". People include in their in-groups those who are share a "common fate" with them (Triandis 1994).

Bar-Tal (2000) argues that awareness of shared beliefs is very important because it gives to individuals a confidence in these beliefs and gives a sense of similarity with the other group members. Therefore, awareness of shared beliefs makes it more possible that individuals will behave according to their values. People feel more comfortable to apply their values in work when they know that their values are shared with other members of the group, it motivates them to apply their personal and shared values at their work in the corporation. Therefore, motivation of individuals at work needs special attention in this research.

2.4.2 Motivation at work

Many ancient philosophers, such as Aristotle and Plato, based their ideas about human nature on the assumption that people are rational beings and their behavior is mainly driven by desires and especially by the capacities to realize their desires. Human "will" was considered to be a center of human motivation and behavior for a long time (Cherrington 1989). It is people's goals, needs and desires that motivate them to act in a certain way (Maslow 1970). As Peters (1958, 27-28) puts it, motives are "a particular class of reasons, which are distinguished by certain logical properties". He claims that motive can be explained as the end which can explain human behavior. According to Colliera and Esteban (2007), motivation is contingent on the answers to the following questions: 'why I am doing this?' and 'what do I hope to achieve?' As he puts it: "goal setting is a key element in motivation". Durkheim (1993) states that motives are led by feelings, which are based on mental images. In cases when people are not sure what is the right thing to do or when conflict among their obligations occur, it is motives that lead them to behave in a certain way (Durkheim 1993).

Employees' motivation is an important part of this research because employees have to be motivated to deliver on CSR requirements (Colliera and Esteban 2007). Maslow (1970) states that the first thing in understanding people's motivation is realizing that a human is a complex and organized whole. Hemingway (2005) claims that the notion of a values system reflects the idea of values' prioritizing. It is important to understand that it is a whole person that is motivated by something to act in a certain way, not only one of his parts. For instance, if John Smith is hungry – it is John Smith as whole person who is hungry, not only his stomach. Only a single desire for food can change a person's values at a given moment. Thus, hunger can motivate person to hunt for food and it will make him indifferent to something like solving an algebraic problem (Maslow 1970).

In order to study motives of people in organizations, it is worth finding out the reasons why people are working at all. Why do they become members of organizations? Akgeyik (2005) states that employee motivation is a core strategic objective of any organization's HR function. It is true that the main goal of people being involved in the organization is self-interest; they work mainly because they want to earn an income. Therefore, employers motivate their employees by a salary. However, when employers motivate their employees by profit in order to make them work hard because of self-interest, there is a risk that such motivation might have ethically significant implications, such as lack of moral responsibility to the society and environment (Maclagan 1998). It is considered that profit is the bottom line of people being involved in the business, because profit is basically the main aim of business and it cannot survive without it, and desire for profit is the best mechanism to improve its effectiveness (Chryssides and Kaler 1996). Despite the fact that Barry (1998) states that in fact it is impossible to change individuals' attitudes without motivating them by profit, Steers and Porter (1991) argue that simplistic guidelines with a basic point of "economic man" are not sufficient anymore as a ground for explaining human behavior at work. Nevertheless, Vroom (1932) disagrees with this point and claims that it is difficult to deny the classical conception of "economic man", because of the significance of economic consequences of human activities. As he puts it, 'despite the old saying that "money can't buy happiness", it can be exchanged for many commodities which are necessary for survival and comfort' (Vroom 1932: 30).

Vroom (1932) states that if one asks people directly why they work at all, most of them would probably answer in a simple way, explaining that they work basically because "there is work to be done, because they like work, or because they need to earn a living" (Vroom 1932, 29). Although people are honest with their answer, this answer is too simple because in fact they are pushed to work by more complex motives (Vroom 1932). Osteraker (1999) underlines several motivating factors at work as the main ones, such as communication, feedback, acceptance, feeling of solidarity and so on.

Income is not the only motivation of people in organizations. Feeling of being involved in an important activity and feeling of identity with the other employees is also a good motivation for the employees (Maclagan 1998). Being involved in an important social activity gives people a social status, which is essential for people, because other people respect the individual according to his/her occupation (Vroom 1932). Vroom states that people also gain moral satisfaction from work.

After all, the word 'motivation' has the same origin as the word 'emotion', they both come from the Latin word 'movere' which means 'to move'. And it is not only money that 'moves' people to behave in a certain way and to do the certain things (Maclagan 1998). Individuals in organizations gain a lot other personal goals rather than money. They pursue some selfish goals, some altruistic, some messianic and so on (Maclagan 1998).

Cherrington (1989), investigating Maslow's position regarding money, found out that Maslow does not consider that money can be motivator for people at work, because according to him only physiological and security needs are directly related to money and they are not high-level needs. For Vroom (1932) two main conditions make people work. The first is the economic condition, which means that there must be opportunities to work; there must be job places which have to be occupied by society members in order to produce necessary goods and services. The second one is motivational, which means that working must be more preferable than not doing so. For example, Maslow (1970) states that human behavior is led by certain main needs, which are divided by him into: physiological needs, safety and security needs, social needs, ego and esteem and self-actualization, where self-actualization can be achieved through work.

The word 'motivation' is mostly used in cases where individuals' or group's actions must be not only explained but also justified (Peters 1958). Steers and Porter (1991) try to understand human motivation through the following factors: what energizes an individual's behavior, what his/her

behavior leads to, and how his/her behavior is maintained. He claims that all of these factors are essential for understanding human behavior. The first shows what makes an individual behave in a certain way, what is the core factor of his behavior. The second shows that human behavior is always directed toward something concrete, it is usually not-spontaneous, but very aim directed. And, the final one shows that there is a system orientation in human behavior. Generally, the broad model of motivation, according to Steers and Porter (1991), includes needs or expectations, behavior, goals and feedback. Different authors divide motives differently, for example Durkheim (1993) divides motives into those that are led by immediate goals and those that are led by ultimate goals of human behavior, "the ideal destiny of humanity (Durkheim 1993, 112). The later, according to him, has a significant impact on human's ethical behavior.

The principle of hedonism is considered by most psychological theories (Osteraker 1999). Generally, it states that people try to behave in a way that will maximize positive results for them and minimize negative results (Steers and Porter 1991). Vroom (1932) argues that hedonism makes people choose the action which will probably increase pleasure and decrease pain; he states that hedonism is the basic principle for most of the modern conceptions of motivation. It means that people's desires are the main factors of human's motivation. Maslow (1970) claims that all people's desires and motives are closely interconnected. Once a human achieves one of his desires, immediately another − higher one − arises. Thus, he states that when person wants something in itself, like composing music or caring about global problems, it means that all of his other basic needs, such as food and sleep, are already satisfied. Linking this opinion with the theory that each individual in the company can influence company's CSR, it seems likely that only those individuals among employees can positively influence CSR's development whose basic needs are satisfied, because CSR requires some voluntary involvement of employees in social activities, which is impossible to achieve when employees' basic needs are not satisfied.

Generally, Vroom (1932) includes the following factors as the main motives for people to work: desire for income, need to expend energy, desire to be involved in production of goods and services, desire for social interaction and desire to have a good social status. Talking about social status, it is worth underlining Durkheim (1993), who argues that all motives of ethical behavior are a result of the solidarity in the society which binds people to be a part of totality which exists in indefinite image. Therefore, as people can be considered as part of one entity, the attention also must be given to the collective mind and behavior in organizations.

2.4.3 Collective mind and behavior in organizations

Turner and Killian (1972) claim that collective behavior can be understood also as crowd psychology. It is important to differ individuals' personal psychology from psychology of the collective; sometimes people behave differently in the groups than they would behave by their own. Turner and Killian argue that usually collective behavior consists of application of commonly accepted standards by big group of people at the same time. It is composed of individuals' interacting among each other and behaving according to the group's values and ethics. Therefore, it is more complicated to study collective behavior than individual behavior because the former is a combination of so many values and psychologies.

Organizational behavior is the behavior of members of an organization as a group that is based on strong traditional rules (Turner and Killian 1972). Vroom (1932) states that work is a social activity, because it involves social interaction with other members of the work and includes sharing of values and principles. Turner and Killian (1972) suggest that collective behavior is normally caused by a group mind, and they attempt to find out if the group mind is something different than the sum of individuals' minds. According to Weick and Roberts (1993), the group must be seen as

result and condition of individuals' actions. The action of the group usually achieves a result which normally would be achieved if people would act under the control of one center, which must be well designed, so that it works correctly and is not dependent on the stability of the organization's environment (Weick and Roberts 1993).

Individuals interacting with each other closely and in close relationship with each other establish a single memory system, which consists of differentiated responsibility to memorize variable parts of common knowledge and experience. By doing that, each member of the group remembers only some parts of the common events and then relies on other group members to remember the remaining details of these events (Weick and Roberts 1993).

Explaining group mind, Weick and Roberts (1993) focus on the forms of connections among people and they describe mind as activity rather than describing it as an entity and focusing on the strength of connections among people. Therefore, they avoid the term "group mind" or "organizational mind" and use term "collective mind", because, according to them, the word "collective" refers to people who are acting as if they are members of one group. It is worth emphasizing that people's awareness about being a group member can change their behavior a lot – with a bad as well as with good consequences. When people are aware that they are part of the group, they act with more care because their actions can influence other members of the group (Weick and Roberts 1993), which establishes something called "collective mind". Collective mind is based on the connections of individuals' distributed activities (Weick and Roberts 1993).

2.4.4 What scope is there for individuals to shape the direction of corporation? And, conversely, to what extent do corporations "mould" their employees?

Sometimes people want to work in an ethical way, but then they risk losing their job places and therefore risking their well-being. Sometimes, in some profit-oriented organizations, "ethical

cynicism" makes employees avoid applying their "ethics" at their work at corporations (Vickers 2005).

A corporation's culture plays a significant role in shaping its employees' ethical behavior. Employees' commitment to CSR can be influenced by corporate contextual factors and by perception of employees of CSR (Colliera and Esteban 2007). Therefore it is important for corporations to create an ethical corporate environment which will encourage employees to behave in the best way (Vickers 2005). Colliera and Esteban (2007) claim that it is employees who can implement ethical corporate behavior at the company in an every day working life and company's success in ethical behavior depends on the employees' willingness to collaborate. Akgeyik (2005) also suggests that one of the key roles of CSR is employee teamwork development, which is very beneficial for the organizations. As most of the CSR projects need volunteers to work cooperatively in teams, it leads to the effective learning success stems, creating clear aims, trusting each other. It helps to manage human behavior at the company.

Vickers (2005) tries to investigate the role of Human Resources (HR) in shaping employees' ethical behavior in organizations. He picks four responsibilities of HR in this issue, namely: members of the HR department must establish ethics as a high priority of an organization's goals; members of the HR department must include ethics in the leadership selection and organization's development processes; HR must make holding the right programs and policies possible; and, finally, HR itself always must behave according to ethics. Roberts and Tang (1995) try to investigate how organizational characteristics shape attitudes of individuals' behavior at work. It is important to find out to what extent individuals identify themselves with the missions of the organization they work for, at which point they accept organizational goals as their own. Robertson and Tang (1995) consider that it is not only the individual's personal commitment to the collective arrangements, but also existence of the conditions which can encourage or discourage individuals to behave in a way

that is best for all group members. Furthermore, employees will identify with the organization if they accept organization's values and standards (Colliera and Esteban 2007).

Moreover, the higher is the commitment of the individual to the organization, the more he/she will try to behave in a way that will bring the best results to the organization. Commitments motivate members of the group to act in a way that will bring the maximum benefits to the group. Steers and Porter (1991) explain organizational commitment as an individual's psychological linkage to the organization, which consists of belief in the values of the organization, a sense of involvement in achievement of organizational goals and so on.

Akgeyik (2005) states that one of the most effective tools of involving employees in CSR activities is rewarding them. Rewards inspire and motivate employees to participate in CSR activities. As he claims, organizations with CSR programs should encourage their employees to spend their time and energy to CSR's voluntary programs by rewarding them by recognition awards or some special gifts. In fact, there are a lot of methods of involving employees in CSR's voluntary activities by different kinds of rewards, examples being: certificates of recognition, recognition in public events, financial awards, certificates, oral or written thanks, employees communication and small gifts like a t-shirt, coffee mug, pen and so on (Akgeyik 2005). From the study made by Akgeyik (2005) it seems that most of the companies understand the necessity of rewarding their employees to participate in the CSR program's activities and 50% of the studied companies stated that they actually do reward their employees in order to make them participate in CSR activities voluntarily and usually it is difficult to involve people in voluntary activities, because at most cases the main motivation of people at work is self-interest.

And usually people's unethical behavior in organizations is explained by self-interest. In fact a person's behavior is led by his/her personal characteristics, social relationships and the system of the organization where he/she works (Sims 2003). Therefore, Robertson and Tang (1995) state that employees' commitment to organizational values depends very much on organizational structure.

They suggest that the best way to involve employees in commitment to the organizational goals and values is well structured arrangements which allow decentralization, participation and development of horizontal relationships in the organization. According to Robertson and Tang (1995), this will motivate employees' willingness to participate in organizational goals' achievement. If all members of organizations can participate in an organization's decisions making, it will shape organizational decisions according to its member's values. This in turn will improve members' commitment to organizational values even more because then those values will be similar to employees' personal values.

