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Business ethics, social responsibility and corporate governance: Does the strategic management field really care about these concepts?

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Abstract

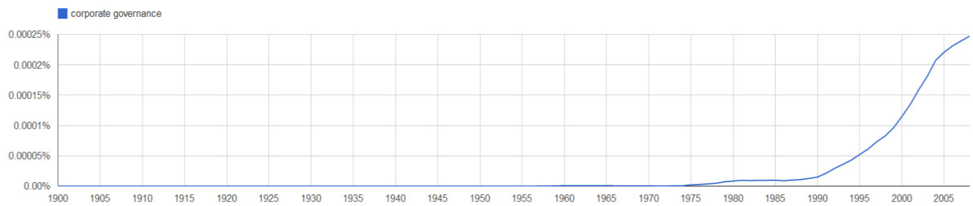
In this study we aimed to understand the strategic management (SM) field's opinions about corporate governance, social responsibility and business ethics concepts. In order to realize our aim, we analyzed one of the most reputable journals in the field, the Strategic Management Journal (SMJ). Computer-aided content analysis of 908 articles published between 1998 and 2010 revealed that only 25 articles which focused on the relationship between corporate governance, social responsibility, business ethics and corporate performance/strategy concepts, appeared in SMJ. We also analyzed the methodology and major findings of these 25 articles and found that the SM field has been neglecting these concepts, though not totally ignoring them. The possible explanation of this negligence is also discussed.

Keywords: *Business ethics; Social responsibility; Corporate governance; Strategy; Strategic management*

1. Introduction

The collapse of corporate giants such as Enron and Worldcom due to corruption and mismanagement reminded the world of the importance of concepts like corporate governance, social responsibility and business ethics. The following figures, which display the increasing use of these concepts in books written in English, can be accepted as a proof of our argument.

Figure 1 Usage of the word "corporate governance" in English between 1900 and 2008



Source: Google ngram
http://books.google.com/ngrams/graph?content=corporate+governance&year_start=1900&year_end=2008&corpus=15&smoothing=3&share= (retrived: 22.3.2013)

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Figure 2 Usage of the word "social responsibility" in English between 1900 and 2008

Source: Google ngram
http://books.google.com/ngrams/graph?content=social+responsibility&year_start=1900&year_end=2008&corpus=15&smoothing=3&share=
(retrived: 19.2.2013)

Figure 3 Usage of the word "business ethics" in English between 1900 and 2008

Source: Google ngram
http://books.google.com/ngrams/graph?content=business+ethics&year_start=1900&year_end=2008&corpus=15&smoothing=3&share=
(retrived: 19.2.2013)

As can be clearly seen in all three figures, corporate governance, social responsibility and business ethics concepts have been in a popularization trend since the 1990s, as capitalism increasingly diffused and penetrated throughout the world. From our point of view, it is really interesting to see this trend because, as Kesebir and Kesebir (2012) stated, the usage of almost all morality-related terms has been disappearing in books. One possible explanation for this inconsistency could be related to a new paradigm which argues that companies would be more profitable if they chose to be more socially responsible. As explained in the next part of this study, there is a great deal of theoretical and empirical research which focuses on the relationship between corporate governance, business ethics, social responsibility and corporate performance (market share, profitability, having sustainable resources, gaining legitimacy etc.) and strategy. What triggered our research question was the abundance of these kinds of studies. We wondered whether the strategic management (SM) field, which is purely related to company performance, has taken these concepts into consideration and found any proof which shows us that these concepts have an impact on corporate performance and strategy.

2. Theoretical Background and Literature Review

Before analyzing the relationship between corporate governance, social responsibility, business ethics and corporate performance and strategy concepts, we first should define them separately. Corporate governance is a matter of enforcing accountability (Demb and Neubauer, 1992). In the modern world, companies have many shareholders who do not play a managerial role in the company. Additionally, today the economic activities of companies are interconnected with the general economy of the world. Thus, managers running companies have to be more accountable than in the past. As a result of this situation, regulatory bodies like OECD have started demanding that companies adopt corporate governance principles (http://www.oecd.org/corporate/ca/corporategovernanceprinciples/31557724.pdf, retrived 6.3.2013). It can be said that following these principles decreases firm's level of autonomy while making it more transparent and accountable.

In terms of modern management, the origin of the social responsibility concept goes back to the 1950s (Carrol, 1999). Avoiding philosophical and linguistic discussions, social responsibility can be defined as voluntary efforts by companies to take on responsibility in order to eliminate - or at least reduce - the negative impacts of their business activities on the stakeholders (Post et al. 1996). As Gjolberg (2009) states, in the modern world, companies have been given more freedom but they are also expected to play social roles, such as mitigating climate change or protecting human rights.

Finally, as one of the oldest concepts of management, business ethics is:

> *a form of applied ethics. It includes not only the analysis of moral norms and moral values, but also attempts to apply conclusions of this analysis to that assortment of institutions, technologies, transactions, activities and pursuits that we call business (Velasquez, 2002).*

It is clear in this definition that business ethics is related to moral norms and values. At this point, it is necessary to ask if companies have moral norms and values as individuals do. Velasquez (2002) argues that companies do have moral duties in a secondary sense. By saying that, Velasquez (2002) implies that the accumulation of the ethical and unethical behaviors of a company's workers constitute the business ethics of that company. This is why companies now provide ethical codes or codes of conduct and expect workers of all levels to obey these codes when they make a decision as a part of their jobs. For example, according to Facebook's code of conduct, employees are not allowed to accept any gifts of substantial value from partners. Thus, this code provides an idea as to what is right and wrong in the offices of Facebook. As a result, business ethics is not related to a company's moral obligations to its stakeholders but ethical behaviors expected from employees.

By taking the definitions above into consideration, it can be argued that corporate governance, social responsibility and business ethics concepts have some shared characteristics and that all these three concepts are interrelated. Corporate governance demands that executives make their companies more transparent and accountable; social responsibility demands that companies support society with their activities, and business ethics clarifies moral norms for employees. Business ethics can help a manager make his/her company more accountable and transparent. Similarly, when a company adopts corporate governance principles, it also has to meet the expectations of its stakeholders. As a matter of fact, corporate governance principles include principles related to business ethics and social responsibility. However, some scholars (e.g. Heath and Norman, 2004) believe a coherent theory of CSR cannot be created without corporate governance. In any case, it is logical to conclude that all these three concepts are interrelated and they are imposed upon companies by shareholders and stakeholders (Scott, 2007). Thus, we simply argue that companies take corporate governance, social responsibility and business ethics concepts into consideration in order to gain legitimacy though they do not care about their potential impact on corporate performance or strategy. From this point, these concepts can be dealt with as institutional pressures which force companies to isomorphism (DiMaggio and Powell, 1983). Obviously, companies have to adapt to their institutional environments in order to gain legitimacy and to survive