2.5 Value of the current thesis

The literature reviewed above was mainly focused on CSR and especially on employees' role in its establishment and application. Employees as individuals have also been discussed by a variety of authors, individuals' approach to the company, their influence in its activities, and their motivation at work and so on. It is important to study employees' influence on company's CSR development through studying their own approach and feelings about the idea of CSR. There are some studies done about attitudes of managers toward CSR, which provide some insight into managers' views and opinions on business case for corporate sustainability (Salzmann *et al.* 2005). There are also some empirical researches based on employees' values. For example, there is a study about a leading UK multinational company Corporate Knights Inc., which investigates how much CSR is driven by personal values. However, this study is also focused on company's managers' values and it is investigated what are the impacts of managers' personal values on company's CSR (Hemingway 2005). Additionally, there is a test case of the potential and limits of the CSR agenda of BP in Azerbaijan, based on interviews with representatives of oil companies in Azerbaijan, independent experts NGOs (Gulbrandsen and Moe 2007).

Nevertheless, even if managers can be considered to have more influence on CSR practice in the company, it is not only them who have a significant impact on company's overall activities in the end of the day and therefore it is also important to investigate other employees' opinion about CSR strategy in their company and to find out to what extent they are willing to participate in CSR development. Within BP it is especially important to study a specific target group: employees of the Communications and External Affairs and Health, Safety, Security and Environment departments, because these department are the ones responsible for BP's social and environmental responsibilities respectively, and therefore CSR approach of employees of these departments is especially important in CSR adoption in the company.

Moreover, there are not much studies done on investigating opinion of BP employees' on such issues as company's ethical behavior and its CSR in Azerbaijan. And it is necessary to study CSR development in BP/Azerbaijan as BP is one of the key companies in this country and has a significant influence on society.

 It is necessary to find out how valuable CSR ideas are for BP/Azerbaijan employees, especially for targeted group mentioned above. These issues will help to investigate if employees of the Communications and External Affairs and Health, Safety, Security and Environment departments are willing to participate in CSR development in BP in Azerbaijan and if they are willing to participate in BP/CSR activities beyond their scope of work. As this issue is a very specific and sensitive one, the most effective way to study it is to investigate employees directly, through effective anonymous interviews. Therefore, the main value of this work will be deep analysis of a large corporation's employees' personal approach to the idea of CSR, especially of those ones working in the departments of Communications and External Affairs and Health, Safety, Security and Environment.

3. METHODOLOGY

This thesis is a study of ethical values of individuals working for British Petroleum (BP) in Azerbaijan and tries to investigate if and in what ways these values can influence Corporate Social Responsibility (CSR) adoption in BP/Azerbaijan. It briefly describes the company's policy regarding CSR, attempts to investigate to what extent the process of CSR adoption is improving in BP in Azerbaijan and focuses on personal moral considerations of BP employees, on BP employees' motivation at work and attempts to find out what is BP employees' personal approaches to the idea of CSR, if they feel enthusiastic about contributing to CSR's development in BP/Azerbaijan by volunteer activities and if there are motivational factors at work that push them to do so. Specifically, opinion of employees of the Communications and External Affairs and Health, Safety, Security and Environment departments will be studied in depth as these departments are the ones responsible for CSR of the company and its environmental responsibility. This thesis investigates the extent to which employee motivation can help bring about effective CSR in BP. It will focus on two aspects: motivation of the employees and their willingness to contribute to CSR development in BP.

Qualitative research is chosen in this thesis, because deep analysis of people's values and approach to such a sensitive issue as business ethics needs long and well-structured interviews, and the quality of the interviews in this issue is more important than the quantity.

3.1 Field methods

3.1.1 Data-gathering

This thesis is based on in-depth interviews with BP employees, on field notes, participant observation and documentary analysis (Taylor and Bogdan 1984) of British Petroleum in Azerbaijan.

3.1.1.1 Interviews

This research was mainly based on interviews, as this work aims to investigate employees' psychological variables, way of thinking, their motivation, approach and input to CSR development in BP in Azerbaijan. The people interviewed were BP employees; most of them were employees of the Communications and External Affairs and Health, Safety, Security and Environment departments. The focus was made on the target groups from these departments because these departments are the ones responsible for the Corporate Social Responsibility of the company and for environmental issues respectively.

Research was concentrated on a specific target group which consists of people from these two departments. Three persons were chosen from the department of Communication and External affairs and two persons from the department of Health, Safety, Security and Environment. These people were chosen based on the following reasons. This research is investigating very fragile and sensitive issues, such as personal ethics, moral considerations and applying personal ethics in corporation's activities. Therefore, in order for interviews to be successful, the interviewed people must be maximally honest with the interviewer which is difficult to achieve if they do not have any personal relations with the latter. Therefore, the author chose people mentioned above as the main

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target group of research's interviews because the author knew these people before and believes that they can be maximally honest with her.

The snowballing method (Taylor and Bogdan 1984) was also used during the interviews. The interviewer found some of the interviewees through targeted interviewees. The author explained to the targeted people what kind of people she needs to contact and they kindly provided her with information and contacts of relevant employees from different departments.

The research attempted to find out what is BP employees' opinion about CSR in BP, if they are willing to contribute to its development and if they consider that they actually have an opportunity to influence CSR's development in the company.

Interviewees were guaranteed anonymity so that they can talk openly without feeling uncomfortable about being honest about BP's work, their own opinions and feelings. Most BP employees do not want to risk their position in such a prestigious company and therefore they do not want their names to appear in the research where critical analysis of BP may appear. Although some of the interviewees did not mind their names appearing in the current research, they will also be presented anonymously in order to be fair to all interviewees.

Most of the interviews were conducted personally. It is important to mention that some of the interviews were held inside the building of BP and some outside.

In some specific cases telephone or e-mail interviews were used to interview people who were not available for personal interview in the period given for the interviews.

The form of the interviews were semi-structured, where a basic interview protocol was used as a main questionnaire, which was used in order to arrange free-ranging discussions which may flow into fields that were not necessarily targeted for investigation (Taylor and Bogdan 1984). This helped to avoid basic errors that a researcher may make because of lack of knowledge and

experience in the field of research. This kind of interview helps the researcher to develop the structure of thesis during the research, as unexpected issues come up.

3.1.1.2 Document analysis

As it is important to compare the official view of BP on such issues as company's CSR and its environmental responsibility with its practical application, a variety of BP documents were analyzed in order to compare the official view and statements of BP with its employees' ideas and approaches about the same issues. The Sustainability Report of BP from 2005 was analyzed in order to get a clear idea of what is CSR and environmental responsibility of the company for BP. BP's Code of Conduct was also analyzed and some of its statements were carefully compared with BP employees' statements about their ethical values and principles.

Moreover, in order to get an idea about BP's environmental responsibility, BP's Environmental and Social Overview on the "Baku-Tbilisi-Ceyhan Pipeline Project" from 2002 were investigated, and quite a few issues from 2006 and 2007 of "COMPASS", the BP Magazine for all who work in and for BP Azerbaijan Strategic Performance Unit, were analyzed.

3.1.1.3 Field notes

Personal investigation during the research is also very important. Field notes were taken during the interviews, especially those that were held inside the BP building.

3.1.1.4 Participant observation

There was a possibility to participate at a seminar for students and for the members of Azerbaijani Youth Movement "OL" named "BP in Azerbaijan and Transparency" in Azerbaijani language which was held on May 12, 2007. The seminar was conducted at the Caspian Energy Centre, in

Sangachal Terminal, which is "one of the world's largest integrated oil and gas processing terminal. The participant observation was made in the terminal, by participating in the seminar as a student and getting a good insider view BP employees who were presenting the company in this seminar.

3.2 Analysis of interviews

The interviews were analyzed by qualitative research methods (Taylor and Bogdan 1984). All the interviews are compared with each other and with BP's official point of view. One of BP's documents, the "Code of Conduct", was reviewed and some of its statements and claims were compared with BP employees' approaches to the same issues. Several statements were taken from the "Code of Conduct" and were accurately compared with the answers of BP employees in order to investigate how practical the "Code of Conduct" principles are, whether BP employees are aware of it, and whether they are willing to accept the "Code of Conduct" principles and values as their own.

Moreover, results of the interviews are compared with existing literature in order to find out if motivational factors mentioned in the reviewed literature are also true for BP employees' and if these factors can push BP employees to participate in CSR's development in BP voluntarily.

 All the interviewees are presented in the thesis anonymously so that none of BP employee risks his/her position and none of them faces any problem because of the present research.

3.3 Quality of data

Most of the interviewees asked for anonymity and most of the interviews were taken in an unofficial way. This fact improved the quality of data gathered, because the questions asked during the interviews were quite sensitive and it seems to be a difficult task to make BP employees talk openly about such issues as their personal opinion about the activities of the company which they work for. However, the fact that most of the interviews were taken outside of the company and in

non-working hours, people felt themselves more or less comfortable about talking honestly about BP's activities, its CSR strategy, about their personal opinion about it and about their willingness to participate in it.

3.4 Limitations of study

Two main limitations of this study can be emphasized. The first is that BP representatives decided that the researcher should interview only managers of the targeted departments, namely the manager of Communication and External Affairs department and Manager of Health, Safety, Security and Environment Department. The Manager of the department of Health, Safety, Security and Environment did not have time for the interview and sent his assistant instead of himself. The assistant of the manager of the department of the Communications and External Affairs was also interviewed and that is was it. BP representatives considered that this amount of BP employees interviewed is enough for the research.

This created a big obstacle in the beginning of the research, because a BP representative had promised initially that she would assist in every way to help the researcher to gather all necessary data. It was important for the present research to interview BP's employees in order to study their opinions and feelings about BP, its CSR and their place in the company. It was not managers who were the primary target of the current research.

To get round this difficulty, other interviews were held unofficially, outside of the company and out of working hours. The snow-balling method helped a lot in terms of getting more BP employees for the interviews.

However, though it sounds paradoxical, this obstacle turned out to be a big positive factor for the present research. As it turned out, people are able to talk more openly and honestly when interviews are done outside of the company and in a non-official way, because otherwise employees feel that they are representing the company and they do not have a right to talk on their own, whereas one of

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the key purposes of the research is to examine possible tensions between 'private' and 'company' faces of employees.

As most of the interviews were taken unofficially and outside of the company, interviewees felt pretty comfortable to answer the questions honestly; and this could be recommended as a technique for future research of this type.

A second limitation of the study was coding the interviewees in the text. Initially it was planned to code interviewees by numbers (Interviewee 1, Interviewee 2, Interviewee 3 etc.), but by the time that part of the work was done it was pretty clear that this kind of coding breaks confidentiality of the interviewees as it was possible to link several statements of one concrete interviewee with several sentences about his main job or his position and to find out who this person actually is. Therefore, it was important to remove the coding from the text and to quote interviewees more or less chaotically in order to preserve their anonymity.

4. FINDINGS AND ANALYSIS

4.1 CSR in BP in Azerbaijan

BP is the key foreign company in Azerbaijan and it is regarded as a global leader in the CSR field. Therefore, the question is what BP does to contribute to the country's development? (Gulbrandsen and Moe 2007). It was mentioned in the literature review that CSR issue became quite popular and important recently, but as Boasson and Bohn (2006) argue it is important to investigate if companies' behavior has significantly changed in their Corporate Social Responsibility and in their policy of environmental protection.

BP itself considers that Azerbaijan is a promising case to widen BP's CSR agenda (Gulbranden and Moe 2007): it states that it works on having a positive influence on issues that might be affected by BP's activities in Azerbaijan (BP 2005). According to Christiansen (2002), BP's CSR is focused on communicating with public and it pays a lot of attention to its employees' opinion about what it does (BP 2005). In this regard, BP conducts a 'people assurance survey' for employee opinion every 2 years.

BP highlights what it understands under responsibility in its Sustainability Report (BP 2005), where it states that BP cares for the long-term sustainability of its business. Contents of this sustainability report looks as the following: BP Azerbaijan SPU leader's introduction, Corporate Responsibility Framework, Achievements and challenges, report scope and process, BP Azerbaijan SPU interests, BP in Azerbaijan – responsible operations (it includes: BP Azerbaijan SPU at a glance, Environmental responsibility, security and human rights etc.) and BP in Azerbaijan – our role in society (it includes: BP and climate change, revenue transparency, regional sustainable development, educational initiatives, community and environmental investment etc). It seems that there is a significant emphasis on environment in the report.

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A Sustainability Report has been prepared by the department of the Communications and External Affairs in BP in Azerbaijan, which emphasized the main issues of BP's responsibilities. The department of the Communications and External Affairs consists of 60 people and the department itself consists of 7 sections, namely:

- Communications;

- External Affairs and Policy Forum;

- Community NGO Programme;

- Performance and Public Reporting;

- Events;

- Senior Commercial Advisor;

- Regional Development Initiative.

Two of these sections – Community NGO Programme and Regional Development Initiative – are directly responsible for company's CSR activities and Performance and Public Reporting section is responsible for representing BP's CSR. Together these three sections consist of 26 people.

Business ethics and employee behavior is managed by BP's Code of Conduct. The Code of Conduct is one of the main CSR instruments of companies (Boasson and Bohn 2006) as it is an important part of a company's macro-CSR issues and, moreover, spreading corporate values to company's employees is one of the major elements of BP's external communications (Christiansen 2002). According to the interviews, BP organizes training on its Code of Conduct to each new employee of the company. It provides its new employees with the training on Code of Conduct in the very first week of employees' work at BP so that each employee knows what BP stands for (Christiansen 2002). Therefore, it can be said that the Code of Conduct is not only an official paper that the company has but no one takes a look at it, but company really cares about integrating its Code of Conduct among its employees.

It is important to investigate how BP encourages its employees to participate in CSR activities in Azerbaijan. In this regard BP has Employee Matching Fund everywhere in the world, in which each BP employee can get up to 5000$ per year for active fund-raising. It allows employees to donate money to local charities so that they can benefit from BP's presence in the country (BP 2005). BP established a separate employee engagement strategy in Azerbaijan in 2002 in order to support BP employees to participate in CSR activities. Within this program one employee can get up to 1000$ for social activities if he explains what exactly he is going to do, justifies why it is socially important and if he proves that he already worked on this project voluntarily a particular amount of hours. If this request is provided by a group of people, then they can get up to 5000$. One of the interviewees brought an example of using this opportunity. There is a public park nearby BP's main building in Baku, the capital of Azerbaijan. This park was lacking garbage bins and trees there needed to be painted from the ground (in order to protect them from insects). Some BP employees, as participants of a youth movement, organized an activity where movement members cleaned the park, painted the trees from the ground and, moreover, they started writing a project on requesting special garbage bins for this park. BP employees, who are also members of this Youth Movement, requested a grant from BP for buying and setting of this garbage bins in this park and was awarded a grant to do so.

Additionally, BP supports employees' donation initiatives. For instance, if one employee spends 100$ for charity donations, BP adds another 100$ to it. According to BP's Sustainability Report (2005), BP spent 77,520$ on donating to local charities. Additionally, overall sum of BP's social spending in 2005 in Azerbaijan, Georgia and Turkey together is 25.45 million dollars; and in Azerbaijan alone social spending in 2003-2005 was 18 million dollars (BP 2005).

Additionally, BP (2005) states in its Sustainability Report that many of its employees in Azerbaijan participate in voluntary activities (such as helping homes for invalids) informally.

Moreover, BP emphasizes in its CSR agenda the following 5 macro-level issues (Gulbrandsen and Moe 2007):

- Engagement with the government;

- Pursuit of oil revenue transparency;

- Community investments;

- National and regional development;

- Local business development.

4.2 BP's activities in the environmental field in Azerbaijan

The nature of the oil industry requires oil companies to be environmentally responsible (Anderson *et al.* 2005). BP's aspirations toward the environment are – "no accidents, no harm to people and no damage to the environment" (BP Code of Conduct). According to the Code of Conduct, everyone who works for BP has a responsibility for getting health, safety, security and environmental issues right, and everyone who works for BP anywhere in the world has a personal responsibility to "undertake his or her duties in a safe manner at all times" (BP 2005).

There is a lot of work done by BP in Azerbaijan in the environmental field. According to BP (2005), it was decided to expand environmental investment to increase environmental awareness and education in 2005. BP decided to award 30 communities by funding for implementing projects on environmental awareness of local communities, the sum that was planned to be awarded was up to a maximum of 10,000 $.

All BP's activities are highlighted in BP's monthly magazine called "COMPASS". Among the activities BP did recently are the following. BP is committed to help the survival of the Caspian seal, which are the smallest seals in the world (160cm long and up to 100kg in weight) and are the

only ones living in the Caspian among 121 species of marine mammals globally. According to BP's report, the results of monitoring shows that BP's activities in the Caspian Sea are not affecting seals at all (COMPASS 2007e). Because a huge territory of Azerbaijan suffers from environmental degradation, BP will try to minimize potential affects from its activities (BP 2005). BP stated that "our aim has been to ensure that the offshore facilities and pipeline routes avoid areas of high biodiversity and environmental sensitivity" (BP 2005).

Moreover, BP recently assisted in the establishment of new emergency medical services in Kurdamir, which are designed to improve hospitals in areas close to the BP operated pipelines. Similar facilities are already in operation in Yevlakh (COMPASS 2007b). According to BP's magazine, BP is going to offer a better care also for local communities of Shamkir. Furthermore, BP is sponsoring two local companies to provide purified water in the Sigirli and Karrar villages of Kurdamir town (COMPASS 2007b).

Another example of BP's environmental responsibility is that BP's regional environmental compliance manager, Namig Abbasov, stated in BP's monthly magazine (COMPASS 2007f), that "waste should be treated as potentially useful material". According to him, it is one of the main environmental targets of BP for today. The recycling of non-hazardous waste has to increase by 50% over the next 5 years, "reducing the reliance on landfill sites and reflecting the company's global commitment to further lowering the environmental impact of its operations".

Additionally, BP pays careful attention to reports about its environmental activities. For instance, it prepared an Environmental and Social Overview on the Baku-Tbilisi-Ceyhan Pipeline Project in September 2002 where it emphasized all environmental issues that occurred during the project's implementation in 2002.

BP also puts significant emphasis on climate change issue and reducing GHG emissions from its activities.

4.3 What is CSR in the view of BP employees?

CSR is a company's commitment to manage its role in society responsibly, to promote and protect the common public interests (Akgeyik 2005). Each company which cares about having mutual benefits with the society has its own CSR policy which specifies in which way a particular company is going to achieve CSR and what the company understands under CSR.

Nevertheless, it is also important how the company integrates its CSR policy among its employees. As CSR's success depends on each employee of the company, it is important for the company to ensure that each employee is aware about the company's CSR, about what it aims to achieve and in which ways it is going to achieve it.

Therefore, it is important to compare BP's official view on CSR and on what it should achieve with the views of BP's employees about the same issue. Theoretically, these two views should be similar with each other. However, practically it is barely possible as people always still have their own opinion about many issues which is not necessarily the same as the company's official view.

Therefore, the interviews studied what BP employees understand under the term CSR and what they think it should achieve.

Generally, majority of the interviewees have an idea about what CSR is and in cases when they do not know what is the exact definition of CSR, they still can think about something relevant, because BP employs mainly higher educated people with various background and knowledge in various fields. It is worth mentioning that all interviewees from the Communications and External Affairs Department could easily answer the question about CSR definition, as one might expect, while most of the interviewees from other departments, including Health, Safety, Security and Environment department, asked for explanation of CSR from the interviewer.

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Only in four cases of the conducted interviews did people not have anything to say about CSR's definition, and in one of these cases the interviewee even said the following: "You know, when I read your e-mail about your research, I saw this thing "Corporate Social Responsibility" and being honest I didn't have any idea what it means. So, I googled it on the internet to find out more about it… but to be honest, even after reading some stuff about that, I didn't really get the meaning". And after a while this interviewee asked if the interviewer could explain the meaning of CSR. It seemed from the interview, that this interviewee does not really understand why the interviewer asks this question from people from the environmental department. It means that BP should take more care about integrating CSR to other departments, especially to the environmental department as employees of this department should be aware that environment is not only non-relevant to CSR, but it is one of the main aspects of CSR.

In three other cases interviewees tried to think of what CSR could mean but unfortunately their explanations failed to describe the real picture of what CSR actually means. These are employees from random departments. They just stated that they do not know what is it, and, as two of them stated, they do not consider it to be their responsibility to know the meaning of this word as it is an appropriate department who is responsible for answering these kinds of questions. Therefore, interviewees of the department of Communications and External Affairs are more aware about the meaning of CSR than interviewees of the other departments, which suggest that integration of CSR policy needs to be addressed at a higher level than it is now.

But these cases were not the norm. As was stated above, most of the interviewees could explain what CSR is. However, these explanations also varied somewhat from interviewee to interviewee. Among the answers given about the definition of CSR were the followings:

- "Corporate Social Responsibility is responsibility of international corporations to the society and the government of the country where these corporations operate".

- "CSR is when company does not work only with methods of wild capitalism, when it cares only about its own benefits, but when it works according to the local legislation, when it cares about the environment of the place where it operates, when it cares about health and safety of its workers and doesn't create conflict with local population".

- "Corporate Social Responsibility means that a company should understand that profit maximization is not the only aim of the corporation; that helping the society must be one of the main important aims of the corporations as well".

- "Responsibility of the company not to harm the place where it works and people who might be affected by the company's activities".

And, not surprisingly, the most relevant answer was given by the manager of the Communications and External Affairs department, which is the following:

"CSR is recognizing the need to ensure that there are mutual benefits from our activities".

After studying BP employees' awareness about CSR, it is important to investigate what is BP employees' personal opinion about CSR in BP and to find out if they are willing to participate in its adoption in BP in Azerbaijan.

4.4 What is BP employees' personal approach toward contributing to CSR adoption in BP?

Interviewees' answers about their approach toward CSR in BP can be divided into two groups: positive answers and negative answers. Positive answers are those where interviewees made positive statements about CSR's origin and about its adoption in BP in Azerbaijan; and negative are those where interviewees' made negative statements about CSR's origin.

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About 40% of the interviewees made positive statements about CSR's origin and most of them claimed that they are enthusiastic about contributing to CSR's adoption and improvement in BP/Azerbaijan. Quoting one of the interviewees: "Corporate Social Responsibility means that company should understand that profit maximization is not the only aim of the corporation; that helping the society must be one of the main important aims of the corporations as well". Five interviewees stated that they are willing to participate in CSR activities of BP because they can contribute to Azerbaijan's society through those activities and they are willing to do it voluntarily because they care about destiny of their country and nation".

However, despite these positive answers, some employees are not concerned about CSR and environment at all and others do not see CSR as something positive. Some interviewees refused to answer the question about their opinion on CSR and its success in BP in Azerbaijan and as one of them stated: "I am an engineer and I don't care about stuff like that". Other answers were quite negative. For instance, one of the most interesting definitions of CSR was the following: "The company needs CSR to insure itself from any kind of revolution". As the same person stated: "All of those things like CSR are nothing but hypocrisy".

This interviewee was asked about his opinion about the responsibility of the company to its stakeholders, and as an answer he stated that there is nothing like responsibility to stakeholders, that the only thing that a profit-making organization cares about is its responsibility to its shareholders and that is it. This person refused to admit that the company cares about its stakeholders at all, bringing the words of this interviewee literally, to the question "But a company cares about its stakeholders at least a bit?" he answered very cynically: "What the hell are stakeholders?" As he stated, all BP does for the local population of the places where it operates is that it provides job for local people with the minimum salary only because it is required to do so by "some international standards". The salary of these local people is "really funny" and he does not think that BP does something good by this activity.

Two other interviewees outside the Communications and External Affairs department also seemed unenthusiastic about CSR; they also stated that CSR is something that the company does only because it is required to do so, and therefore, according to them, it does only the minimum of what it could do if it were really interested in bringing benefits to the society.

It is worth remembering Murray (2003, 8), who considers that "Corporate social responsibility is about how a company manages relationships with all its 'stakeholders', whether staff, shareholders, consumers or the communities in which it operates". Nevertheless, according to the interviewee quoted above the company establishes positive "relationships" with its stakeholders in order not to be blamed by the latter. As another interviewee claimed, a multinational company's CSR depends very much on the host country and, therefore, on local stakeholders. This interviewee brought some western countries as an example and, according to him, CSR is successful in these countries, because stakeholders require companies to follow their CSR principles and norms, and the situation is different in the developing world, because such notions as CSR and environmental responsibility are not that popular in the developing countries yet.

It is important to emphasize that some of the interviewees (4 out of 25) are people who are socially active (not in the framework of BP), some of them are active members of volunteer social organizations and it seems that their concerns about contributing to the society are very strong. Although Hemingway (2005) states that CSR may be achieved as a result of personal morality of employees' who have socially oriented values, these four interviewees without any exception stated that one of the facts that frustrate them at work is the fact that they cannot contribute to society development by working for the Oil company. As one of them claimed: "I am a person who cares about the future of his country and I consider that my mission is to contribute to my society's development, but I cannot do it while working for BP". However, this person still contributes to society's development, but only as a volunteer member of social organizations, as he stated: "If this

organization would pay me some salary for that, I would quit BP and work there, but you know… I need money and I cannot spend my whole time on volunteer activities". Three other interviewees, who are also socially very active, had approximately the same statements: only need for money makes them work for BP, otherwise they would devote themselves to political or social activities. It seems that these employees are not very excited about CSR development in BP.

As was mentioned above, BP does a lot in terms of environment. But it is also important to know what is BP employees' approach toward BP's environmental responsibility. As the interviews show most of the interviewees are aware about BP's environmental activities and it can be said that their awareness about BP's environmental responsibility is much wider than that about CSR. However, it is worth mentioning that the majority of the interviewees did not mention the environment when talking about CSR. They did not mention environment as one of the key aspects of CSR, and only when the interviewer asked about environmental responsibility of the company additionally did they start to talk about it. Moreover, several employees from the department of Communications and External Affairs stated that it is better to talk to representatives of the Health, Safety, Security and Environment department when the interviewee asked them about the environmental aspects of CSR. It seems that integration of CSR is not perfect among departments.

As this research focuses on two levels of approach to business ethics (obligatory and volunteer), both of these levels are analyzed in the research. Obligatory approach to business ethics is expressed in the 'Code of Conduct' and therefore it is studied how the interviewees accept values and norms set in the Code, while volunteer desire to participate in BP's CSR activities is studying by investigating employees' motivation.

4.5 Comparison of the statements from the "BP Code of Conduct" with BP employees' views on the similar issues

As this research is attempting to investigate the factors that influence adoption of CSR in BP/Azerbaijan, it is important to analyze how the theoretical framework of BP's code of conduct comes along with its practical implication. As Barry (1991) states, business ethics is based not only on individuals conduct under fundamental ethical standards but on a specific duty of a non-contractual type within the company. Therefore, it is necessary to investigate whether BP employees are willing to accept the Code of Conduct, and if so, to what extent they do so. It is necessary to understand to what extent standards and values described in the Code are similar to the personal values of BP employees, because it is people who will influence CSR's adoption in the company at the end of the day.

The "BP code of conduct", called 'Our commitment to integrity", identifies ethical standards, values and behavior of BP's employees. As it is stated in the "Code of Conduct":

> "The underlying philosophy of the code is that there should be no gap between what we say and what we do".

That is exactly what this chapter attempts to investigate: if there is a gap between the Code of Conduct and its practical applications. The most efficient way to conduct this investigation is to bring some quotations from the Code and Conduct and compare it with the answers of BP employees that were received from the research interviews.

The questions asked in the interview are structured in such a way so that it is possible to find out how much the interviewees care about CSR and the environmental responsibility of the company

themselves. The questions are structured so that interviewees can talk about their motivation at work, their opinion about the company's CSR, and their priorities, in the way they want to. The first question does not give a hint that interviewees have to talk about environment or corporate social responsibility; it gives them an opportunity to talk about things that they consider their first priority. This is done in order to investigate how much those people care about the standards and values set out in the Code of Conduct.

4.5.1 Analysis of interviews – Do BP employees feel that they have significant impact on company's activities?

"Our reputation, and therefore our future as a business, depends on each of us, everywhere, every day, taking personal responsibility for the conduct of BP's business" (BP Code of Conduct).

As the Code of Conduct states, each BP employee has to feel personal responsibility for the conduct of BP's business and realize that everyone in BP has an impact on the company's overall activities, as it is claimed in the Code of Conduct: the company's future "depends on each of us". Therefore, it is necessary to investigate whether BP's employees actually feel personal responsibility for the company's activities and if they consider that each of them has a significant impact on the company's activities.

The question in the interview "What do you think is you own overall impact on the company's activities?" showed quite varying results. Generally, interviewees consider that they do have an impact on the company's overall activities and, moreover, many of them stated that this impact is quite significant. Especially people working on the sea platforms claimed that the company's success depends on them very much, because they are responsible for radioactive dangerous materials which have to be managed at a very high and professional level.

One of the interviewee said that his impact on the company's overall activities is huge because he is responsible for monitoring and transfer of highly dangerous materials. He controls radioactive and chemical products' arrival and departure and therefore he considers himself highly responsible for the safety of this process.

Some of the interviewees brought very specific examples explaining why they have a significant impact on BP's overall activities. These examples are emphasizing how a particular employee can be important for the whole company, for instance if he or she is the only one who is responsible for a particular programme or issue. However these examples are not brought in the analysis part because they might break the anonymity of some of the interviewees as it is easy to identify the employees by these cases.

Another example of a positive answer to this question is the interviewee, who considers his overall impact on the company's activities very important, because he believes that his team is influencing not only BP/Azerbaijan, but also BP operations in other countries. As one of the interviewee stated, there are already several cases when BP in Azerbaijan did something through its Communications and External Affairs department that not a single other BP filial did before. For instance, it helped local NGOs to develop a monitoring programme and did a lot for schoolchildren to increase their awareness about BP activities in a very interactive way. For instance, BP's Caspian Energy Centre with British Council organized a workshop for more than 200 children from six secondary schools (COMPASS 2007c). According to another answer, the programme for schoolchildren is in great demand and no other BP has done anything similar yet. Additionally, BP pays a lot of attention to raising awareness about BP activities among local population. For instance, the author had a chance to participate at a seminar for students and for the members of "OL", Azerbaijani Youth Movement. Seminar was about BP in Azerbaijan and transparency. It was held in Azerbaijani language and BP usually organizes it not only for students but also for people living nearby BP's terminals in Azerbaijan. BP representatives who were presenting BP and answering students'

questions seemed to be enthusiastic about what they are doing and it seemed that these kinds of seminars increase these employees' motivation at work. It seems that the possibility of doing something new, original and useful motivates some BP employees to be interested in the CSR activities of the company.

Two interviewees believe that each employee of BP has a significant impact on the company's activities, because the company's success depends on each worker and therefore each worker can add his/her share to the increase of BP's success. These two interviewees' answers are similar to the statement made in the Code of Conduct of BP. And generally, 14 people out of 25 interviewed have a positive feeling about their importance in the company and about the opportunity to influence the company's activities.

However, despite these positive findings, there are also numbers of people, who do not feel that they have any serious impact on BP's activities. 11 people out of 25 consider themselves only a tiny detail in a huge mechanism and half of these 11 interviewees do not even think that they make any difference to the company's activities. As one of the interviewees stated: "BP is such a huge company that it is easy to get lost in it and therefore I feel that there is no difference if I am in BP or not".

Quite a few interviewees claimed that they just do their job professionally, but they do not consider that they personally have any significant impact on BP's activities. Some of them consider that their job is not that difficult and therefore anyone could do exactly the same job, and nothing in BP would change. Therefore, these people do not see themselves as someone who can bring any change to the company's activities by doing their direct job.

One interesting case is an interviewee, who answered the question quite negatively, stating that he does his job professionally but he does not think that he can influence BP's final decisions;

however, he remembered one case when he actually did influence BP's decision making process and he described it in detail. The exact story of this interviewee cannot be brought because it can break the anonymity of the interviewee.

The strange thing in this example is the fact that actually this interviewee did have a significant impact on BP's decision, but despite that he does not believe that he actually has an impact on it, which shows that psychologically he cannot accept the fact of his own importance in the company even if his opinion has already been considered during the decision making process.

It does not come across with the statement in the "code of conduct" brought above that BP's future depends on "each" of its employees; this shows that the company has not succeeded in making all its workers believe in the importance of each of them.

This might be a consequence of an issue highlighted in the following statement of this interviewee. He claimed that:

> "However, I can say that BP is not democratic organization. All final decisions are made by ALT – Azerbaijan Leadership Team. ALT has a meeting every month, where it comes up with final decisions; they never ask non-ALT members about their opinion on final decisions".

It seems that the non-democratic structure of BP makes this person so skeptical about his opportunity to participate in BP's final decision making process and therefore he does not consider himself as a person whose impact on the company's overall activities can be significant. Nevertheless, it is interesting to mention that one of the interviewees when talking about his motivation at work, mentioned such factor as democratic structure of BP. He stated that it is rarely possible to find organization in Azerbaijan that has a democratic structure within it, and as BP has it, he is really glad to work for this company.

In conclusion to this part it can be said that although the majority of the interviewees have feeling that have a significant impact on company's activities, some of the interviewees still feel very pessimistic about the possibility to influence on company's decisions.

4.5.2 Analysis of Interviews – Does "location or background" make a difference in BP employees' attitude and approach toward BP's Code of Conducts?

It is written at the beginning of the "Code of Conduct" that the Code defines "what BP expects of its businesses and people *regardless of location or background*". Nevertheless, the current study shows that the background of the employees and location of their workplace play a significant role in their approach to the company's values and requirements.

The research shows that answers of the interviewees differ significantly depending on whether the interviewees were taken from the onshore or offshore employees; whether interviewed people experience in participating in any voluntary activities or not.

In this regard, interviews with the target group showed the following results. One interviewee has always had a desire to be involved in social activities and to bring significant positive change to the society that he lives in. He had been involved in many socially active movements and organizations voluntarily and had shown very active work within them. He was part of the most famous Azerbaijani Youth Organizations and was participating as a leader at some of them. It seems that this person's values are consistent with the values and requirements of the department that he works for.

However, the situation is different with the second interviewee, who turned out to be a person who was not very close to social activities before working for the Communications and External Affairs Department. This person claimed that he is working in this department accidentally (the details

cannot be given due to the anonymity of the interview). However, social issues are not the highest priority for this person and she/he stated that he is going to quit this department as soon as she/he gets the chance to do so.

These two interviewees do not have the same priorities and therefore, even if their professionalism help them to accept the values and standards set out in the "Code of Conduct", they still cannot have exactly the same approach toward the norms of "Code of Conduct".

Another good example is five interviewees from the department of Health, Safety, Security and Environment, two of whom were participating in environmental activities before their job at BP and other three of whom were not involved in environmental activities before their job at BP. This difference was vividly reflected in their answers about CSR at BP. The two interviewees, whose background was connected to the environment somehow mentioned environment as one of the key aspects of CSR, while the other three interviewees, who did not have any environmental background, failed to mention environment when explaining what CSR is.

Furthermore, the answers of the employees who had studied abroad differ significantly from those who do not have foreign education. For instance, the interviewees with foreign education could easily answer the question about CSR and environmental responsibility of the company, while the remaining interviewees found it more difficult to answer those questions; which is understandable, because CSR is a popular issue now in the western world, while in Azerbaijan this issue is barely highlighted even in the universities.

The same analysis can be made in terms of the 'Code of Conduct's requirement that each worker accept the Code of Conduct at the same level *"regardless of location"*. Comparison can be brought between BP employees who are working in the offices, for the onshore group, and those who work at the platform, spending half of each month in the sea, working for the offshore group. The

difference between answers of interviewees working on the platforms with the rest of the interviewees in Azerbaijan is clear.

Most of the employees working in the offices could comprehensively explain what CSR is according to BP's policy and how BP is trying to achieve its highest level. Nevertheless, employees working on the platforms did not seem to be very enthusiastic about BP's social activities, about CSR at all, and did not seem to believe very much in what the company is doing for the country as part of its CSR. For instance, one person, whose answers were among the most interesting, stated that CSR is nothing but hypocrisy. He stated that everything that BP is doing in its CSR framework it is doing only to meet the minimum requirements of international CSR standards and to avoid being criticized by its stakeholders. The other two offshore interviewees also seemed unenthusiastic about this issue. Due to the limitations of the current research, it was impossible to get interviews from more than 3 employees working at the platform, but none of these interviewees said anything positive about CSR. Two interviewees had basically the same opinion on this issue and the third one refused to talk about "stuff like this" at all.

Some of the interviewees that are working onshore, at BP offices, were asked about their opinion about platform employees' pessimism on the CSR issue. Most of them agreed on one point, which was more vividly described by one of the interviewees, who said that conditions of platform employees are much more difficult than those of onshore workers. As they explained, first of all, they spend two weeks per month at sea and, therefore, are apart from their families and friends for half of this time. Secondly, they usually work much more than 8 hours per day and this fact stresses them out a lot. Despite the fact that BP tries its best to provide the best conditions for these people (providing them with a gym on the platform, good services), it cannot make them feel the same as onshore employees.

Therefore, it is not very realistic to require each BP employee to follow and accept the "Code of Conduct" similarly and at the same level, because background and location of BP employees plays quite a big role in their values formation, their approach to BP's standards and requirements and in their role in CSR adoption in the company.

4.5.3 Analysis of interviews - Do BP employees feel personal responsibility to BP's activities?

As was discussed in the literature review, people do not usually feel responsibility for the corporation's wrong behavior because usually they do not consider themselves to be a significant part of it. Nevertheless, Pettit (2007) states that they do have responsibility all together as a corporation and according to Chryssides and Kaler (1996), it is people who have intentions not corporations, and that is why it is impossible to pass responsibilities to corporation. Therefore, it is necessary to find out if BP employees feel personal responsibility to BP's activities or not.

There is such a statement in the Code of Conduct as: "Stop any work that becomes unsafe". Ideally this would mean that any BP employee should stop any work that becomes somehow unsafe. However, in practice it might not work this way. It is worth investigating, how do BP employees feel about any situation like that? In case a BP employee sees that a situation becomes somehow unsafe (for instance, in terms of environment), does he/she stop the work immediately or he/she waits until the order from the management will appear if it is important to do so? Can the employee feel personal responsibility in this situation or he/she will still consider that it is the management and the whole department that cares responsibility in the end of the day but not a "simple" employee? As Barry (1991) puts it, it is the Board of Directors, not other employees, who have to face the problem of the corporation in case if the corporation is sued. However, Barry (1991) also

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emphasizes that this approach is wrong and corporation has to do its best to make all employees feel personal responsibility for the corporation's wrong behavior.

Another explanation of people feeling personal responsibility for the company's activities is their personalities. For example, one of the interviewee stated that he feels personal responsibility for the company's wrong behavior, however he also added that he always feels personal responsibility for everything he does because he feels himself a leader in each situation.

Talking about collective mind in the company, it is worth underlining the opinion of the interviewees who claimed BP is divided into two groups: local employees and foreign employees. As he claimed, this division occurs because conditions of work differ a lot, as well as salaries; therefore these two groups feel themselves differently in the company. Foreign employees may have their own common attitudes, and local employees may have their own, which can be very different from the foreigners'.

It is worth mentioning one answer which suggested that BP does not allow the existence of trade unions because it afraid of any kinds of revolution and demonstrations among workers. From the words of the interviewee who gave this answer, this fact prevents establishment of positive collective mind in the company.

Additionally, targeted group of the interviewees was asked about such a notion as "collective consciousness" and their opinion about its existence within BP. Results of these question showed that the majority of the targeted people consider that BP as a company is too large to have a group mind within it. As targeted interviewees explained, this company consists of too many employees, many of which are working in different conditions and with different motivation; that is why it is possible to have something like "group mind" only within tiny teams within huge department. As one of the interviewees explained: "Communications and External Affairs Department consists of

60 people, what kind of group mind you expect here. I think we have something like group mind within our small team, which consists of 7 people and that is it".

So far, results show that answers of the interviewees from the Communications and External Affairs department differ significantly from those of the interviewees from other departments, which suggests that division between employees of the Communications and External Affairs and employees of other departments should be drawn in order to understand if all BP employees have equal opportunities to deliver CSR.

4.6 Employees from the department of Communications and External Affairs versus other employees from random departments

As research shows, the interviewees from the department of Communications and External Affairs are more aware about CSR and its importance than the interviewees from the other departments. Only people from this department (the majority of them) were willing to answer the question about CSR directly without re-asking the interviewer: "Why don't you ask this question from the people from the relevant department?" However even some interviewees from this department also asked the interviewee why she is asking them about CSR when there are people who must be dealing with CSR issue directly. As one of the interviewee from the department of the Communications and External Affairs stated: "I am not sure if I am a right person to answer a question about CSR". Nevertheless, the majority of the interviewees from this department had something to say about BP's CSR and their opinion about it, while most of the interviewees from other departments found it difficult to explain what they understand under the term CSR, and, moreover, some people did not have any idea what the abbreviation CSR stands for. It seems from the interviews that the CSR notion is not very integrated among the whole departments evenly.

Moreover, the differences in answers of the interviewees from Communications and External Affairs departments and the interviewees from other departments are not only about awareness about CSR. It is also interesting that values of these interviewees are also different. More than 60%

of the interviewees from the department of the Communications and External Affairs have a particular interest in social activities: some of them are members of volunteer social organizations and movements, some of them are interested in charity donations, some stated that they would love to work in a non-profit organizations for society's development but they cannot afford doing so because these organizations cannot offer such a high salary as BP does. It shows that these people did not choose the Communications and External Affairs accidentally, but they are really suitable to work in this department and they can contribute to its development with their values and principles.

By contrast, almost no one from the interviewees from other departments except Health, Safety, Security and Environment department, mentioned any social activities of themselves that they do voluntarily. For example, as was mentioned above, BP has "Employee engagement program", where it can award one employee with up to 1000$ for social activities if the employee proves that he spend some of his time in this project voluntarily and only the interviewees from the department of the Communications and External Affairs mentioned this program and brought particular examples when they used this program. They used it because they participate in voluntary organizations anyway and they are interested in social and environmental development. And BP only supports their interest by awarding them grants. However, the interviewees from the other departments did not mention any case when they used this program and it is understandable: if these people do not have any interest in social development and in solving environmental problems, why would they spend their time and energy on working on social projects to make BP to give a grant to contribute to this project? What would be their motivation to do so? In this regard, special attention is given to employees' motivation at work.

4.7 Motivation of BP employees at work

The motivation of the employee is the main strategic objective of any organization's HR function (Akgeyik 2005). As analyzed in the literature review, the main aim of business is profit and the best

motivation for the employees working for the business is profit maximization (Chryssides and Kaler 1996), but as Maclagan (1998) stated, it might be dangerous if employees are motivated only by profit and self-interest, because then there is a risk that this motivation can have ethically significant implications, for example lack of moral responsibility to the environment and so on. Therefore, it is important to investigate what is the main motivation of BP employees and to find out what is the role of their motivation at work in their influence on CSR adoption in the company. According to the interviewees' answers, the main motivations of BP employees are categorized in Table 1.

Table 1. Motivation of BP employees at work.

Motivation	Interviews held outside of the company (21 people = 100%)	Interviews held inside of the company (4 people = 100%)
Money	95%	0%
A good working team	24%	25%
Prestige of BP	14%	0%
Desire to work with BP, because this company is doing something good	14%	75%
Desire to get a good experience working for such a huge international company as BP	29%	50%
BP cares about its employees (provides good medical insurance, recreations etc.)	19%	0%
BP is the only company where some people can find appropriate job according to their education	19%	25%

Results of the research showed that answers of the interviewees differ a lot depending on the place and format of the interview. Therefore, as it is shown in the Table 1, the interviewees are divided into two groups: those ones who were interviewed outside of the company, in a non-official way, and those ones who were interviewed in the company and in an official way.

Almost everyone (except one person) who was interviewed outside of the company stated that the main motivation at work for them is money. However, people who were interviewed in the company, by official permission of BP, did not mention money at all when talking about their motivation in the company. Moreover, most of the people who were interviewed outside of the company, mentioned money in the very first place when talking about their motivation at BP. In most of the cases the answer to the question "What is your main motivation at work?" sounded approximately as the follows: "High salary is the main motivation. But also…" And only after mentioning financial motivation interviewees could talk about something like enjoying working with a good team or desire to get a good experience working for such a huge international company as BP. Three of the interviewees did not mention anything else except money as their motivation at work. As they explained, they can hardly find a job in Baku where they can get more money than they are already getting at BP and that is why they are glad that they are BP employees. Even those interviewees, who had a lot to say about their frustrations at work, still were happy to work for BP because of money, and interviewees were pretty honest about that. Furthermore, some interviewees mentioned money also when answering question about their main achievement at work. As some of them stated, salary increase is their main achievement at work. Additionally, most of these people mentioned money as their very first and core motivation at work, and only after mentioning this motivation, they could talk about other "additional" motivations, such as a good team at work, desire to work in a prestigious company and so on. Moreover, some of the interviewees stated that they would rather work for companies, which are oriented towards society's development, but they have to work for BP, because money is their first motivation. Here it would be of importance to bring Azqueta and Delacamara (2005), who stat that some of humans' needs compete with each other and cannot be met simultaneously, which is true for the needs' of the interviewees' mentioned above.

Nevertheless, people who were interviewed inside the company did not talk about money at all as if high salaries of BP is something that they do not even notice and they were talking mainly about their desire to develop the country, their teams and it sounded as if these people are in the company mainly because they really want to improve CSR and environmental responsibility of BP.

A "good working team" was mentioned in the answers as one of the main motivation at work of BP employees. 24% and 25% from the people interviewed outside of the company and inside the company respectively is a significant number of people considering a good positive team one of the core motivation at work, because no one was asked directly if they enjoy working with their teams. Quoting one of the interviewee, he stated that:

> "I enjoy working with my colloquies very much. I consider that it is very important to work with people whom you like and respect. I like working with my team a lot because all of those people are professionals, they are very friendly and creative people and it is a big pleasure for me to work with them. People from my team are not usual "corporate" people. For example, the "core team" of BP is real "corporate" people, they devote their lives to BP, and all of their actions have the only intention – to make profit and to be a real BP worker, while in our team things are different. Our lives consist not only of BP, but of many other interesting and valuable things and therefore people from my team are different".

Not many people mentioned that they work at BP because it is a prestigious company. However, there were 3 people out of 25 who actually stated that prestige of BP is a factor that motivates them in working for this company. Quoting precisely the words on one of the interviewee who considers prestige of the company to be a very important thing, he states that:

> "Prestige of BP also plays a big role in our country. It is considered to be the most prestigious company to work in a whole country, which means that I am working for the best company in the country. Wherever I come people ask me where I work, and when I answer "BP", it makes me very reasonable and respectable

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person in their eyes. I can say that this motive is one of the strongest because being respectable is very important in our country".

It is also worth underlining that all of those people, who mentioned prestige of BP as one of their core motivations at work, were interviewed outside of the company and were talking about it in a non-official way. These interviews were mainly conducted in cafes and parks. None of the people interviewed in the company officially mentioned this issue in their answers.

Not surprisingly, 75% of the employees interviewed in the company officially, claimed that one of their core motivation at work is the fact that BP is doing a lot of important socially necessary job and therefore they feel that they are doing some necessary job while working for BP. For example, one of the interviewed managers of the company, made the following statement:

"Our mission here is not only about profit making, but also about helping this country to develop". In a further discussion the same interviewee said that: "If I didn't believe that positive changes in this country are possible, I would go back home immediately".

As another interviewee stated, the main motivation at work for him is belief that he can make a positive change in Azerbaijan. A third claimed that the job he does is a very important one, because BP is investing a lot of money in order to help this country to develop and, as this interviewee stated, it is an "awesome" feeling to understand that you are a part of your own country's development. Another one claimed that "the main thing is when you come at your workplace and you want to do something better. Better and better every day".

It is interesting that some of the people interviewed outside of the company also mentioned that they are glad to work for BP because it does some positive job for the country. One of the interviewee claimed that it is a "cool" thing to work as an environmentalist in the oil industry and that is why he enjoys his job a lot. Only 3 people out of 21 made this statement, but at least some of the interviewees really believe in what the company does and feel themselves a part of a positive job that BP is doing.

For many people a desire to get a good experience working for such a huge international company as BP is one of the main motivations at work. Generally, 8 people out of 21 brought this motivation as one of the main ones. As the manager of Communication External Affairs stated: "We are giving to our employees good opportunities in our department. Those opportunities are opportunities for self-development, to build international careers and so on", another interviewee claimed that a desire for self-development always must be a primary motivation in every issue. Statement of the department's manager seems that it is very true about the most of the interviewees who mentioned gaining experience at BP as their main motivation at work were people from the department of Communications External Affairs. It is also true for the department of Health, Safety, Security and Environment, representative of which also mentioned that "here, in BP, I'm cooperating with new people every day and as they learn something from me, I also learn something from them and I enjoy it very much".

Many interviewees also mentioned that BP cares about its employees in terms of providing them with medical insurance, recreational possibilities, sport club memberships and so on and this fact is also motivating them at work. It is important to underline that almost no one mentioned it as a core motivation.

One of the interesting answers people gave to the question about motivation was the answer that people are motivated to work for BP because it is actually the only company where they can work according to their education. However, it is worth emphasizing that these answers were given only by the employees who work for the department of Health, Safety, Security and Environment.

There were also were some very specific issues mentioned as motivation by interviewees. For example, one of the interviewees stated that he really appreciates working at BP, because it is possible to work without any bribes in this company which is not that common in Azerbaijan.

In order to understand better people's motivation at work, it is important to understand, what makes them happy at work and what frustrates them at work, what are the challenges and obstacles for them. Therefore, all the interviewees were asked about their achievements, frustrations and challenges at work. The answers given are analyzed in a specific way: because many of the answers looked more or less alike, they are synthesized in the groups which are given in Table 2.

Table 2. Achievements, frustrations and challenges at work of BP employees.

Question	What is your main achievement at work?		What is your main frustration at work?		What is your main challenge at work?	
		25 people = 100%		25 people = 100%		25 people = 100%
Answer	I gained professional skills	64%	I actually do not like what BP is doing	24%	I feel myself only a small part of a huge system and don't feel myself important in the company	12%
Answer	I did something really important	16%	Differences in conditions and salaries with foreign employees	16%	I think that BP doesn't care about my personal development enough	8%
Answer	My salary is my main achievement	16%	I can't think of any	28%	BP is too competitive	8%
Answer	Other issues	20%	Other issues	12%	Other issues	12%

Answers to these questions are discussed below according to their division given in the table.

4.7.1 Achievements

Gaining professional skills at BP was mentioned as one of the main achievement at work by 64% of the interviewees. This comes along with the interviewees answers about their main motivation at work, as many of them mentioned professional experience at BP as one of their core motivations at BP and not surprisingly, motivation to gain professional experience became one of the most important achievements for many of BP employees. As one of the interviewees claimed: "If you keep up in BP, you will go somewhere. I understood that there is a possibility to advance if you work hard. For me personally it is about drive and responsibility, I enjoy it a lot and it is my main achievement that I can learn more and more every day".

Answers like "I did something really important" were not met as often as the previous one did, but 16% of the interviewees brought really interesting examples of what exactly they did that became so important. For example, the Communications and External Affairs' department's manager considers that her main achievement is "building a team".

One of the interviewees from the department of Health, Safety, Security and Environment Department told a story about his experience of working with one of the platforms, which received a certificate ISO 14001, which is the main international standard, as he stated. Another interviewee from the same department feels that his main achievement is the fact that he was the only one who was sent to the United States for training on how to use "Documentum System" and after that he was the only person in the company who knew how to use it and he started integrating this knowledge inside the company. Another good example is also employee of the department of Health, Safety, Security and Environment, who feels that his biggest achievement in the company is that he is responsible for the cooperation of BP with the Ministry of Ecology and Natural Resources. As this interviewee stated, in the very beginning the government was not able to

cooperate with the company, but recently it changed its relations toward BP and it shows a significant interest in the company's activities itself, which is a big achievement in the interviewee's view.

16% of the interviewees mentioned money as their main achievement in the company. Additionally, most of them did not mention anything else but high salaries as their core motivation at BP. For example, one of the employees who works on the platform, made the following statement: "All achievements I got – is salary's improvement. And all frustrations I got – is times when my salary didn't improve. The only thing I am interested in BP is money making".

And 20% of the interviewees mentioned some other issues as their main achievement in BP, among which were such answers as: "In BP I met a person who became my really good friend".

4.7.2 Frustrations

It is important to understand what frustrating factors at work are for BP employees. Is it something that can be solved or is it something that cannot be changed at all?

It seems that the latter is supported by 24% of the answers, which were approximately like "I actually do not like what BP is doing". For instance, one of the answers was the following: "I would not like to continue working for BP always because I personally do not see myself as a corporate person. I would prefer to work for some Non-governmental organization. I think that I will bring more benefits to the society if I will work for social organizations than if keep on working in BP". Another one made the following statement: "I'm a postmarxist and I don't enjoying increasing capitalists' profit. If I find a better job, I'll quit BP". One more example of this type of answers is the following: "Frustration is that I don't feel good about what I'm doing; I feel that we are rich country, with such an amount of oil, but extracting it and selling it doesn't bring

any welfare to the country. You know what I mean, the money is going to the pocket of "big guys" but people do not get anything from this oil and that's why I don't feel good about what I'm doing".

An answer to the question about the frustrations at work like "Differences in conditions and salaries with foreign employees" was also mentioned several times (by 16% of the interviewees). It seems that some people are really frustrated with the fact that foreigner employees' salaries are much higher than that of locals and that in some cases even conditions of work differ a lot. For instance, one of the interviewee, talking about his job and about its importance, stated, that even if he does such an important job, a foreign employee gets a much higher salary even if he does not have such important issues to work with at BP. Another interviewee brought a very specific example of her job. Here are her exact words:

"…my job is writing articles. After I write the article, editors, so called "native speakers" are editing them without asking me if I like their edits or not. Yes, of course they explain to me why they edited this sentence or that one, but they do not ask if I agree with these edits or not.

So, I can't stand this fact because I feel that I am not free to express myself as I want. I consider that article writing is a very specific thing and the quality of the article depends very much on the personality of the author. It forms the style of the article. And by editing my articles they erase my style from the articles and I disagree with it very much".

Two other interviewees stated that differences in the salaries of local and foreign employees are simply not fair and this fact frustrates them a lot.

28% of the interviewees could not think of any concrete frustration during the interview and therefore did not give any answer to this question.

12% of the interviewees mentioned some specific issues when talking about their frustrations at work. These answers can be found among them:

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- "…too frequent changes of priorities. It doesn't let me to finish one job till the end".

- "When I worked in another department of environment, my main frustration and obstacle was my chief. He was very charismatic and he didn't let us, his workers, improve. I could call it the Theatre of the one actor – the actor was he himself and he didn't even want to try to involve us in the job. So, I didn't have any motivation at that department and I wanted to quit BP as soon as possible".

- "I cannot accept this style of corporate people, it's frustrating to try to adapt to them and I don't want to be like them. I will quit BP as soon as I can".

- "The only frustration is that BP supports the current government of Azerbaijan and I do not".

4.7.3 Challenges

It is also necessary to investigate what are the main challenges that BP employees have at work and to find out if these challenges can prevent BP employees from being motivated to contribute to CSR development in the company.

As the research shows, 12% of the interviewees find that the biggest challenge in working in BP is that the company is too huge, as some of the answers sounded like "I feel myself only a small part of a huge system and I don't feel myself important in the company".

Another 8% of the interviewees stated that they are not satisfied by the fact that BP does not care enough about its employees' personal development. Nevertheless, it is worth emphasizing that these statements conflict with the answers for the question about the main motivation at work. Many people mentioned that one of the motivations at work is the fact that BP cares about its employees. One of the opinions on this issue suggested as the following: "I think the HR department should work out some new system that will help the employees to become more and more professional not only in any specific realm, but all the spheres linked to the company's activities". 8 % of the interviewees consider that BP is too competitive as it employs only the most

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educated and intelligent people. That is the reason why it is difficult to build a career BP fast. But this challenge seems to be a positive one as it creates an environment of positive competition in the company.

When talking about the challenges, 12% of the interviewees mentioned some specific issues which could not be categorized in the Table 2. Some of the examples of these issues are the following:

- "It is about your personal values that you had before coming here, I think that values that are developing here in BP are developing faster than you can develop yourself. It is a limitation".

- "Sometimes I don't like that management forgets about your achievement. Sometimes it is difficult not to be lost among achievements of so many people. I think that it's the same with all big companies: it is easy to be lost and forgotten".

- "I just came back from South Africa and I saw there that people of South Africa could get much more from the resources that they have, but they do not use them in an optimal way. I think that if this nation could use its resources in an optimal way, it could achieve a higher level of development. For me it is the highest challenge, that the resources have not been used in an optimal way".

- "Well, it's tough to work on the platform, when you are away from home for 2 weeks".

4.7.4 Achievements and Frustrations at work of the targeted interviewees

It is the department of the Communication and External Affairs that is responsible for BP's CSR in Azerbaijan and that is why the interviewees from this department need special attention as the company's social responsibility strategy depends very much on them. As for BP's environmental responsibility it is the department of Health, Safety, Security and Environment which is responsible for it. Therefore, it is necessary to find out if the target group, three people from the department of

the Communications and External Affairs and two people from the department of Health, Safety, Security and Environment, have a strong motivation to do their best to improve CSR and environmental responsibility in BP in Azerbaijan. Therefore, it is especially important to investigate what are the factors that make these people "happy" at work and what are the factors that frustrate them at work and if these factors can influence their willingness to contribute to CSR improvement.

It seems from the interviews that the working environment is more positive and cheerful in the department of the Communications and External Affairs than that in the department of Health, Safety, Security and Environment, as all of three target people from the first department mentioned a positive working team as one of their motivation factors at work, while one interviewee from the second department stated that his frustration at work used to be his manager, and the second interviewee from this department did not mention his colloquies at all. It means that the interviewees from the department of the Communications and External Affairs may have more motivation to realize their ideas at their work than the interviewees from the department of Health, Safety, Security and Environment. Moreover, it seems that the interviewees from the first department are quite satisfied with their manager, who gives its employees opportunity of self-development, which is a quite important factor as many interviewees claimed that gaining professional skills at such a huge company as BP is one of their motivational factors at work.

Among achievements mentioned by the interviewees from target group were gaining professional skills, working for prestigious company and some other specific issues which show that each of those three interviewees did something really specific for the company and therefore he/she feels that he is a significant employee of BP and it seems that it is a big motivation factor for these employees.

It is also important to find out what are the frustrating factors of the interviewees from the target group, because their frustrations might prevent them from contributing to company's CSR and environmental responsibility. Among the answers given to the question about frustration at work were the following (these factors can be shown in the text as they do not break anyone's anonymity and they are more general than achievements):

- I personally do not see myself as a corporate person and that is the only frustration I have here;

- I don't like the fact that sometimes management forgets about your achievements. It probably happens because there are so many employees in BP;

- My main frustration was my chief when I worked in another department, because he was too charismatic and didn't let his employees improve;

- The only obstacle is that BP supports the current government of Azerbaijan and I do not.

Frustrations of the employees of these two departments play a significant role in company's CSR development as these employees are the ones who can actually have some influence on company's decisions about CSR and environmental responsibility of the company.

5. DISCUSSION

It is employees who can implement ethical corporate behavior at the company in their everyday working life and therefore the success of the company in terms of its ethical behavior depends very much on the employees' willingness to collaborate (Colliera and Esteban 2007). CSR may be achieved as a result of personal morality of employees who have socially oriented values (Hemingway 2005).

BP has its own Code of Conduct, which describes the way BP employees should behave and explains the basic values and principles of the company: it is the basic for covering mandatory duty of company's employees' ethical behavior. Colliera and Esteban (2007) state that a company should not decouple its policy from practice and it is not always useful to communicate company's ethics policy to individuals by policy documents which in some cases do not have any relevance to personal goals and principles, because in this case employees cannot take such communication seriously. Therefore, some statements from the BP's Code of Conduct were compared with BP employees' opinion about the same issues in order to investigate if BP employees' take the principles and values of BP seriously and if they are willing to follow them. Nevertheless, this research assumes that besides mandatory ethical principles, employees have also motivation to participate in BP's CSR activities and therefore employees' motivation at work is studied separately.

Despite the fact that BP has established an independent group to manage the compliance and ethics programme, where BP employees can openly talk about their approach towards ethics in the company and similar issues, it seems from the interviews that not all of the interviewees are willing to accept all values and principles set out in the Code of Conduct. It is worth emphasizing that their awareness about Code of Conduct is out of question because, as was mentioned before, BP

provides its employees with training on Code of Conduct in the very first week of the employee working for the company. Therefore, it is important to compare BP employees' answers with existing theories about CSR and humans in organizations in order to find out where the key differences between code and ethics are and, where there are differences what are the reasons of BP employees not accepting BP's values and standards as their own.

The discussion part of the current study will be focused on the key research questions raised in the research aims and objectives. Therefore, it will be aiming to find out if:

1. Employees' personal background in environmental and social fields influence their approach toward company's CSR and if it makes employees more committed to company's social and environmental activities;

2. Values of people with strong social and environmental concerns push these people to participate in company's CSR activities voluntarily and if these values can be taken as a strong policy making mechanism in the company;

3. Employees' willingness to participate in company's CSR development voluntarily depends on his personal approach toward CSR and environmental responsibility.

Additionally, it will be discussed how BP encourages its employees to participate in CSR activities and specifics of CSR in BP in Azerbaijan will be highlighted separately.

5.1 Employees' opinion about CSR and especially CSR in BP

Employees' commitment to CSR can be influenced by corporate contextual factors and by the perception of employees about CSR. Moreover, according to the psychology of social identity theory, individuals' behavior in the organization depends very much on their opinion about the organization (Colliera and Esteban 2007). Therefore, it is of importance to study what is BP's employees' commitment to CSR in order to answer this thesis's main question: What approach do

BP/Azerbaijan employees take toward CSR and if they are willing to participate in its adoption in BP/Azerbaijan?

But to find out if the employees are willing to participate in CSR adoption in BP in Azerbaijan voluntarily, it is important to ensure that all employees are aware about the notion of CSR. However, as was mentioned above, not all departments are evenly aware about CSR. Interviewees from the department of Communications and External Affairs are fully aware about CSR and they know what it aims to achieve, while not all of the interviewees from other departments could give CSR's definition. Due to lack of awareness about CSR among BP employees, it would be recommended that BP conducts more training for its employees about CSR, where it would be explained clearly what CSR is, why the company needs it, in which ways BP is going to achieve its CSR goals and how important each employee is in its implementation.

The interviewees' answers can be different depending on the location and type of the interviews. Dobson and Sabino (1995) claim that individuals may have a strong sense of morality and they may have a strong definition for themselves what is morally right and wrong when it is related to their personal behavior, however they can accept company's definition of what is morally right during their work time, because they are representing not only themselves but the whole company during their job. It seemed that the four interviewees who were interviewed inside the company felt themselves BP's representatives and that is why they could not talk openly about their personal feelings and thoughts regarding BP's activities and its CSR strategy. Therefore, as was already mentioned in methodology part, it is suggested for the future research of this type to hold interviews with a corporation's employees outside of the company, in an unofficial way, and preferably in non-working hours. In this case interviewees are willing to talk openly, expressing their own views on a company's activities and in this case they do not feel themselves to be the company's representatives and therefore they are comfortable to talk about such sensitive issues about business ethics.

Most of the employees interviewed outside of the company do not feel as optimistic about CSR as those who were interviewed inside the company did. Cases, when interviewees' opinion about CSR is quite negative, are very important to investigate in current research, because the main focus of this study is employees' desire and motivation to participate in CSR activities; it is important to investigate factors that are behind employees' lack of enthusiasm. In case when employees consider CSR to be a negative or useless thing, they cannot have any motivation or desire to participate in it. This part is necessary for investigating one of the research questions: if employees are willing to participate in CSR development voluntarily depending on employees' opinion about CSR and their personal approach toward it. Research shows that employees' opinion about CSR and its role in BP influence their approach toward contributing to CSR with enthusiasm and company's success in CSR depends very much on employees' positive approach toward CSR. One interviewee claimed that the only motivation he has at his work at BP is his high salary. It is obvious that this employee will not participate voluntarily in company's CSR activities as his only motivation at work is money and, as he considers CSR to be nothing but hypocrisy, he does not believe that CSR is something positive and can bring any benefits to the society.

Furthermore, the majority of interviewees do not have a positive feeling about CSR and therefore they are not willing to contribute to its development in BP Azerbaijan voluntarily. It would be recommended to increase BP employees' motivation to participate in CSR activities, it might be achieved by variety of methods rather than money, among which the author would suggest the following:

- If employees participate in CSR activities, they can be given additional free days;
- BP employees must be involved in BP decision-making about CSR issues somehow; may be BP could conduct regular surveys on what BP employees' opinion is about particular innovations in BP's CSR policy;

- BP should use BP employees' personal values as guidelines for its CSR policy; especially the values of the targeted interviewees, who are socially active people and whose knowledge and experience in the field of social development and environment, could contribute to CSR adoption in BP/Azerbaijan a lot.

Success of company's CSR also depends on the country where the company operates and, according to one interviewee, CSR is a trend of the developed world, quoting this interviewee precisely: "you can expect companies to be socially responsible in Western Europe in countries such as Sweden or Switzerland, but that it is very different in Azerbaijan, because society here does not request companies to care about CSR much". This opinion coincides with that of DiMaggio and Powell (1983), who claim that the desire of companies to have CSR in their structure is led by the values and requests of modern society. And, as the requests of modern society in the developed world are more concerned about CSR, it is developing much faster in those countries. For instance, BP is aiming to increase recycling of its non-hazardous waste and to comply it with EU standards in all waste management operations in five years (COMPASS 2007f), but the interviewee quoted above stated that: "BP is trying to make everything by EU standards, but we don't live by EU standards here in Azerbaijan and it is the main problem of CSR adoption in this country". It would be of importance to mention that this person actually cares about the future of his country; he simply does not believe that he can help its improvement through an oil company. It is the same with socially active interviewees who are members of volunteer social organizations and are BP employees in the same time, and who realize their ideas through social organizations and do not consider that they can realize it through BP. In this regard, it is worth recalling Barry (1991), who believes that individuals' behavior in their outside life is not the same as their behavior in the company. He claims that the lives of companies transcend the lives of its employees and people behave in the company in a way that they would never behave in their lives outside of the company. It would be of importance here to bring Friedman (1970), who states that if person spends his own

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money on charity events, it is socially responsible, but then it is these individuals' social responsibilities, not of the business. It is the same with these interviewees: these people are socially responsible, but it is their personal social responsibilities, not of the company they work for. As was mentioned above, BP states that many of its employees in Azerbaijan participate in voluntary activities informally (BP 2005); however it barely can be linked to company's CSR as it is employees' personal responsibilities that they have to their society. This point is interesting because it shows that some of BP employees agree with Friedman's point of view and they also consider that individuals' personal responsibilities should be separated from their responsibilities within the company they work for. However, the company which states that it cares about its CSR should not support Friedman's position and should care that its employees do not so too. Therefore, it would be recommended for BP to integrate its CSR among all its employees so that they do not separate their personal responsibilities and values from those of BP's and bring their ideas and efforts for contributing to the society development to the company. Robertson and Tang (1995) suggest that the best way to involve employees' tin commitment to the organizational goals is well-structured arrangements which allow decentralization, participation and development of horizontal relationships in the organizations.

BP should maintain trust and sympathy of its employees to make them feel personal satisfaction when company gets some achievements. However, some of the interviewees stated that their main frustration at work is the fact that they do not like what BP is doing; they do not support BP's behavior as it is an Oil Company and they cannot enjoy working for its profit maximizing, and, as many of them claimed, only need for money and lack of choice (there are not much companies in Baku where people can get a good job with high salary) makes them work for this company. This point is extremely interesting in this research because of the following: instead of BP integrating the importance of CSR among its employees, some of BP employees consider that they know much better what is social responsibility than the company and that BP is not the place where people can

contribute to the society. One of the research questions was whether values of people with strong social and environmental concerns can push people to participate in company's CSR activities voluntarily and if these values can be taken as a strong policy making mechanism in the company. As the research shows, people's personal concerns about society's development and environmental problems do not make them become more enthusiastic about CSR activities of BP because they do not believe that they can achieve any success in society's development through Oil Company. However, it might be BP's fault that it failed to use people's personal values and principles in its policy making mechanism. Although BP tries to take its employees' opinion in consideration (BP conducts a 'people assurance survey' for employee opinion every 2 years), it seems that it does not succeed in it

Still discussing the interviewees who do not feel optimistic about CSR at BP, it is interesting to investigate if they want to improve this situation and if they actually think that it is possible to do so. If some employees are not satisfied by the company's behavior, it would make sense if they would try to change it. However, it is a question if they have an opportunity to change anything in the company and if they feel that they have an impact on the company's activities not only because they will try to change the company's wrong behavior, but also because it will motivate them more to participate in the company's CSR activities as they will feel themselves a significant part of the whole thing. It is important to investigate in order to answer the second research question which is: whether employees with strong social values will change their approach toward BP's CSR if they feel that they can have a significant impact on company's activities.

As was mentioned in the analysis part, one interviewee who actually influenced company's decision making stated that he does not have any significant impact on company's decision making process and only after he remembered a specific case when he did so, he reconsidered his opinion. He also was surprised by this paradox: despite the fact that he actually can influence BP's management's decisions, he does not believe that he can do so. Even after this "influence"

happened, and his personal idea and suggestion reached management and management changed a particular rule according to this interviewee's suggestion, this person still does not believe that he has an impact on BP. This case shows that BP has to work out a new strategy on making its employees feel themselves part of the company and to make them believe that they can influence BP's decisions and to motivate them to try their best to do so. And the last but not least point in this case is that this employee who influenced BP decision-making process is an employee of the department of the Communications and External Affairs. Most of the interviewees who mentioned that they have some influence on the company's activities are also from the same department, which might be a consequence of the fact that not all employees have equal opportunities to deliver CSR which is understandable as one might expect the department of the Communications and External Affairs to have the closes linkage with CSR issues than other departments. Additionally, as was already mentioned, BP does not provide its employees with training with specific focus on CSR and therefore most of the interviewees could not explain what CSR is. If people do not even know what CSR is and why it is important, how can they deliver CSR?

Therefore, it can be said that awareness about CSR is not the same in each BP's department. However, even if CSR –tasked employees are supposed to have wider knowledge and experience in CSR field, employees from other departments are expected to have at least "minimum" understanding of CSR's nature and at least minimum willingness to participate in its adoption in BP in Azerbaijan.

5.2 Different opportunities to deliver CSR

Although it is stated in the Code of Conduct that BP expects all its employees to accept the Code of Conduct similarly regardless of location and background, it must be emphasized that not all BP employees have equal opportunities and equal motivation to deliver CSR. Here it is necessary to

attempt to answer one of the research's questions: whether people's background and location plays a significant role in their attitude toward society development and environment.

As was already emphasized in the analysis, answers of the interviewees differ a lot depending on their personal background, their department and location of their workplace. Moreover, there are also differences in conditions of work and salaries between local and foreign employees. Some of the interviewees, who are local employees of BP, stated that different conditions of work and lower salaries than that of foreign employees, frustrates them at work and reduces their motivation to participate in voluntary CSR activities if there are some.

This point is interesting in terms of analyzing differences in motivation to participate in CSR activities and in motivation to improve CSR adoption in BP in Azerbaijan. For instance, one foreign interviewee talked a lot about Corporate Social Responsibility of BP and about his personal contribution to its development in BP/Azerbaijan. From the words of this interviewee it seemed that benefiting the society of Azerbaijan is one of his main goals at his job. It might be understandable: as this employee's salary is high enough and there is no need to be concerned about it a lot, as the conditions of work are perfect: this person is provided by all meanings of life and comfort by BP, this person has a huge motivation (and possibility) to be concerned about contributing to CSR's improvement in BP/Azerbaijan. Nevertheless, the situation is not the same with the local employees, some of whom also stated that they are quite concerned about CSR and company's environmental responsibility, but these people stated that they have also many other motivations at work (such as salary, prestige of the company etc) rather than improving CSR in BP/Azerbaijan. Moreover, some of the interviewees stated that difference in conditions and salaries with foreign employees is one of the factors that frustrate them at work.

It is worth recalling that some of the employees are still concerned about social responsibility more than foreign employees, but they are not making efforts to realize these concerns from BP, they rather participate in voluntary social organizations. It might occur from the fact that these people

feel personal responsibility in those voluntary social organizations and that is why they are so enthusiastic about participating in them. Volunteer organizations that these people are part of, are based primarily on ideas and principles: members of these organizations are people who are really concerned about the future of their country and their society; therefore contributing to the development of this organizations' work is personal desire of those people and they do it without any financial motivation. The situation is different with foreign employees of BP who do a lot for CSR improvement in the company and might seem quite concerned about Azerbaijani's society development, but it is pretty obvious that these people would not work on CSR improvement in BP in Azerbaijan with the same enthusiasm if they did not get money from that. Therefore, it can be said that motivation to participate in CSR activities in BP is different for local and foreign employees, but these difference does not arise from the fact that local employees are less "socially responsible" than foreign employees.

Talking about equal opportunities of BP employees to participate in CSR activities it is worth recalling that employees from the department of the Communications and External Affairs compared to the employees of other departments have priorities in the following issues: First of all, it is the department of the Communications and External Affairs that prepared BP's Sustainability Report (BP 2005) and therefore their awareness about CSR issues should be unquestionable (even if some of the representatives of this department still could not give appropriate explanation of CSR's meaning!). Secondly, it is employees of the Communications and External Affairs who are making decisions about implementing some of CSR activities and therefore their opinion may have more influence on the company's decisions about CSR than the opinion of the employees that have no link to this department. It is worth underlining that the employees of the department of the Communications and External Affairs have opportunity to influence company's CSR, because it is this department who prepare suggestions and ideas on CSR improvement in the company for Azerbaijani Leadership Team which has to approve it. Therefore, employees of this department

should have higher motivation to put efforts to CSR improvement in the company as their ideas and opinion are more likely to be taken into account by BP than that of the employees from other departments.

Taking into account the fact that CSR is not very integrated among other departments, it is understandable that some of the interviewees from the other departments did not feel enthusiastic about explaining what CSR is generally and for BP in Azerbaijan, as they consider that it is the direct responsibility of the Communications and External Affairs department to deal with these kinds of questions. As was mentioned in the text, even the interviewees from the department of Health, Safety, Security and Environment considered CSR to be business of the Communications and External Affairs department although environment is supposed to be one of the main aspects of CSR, especially in an oil company (Anderson *et al*. 2005). If 'social' and 'environmental' parts of the company are isolated from each other or, even more, are ignorant of each other, it is a problem from sustainability perspective as environment is one of the main pillars of sustainability. Although the department of the Communications and External Affairs, which prepared BP's Sustainability Report, highlighted environment as one of the main parts of corporate responsibility in the Report, the interviewees from the department of Health, Safety, Security and Environment still failed to respond to questions about CSR appropriately. It would be recommended that the department of the Communications and External Affairs pays more attention to integrating CSR notion to the department of Health, Safety, Security and Environment. These two departments are definitely in close cooperation as information about environmental activities of BP highlighted in Sustainability Report is surely provided by the department of Health, Safety, Security and Environment, however it seems the meaning of this cooperation is not well integrated among all employees of these two departments. In this regard BP could organize special training for the employees of the department of Health, Safety, Security and Environment with focus on CSR, where it could explain to its employees what is the role of environment in Corporate Social Responsibility. This training could help employees from this department to raise their awareness about the notion of CSR and to

realize that the work of their department plays a significant role in company's activities. It would not only help raising employees' awareness about CSR, it could also increase employees' motivation at work because employees would understand how important their role in the company is and it would most probably increase employees' personal responsibility for company's behavior as they would understand how significant is the role of their department in BP.

 It is important to investigate whether BP employees feel personal responsibility for BP's wrong behavior? Barry (1991) states that the difficulty in liberal individualist ethics and economics is that individuals feel that they do not have anything to do with corporation's wrong behavior. Some of the interviewees stated that once they do not feel personal responsibility to BP's behavior, they do not feel any responsibility at all. However, as Pettit (2007) states, there should be something called members' responsibility, which is the responsibility of people working in the group as part of the entity which can do something right or something wrong. Members' responsibility makes individuals to feel personal responsibility to the collective which he is part of. To make employees to have members' responsibility it could be recommended to establish rewards of the collectives (for example, departments or teams). For instance, if one team achieves success in its work, the whole department gets some kind of reward (for example, recreation membership for the whole team).

It is important to mention that only a few interviewees stated that they feel collective responsibility for BP's behavior and they explained approximately in the following way: when we are doing something in the company, our actions will affect not only ourselves, but also our colleagues, that is why we cannot afford to think only about ourselves when acting within the company. This statement is consistent with that of Weick and Roberts (1993), who claim that people act with more care when they know that they are part of the group, because they know that their behavior can affect other members of the group. He calls it "collective mind".

Remaining interviewees who claimed that they do have some personal responsibility to company's behavior were asked to make clear what they mean by personal responsibility in this issue. As it turned out, most of these employees feel personal responsibility only towards their own personal job.

When employees do not feel themselves important parts of the company, they also cannot feel any personal responsibility to anything that is going on in the company as long as it does not affect the particular employee himself. It is worth emphasizing that the interviewees who stated that they do have personal responsibility for BP's behavior are mostly employees of the department of Communications and External Affairs, which shows once more that opportunities to deliver CSR are not equal for all departments. If the interviewees from the department of the Communications and External Affairs feel personal responsibility to company's behavior and consider that they have significant impact on its activities, they more likely will have more motivation to participate in company's CSR activities than employees from other department.

When the interviewees made negative statements about BP and its behavior, they did not consider that they are actually part of BP and they are also involved in this "wrong behavior". For instance, when one interviewee stressed the point that he does not like the fact that BP supports the current government of Azerbaijan, he stated that he has nothing to do with it, which means that he separates himself from the company he works for.

The latter example is interesting also because according to Skjaerseth et al. (2004) after multinational companies were criticized for getting involved in politics of host countries in 1970, they decided to remain politically 'neutral'. However, Skjaerseth also suggests that oil companies cannot avoid engagement with political actors because they have to negotiate with them when applying for licenses, and therefore it can be said that oil companies do have political influence when operating in weak states. The question is whether political attachment of the company is a problem for CSR promotion in BP? Taking into consideration opinion of one interviewee whose

frustration at work is BP's position toward the government of Azerbaijan, it can be said that political involvement of BP could establish cynicism among some employees of BP: for instance, if some employees consider BP to be very "close" with Azerbaijani government, they might assume that the company is corrupted and they would lose their motivation to contribute to society development through their work place. However, it is also worth emphasizing that opinion of the interviewee who considers that BP supports current government of Azerbaijan is arguable, because actually BP has a free policy and it allows its employees to participate in demonstrations of opposition parties during the work time if employees express their desire to do so. Therefore, BP is actually considered to be politically neutral. It seems that some of BP employees can be some of BP's position and this fact can demotivate these employees from putting more efforts in improving their jobs. Therefore, it should be investigated what are the factors that motivate BP employees to improve their job and to contribute to company's CSR development in BP in Azerbaijan.

5.3 Motivation

Motivation is one of the most important parts of this study. Akgeyik (2005) states that employee motivation is a core strategic objective of any organization's HR function. It is important to understand what motivates BP employees at work and whether their motivations can help their contribution to CSR and environmental responsibility of the company to improve in BP/Azerbaijan. According to Vroom (1932), if you ask people why they actually work, they would probably say that they work because there is work to be done, because they are enjoying their work and because they have to earn money. However, people's motivations are not that simple as it may seem at first glance.

The majority of the interviewees mentioned money as their main motivation at work. If money is the main motivation for most of BP's employees, this means that BP can motivate its employees to participate in CSR's adoption in the company only by adding to their salaries or awarding them

with additional financial means. Nevertheless, Maclagan (1998) claims that it is not right to motivate employees only by profit because this kind of motivation might have ethical implications such as lack of moral responsibility to the society. Additionally, Zuzworsky *et al.* (1995) argue that profit maximizing should not be main reason of CSR and CSR volunteer activities should not be motivated only by financial means because then there is a danger that in a situation when one has to choose between two actions: one of which will increase profit and the second will be ethically correct, the first one will be chosen and it is contradicting CSR idea.

However, money is not the only motivation of BP employees in most cases. It is not only money that makes people enjoying their workplace and what motivates them to go at work every day and do their job professionally. Among the answers given about motivation, there were such factors mentioned as motivations as desire to work in a prestigious company. Vroom (1932), mentioning main factors of people's motivation at work, mentioned a desire to have a good social status as one of the main factors. Remembering words of one of the interviewees, he gains more respect in the eyes of his friends and relatives when he mentions BP as his workplace.

Furthermore, many employees underlined such factor of their motivation at work as desire to work in a good team. For example, Osteraker (1999) emphasizes several motivating factors at work, among which he underlines such factors as communication, feedback, feelings or solidarity, acceptance and so on. Many interviewees mentioned that they are actually enjoying working with the people they work with. From the interviewees' answers it seems that there are a lot of positive teams in the departments of BP. Especially one interesting answer was given by the employee of the department of Communications and External Affairs, who stated that for him it is very important that he works with people he likes and with whom he can share his ideas and opinions about socially important issues. As Bar-Tal (2001) states, it is very important for individuals to have an opportunity to express their beliefs and accept others' beliefs, and, moreover, according to him, the most important beliefs for the individual are those beliefs which are shared by one

particular group, for instance their team at work. Additionally, Maclagan (1998) states that if it is important that employees feel themselves involved in an important activity and feel identity with the other members of the group, because this might be a good motivation at work.

Furthermore, among factors that motivate BP employees' at work, interviewees also mentioned the desire to work for the company with provides them with medical insurance, sport clubs memberships etc. Here it would be of importance to mention that these factors are important for some of the BP employees because of specifics of companies in Azerbaijan. Most of the local companies in Azerbaijan (most of which are private companies) do not provide their employees with any insurance or any memberships of gyms or pools as CSR is not very popular in this country yet. Therefore, even if care that BP provides its employees with – is quite a usual thing for the developed world, local population of the developing country where such thing is not popular, really appreciate such behavior of international companies. As Murray (2003) states, CSR is a company's ability to manage its relationships with all its stakeholders, including its staff. It is very important to study whether employees consider that the company cares about them a lot and in the case of BP, research shows that its employees' are satisfied enough with the level of care that the company provides them with. However, there are still cases among interviewees when employees are not satisfied with the level of BP's care about its employees. Few interviewees stated that BP does not care enough about their personal development. Although BP's Azerbaijani Strategic Performance Unit (ASPU) spent more than 22 million dollars on training activities only in 2005 (COMPASS 2006), some of the interviewees claimed that it does not provide them with appropriate trainings to expand their knowledge in appropriate fields. Colliera and Esteban (2007) claim that Corporate Social Responsibility is a response to stakeholder's expectation, and in this case it seems that employee's expectation is too high for the company; as one interviewee put it: "BP does not provide me with sufficient training for my personal development". These words show that BP actually does provide the employee with some kind of training, but apparently this training is not enough for this person, as this person expects BP to do more than it already does for its employees.

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Many people also mentioned that their motivation at work is the fact that they want to get an experience of working for the international company, especially for BP. It is true that it is much easier to get job in other companies in Azerbaijan when person has BP as his previous work place in his CV. As Maslow (1970) states, people act in a certain way because of their goals, needs and desires. Therefore, it is a motivation for many people to work for BP even if they are not enjoying company's activities in general if their goal is to get an experience of working for a huge multinational company and to improve their career opportunities. Many interviewees mentioned this factor also as their main achievement at work. They stated that their main achievement at work is that they gained professional experience while working in this company and they feel that they gained reasonable knowledge there.

Moreover, this experience is especially important for those who stated that BP is a great opportunity for them to work according to their academic background. This answer was given only by the employees of the department of Health, Security, Safety and Environment. It is understandable in the conditions of the Azerbaijani market. Despite the fact that Azerbaijan has a lot of urgent environmental problems which have to be solved as soon as possible, there are not a lot of profitable jobs with prospects in the environmental field yet. It is worth mentioning that there are many NGO's which are working with the environment and some international projects that also need environmental specialists, however, these workplaces' salaries are comparatively low. Therefore, BP could be said to be one of the rare companies in Azerbaijan, where people with environmental education can find an appropriate job and get high salaries by working in their own field.

However, a difficulty might occur in this issue, because Oil Company might not be perfect place to save the environment from. Although one interviewee claimed that it is "cool" to work in the environmental field in the Oil Company, he also mentioned that it is not always possible to be "environmentally friendly" while working in BP. An oil Company damages the environment

anyway and the only thing environmentalists can do there is to minimize the environmental harm that the company can bring. Moreover, it is only interviewees from the department of Health, Safety, Security and Environment who stated that they are concern about the environmental problems of the country, while the interviewees from other departments barely mentioned environment when talking about CSR and even after they were asked to talk about their contribution to solving environmental problem in Azerbaijan, they said that there are 'special' department which is responsible for that. However it is important that all employees are interested in contributing to solving environmental problems and that is why it should be investigated if BP encourages its employees to participate in CSR/environmental activities.

5.4 Does BP encourage its employees to participate in CSR activities?

As was emphasized in the text, BP in Azerbaijan supports its employees in fund-rising initiatives, as for charity donations as well as for social activities. Nevertheless, even if it supports its employees in those activities, it does not encourage them to participate in them. In case of charity donations, BP adds money to the charity if its employee already gave some money to it; and in case of social activities, BP awards its employees with grant for social and environmental activities only in case if employees spend some of their time on working on this project voluntarily. This means that employees have to possess particular social and environmental values to participate in these activities and in case they do not, they most likely will not be interested in these programs. As Friedman (1970) states, when a person spends his own money on charity events, it is his personal actions and his personal social responsibility that is involved and is not business responsibility of the company he works for.

As it was underlined in the answers of the majority of the interviewees, BP in Azerbaijan does not provide its employees with training focused on CSR issues and therefore some of the interviewees do not have a clear idea of what this notion means and why it is so important. It is interesting that BP does not provide its employees with special training on CSR, because it considers Azerbaijan to

be a test case of "widening the CSR agenda" (Gulbrandsen and Moe 2007). Moreover, according to Vickers (2005), the HR department must establish ethics as a high priority of an organization's goals. However, as it turns out from the interview with HR department employees, it does not include ethics as a high priority of the company's goals and does not consider CSR training for the employees to be one of the most important parts of company's CSR strategy; and therefore it is not strange that some of the interviewees could not explain what CSR is even after they looked for its explanation in the Internet. Why people would be interested in CSR activities if they are not aware about it enough?

BP makes a lot of statements about CSR importance in the company (Ware 2004). However, it is still criticized by many sources for not being socially and environmentally responsible (Maclean 2000), which is understandable, because according to Barry (1991), business ethics always gets the worst publicity and, as Zuzworsky *et al.* (1995) stress, people working with business are usually pragmatists. BP's negative image in the eyes of most of the environmental NGO's such as Greenpeace is understandable, however, it is interesting that in most of the cases BP's image is not better even in the eyes of its own employees. During the interviews, it turned out that some of BP employees have also pessimistic views about BP's CSR and environmental responsibility and some interviewees did not understand the reason for talking about such issues as "social responsibility" when talking about a profit-making organization. As one interviewee stated: "You must confused BP with some charity or something, we are supposed to make money, that's it". It seems that lack of training on CSR plays its role in those kinds of statements as not all employees understand the importance of CSR and environmental responsibility of the oil company. Although BP has spent 77,520$ on donating to local charities only, not all of its employees are aware about this and not all of them understand the importance of these kinds of activities of BP. It would be of importance if BP in Azerbaijan organized training on CSR for its employees so that at least company's employees support BP's official statements about CSR. May be the company could publish special

explicit brochures explaining what is BP's CSR strategy, what exactly BP does for that and what is the role of BP employees in improving this process so that BP employees could realize the importance of CSR and environmental activities of the company and significance of their own role in it.

5.5 Specifics of BP in Azerbaijani context

Importance and popularity of CSR in the modern world arises from the pressure of stakeholders (Colliera and Esteban 2007). As was discussed in the literature review, the majority of consumers consider company's CSR when making decisions about consuming its products and services or not (Dawkins 2005). However, it is important to underline that the situation in Azerbaijan is not the same as in the western world. The CSR notion is not that popular in Azerbaijan yet. The majority of people in Azerbaijan do not even know what this notion means and they most probably do not care much about companies' CSR when making decisions about using or not using services of these companies. Furthermore, it seems that the government of Azerbaijan also does not go much into details about company's CSR and environmental responsibilities as long as the company fulfills all other requirements, such as its financial obligations to Azerbaijani government (Gulbrandsen and Moe 2007). Therefore, it seems that the most significant pressure BP in Azerbaijan has is from its international stakeholders, who are concerned about BP's operations worldwide. Additionally, DiMaggio and Powell (1983) talk about competitive isomorphism, which means that organizations accept the structure and strategies of the most efficient organizations in order to achieve the same level of success. If one company gets governmental recognition from its CSR and environmental responsibility, other companies are trying to copy its CSR structure in order to get the same rewards. Nevertheless, it cannot be applied much in the Azerbaijani context. First of all, the government does not seem to care a lot about companies' environmental responsibilities and therefore it usually does not award companies for being environmentally friendly or socially responsible. Second, BP can be said to be one of the most socially responsible companies in

Azerbaijan and there are not many other companies that could be a good example for BP to compare itself with. Therefore, the implication is that there is less pressure in Azerbaijan for 'good CSR' than in countries where the standards of social and environmental responsibility are much higher.

As was discussed in the literature review, although there is an opinion that investments by oil extractive companies cannot really bring positive outcomes for developing countries (Skjaerseth *et al.* 2004), Ware (2004) claims that BP aims to prove that it can contribute to country's development. Nevertheless, according to opinion of the majority of the interviewees', the main contribution that BP adds to the country's development is creating job places. This point is debatable though for the following reason. BP is considered to be one of the best employers in Azerbaijan because of its highly competitive salary and because of the opportunities that it provides for its employees, and most of the people who get a chance to work for BP quit their previous job places. For example, employees of the Ministry of Ecology and Natural Resources quit their job at Ministry as soon as they get a chance to work in BP and it is arguable how this fact contributes to the country's development. Even if, as one of the interviewees suggests, salaries that BP provides its local employees are "really funny", local people do not think so and salaries offered by BP are considered to be one of the highest salaries in the country. Therefore, it might be assumed that there is an "internal brain drain" which may be sucking talent from important environmental posts in the government.

Furthermore, the fact that salaries and prestige of BP employees are significantly higher than that of employees of the Ministries, decrease motivation of Ministries' employees at work. For instance, a young BP employee feel himself in a higher position than knowledgeable expert from the Ministry of Ecology and Natural Resources (who cannot get a job at BP because he does not speak English) and this fact decreases motivation at work of the latter: he is expert in his field, but some young man from BP without a significant experience and knowledge in the field feels himself in a position

to 'teach' this knowledgeable expert how to work by "international standards" only because he works for BP.

On the other hand, BP employees are more likely to contribute to CSR development in Azerbaijan than employees of local companies. As Maslow (1970) states, once a human achieves one of his basic needs, higher one arises, and, as BP employees' salaries are more satisfactory than that of employees' of the majority of the companies in Azerbaijan, BP employees can afford thinking about such issues as social and environmental responsibility of the companies they work for.

In the literature reviewed in this thesis it is discussed what companies claim to be their CSR actions: for instance, many companies include providing jobs for local population to their CSR strategy. However, as was discussed above, if to analyze it deeper, providing jobs for local population is not always a positive thing for society: BP's example brought above shows it quite explicitly.

One of the interesting points to emphasize is that although BP rebranded itself from British Petroleum to beyond petroleum in 2000 (Beder 2000), the interviewees still referred to it as to British Petroleum. Some of them mentioned the rebranding, but they still called the company they work for: British Petroleum. This fact is interesting keeping in mind that BP did the rebranding in 2000, and now, even after 7 years have passed, not only people from outside, but also BP's own employees have not accepted this rebranding psychologically. When some of the interviewees were asked about this point, they stated that is sounds 'funny' to call BP 'beyond petroleum' because BP is definitely not "beyond" petroleum. This fact shows that rebranding did not improve public opinion about BP and, moreover, even created a better atmosphere for critique. It would be recommended that BP promotes its rebranding at least among its employees so that at least BP employees' refer to the company they work for as: beyond petroleum.

This research shows that there is no single answer to the question: "What approach BP/Azerbaijan employees take toward CSR and if they are willing to participate in its adoption in BP/Azerbaijan?" Some of the interviewees have a positive approach toward CSR in BP and others do not believe in BP's CSR success in Azerbaijan. Despite the variety of the answers, the majority of the interviewees had a negative approach toward CSR in BP and did not seem to be willing to participate in its adoption in BP/Azerbaijan voluntarily. Research shows that the majority of the interviewees are motivated only be self-interest at their work in BP and some of them are carrying out some socially useful activities voluntarily, but not within their work at BP.

Research shows the interviewees who have some background in the field of environment or social development, are aware about those issues more than those who did not have any background in these fields. However, people with appropriate background are not enthusiastic about CSR implementation at BP. Furthermore, people with strong social and environmental values do not use maximum of their knowledge and experience in these fields at their work at BP, but prefer to use it in social and environmental organizations, other than BP. However, it might be BP's fault that it does not use these people's values effectively in its policy making mechanism. It is possible to use these people's value effectively in the company's policy making mechanism in order to use these people's experience and knowledge effectively. Moreover, the majority of the interviewees are not willing to participate in BP's CSR activities because they do not have a positive opinion about CSR in BP.

6.2 RECOMMENDATIONS

The recommendations suggested in the text can be given in summary.

The department of Health, Safety, Security and Environment should have closer linkage with the department of the Communications and External Affairs than it does now because environment is one of the main aspects of CSR and one of the main pillars of sustainable development. It can be achieved by variety of methods, including training on increasing awareness of the employees of both departments about linkage of environment and corporate social responsibility and explaining representatives of both departments that these departments cannot work without close cooperation.

Furthermore, it would be recommended that BP provides all its employees with special training with focus on CSR in order to increase employees' awareness about CSR, BP should publish more explicit brochures about BP's CSR, and afterwards to work out a strategy on increasing employees' motivation to participate in CSR activities voluntarily. This could be done by rewarding employees for participating in CSR activities, these rewards can be: additional free days, family recreations etc. It would be also suggested to provide employees with team rewards and organize more team development training.

 Moreover, employees' motivation to participate in CSR activities could be raised by showing employees that their impact on company's activities is significant and that their opinion is important for company's decision. This could be achieved by organizing special surveys where employees can express their ideas about CSR development and give their suggestions on what exactly they would like to do in CSR framework, or may be they even could suggest what kind of rewards they consider being optimal for their participation in CSR activities.

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APPENDIX 1

Questionnaire

- What motivates you at work?

- What is Corporate Social Responsibility in your vision?

- What do you think CSR should achieve in terms of environment?

- What is your experience in BP in terms of achievements, frustrations and challenges?

- What do you think is your own overall impact on the company's activities?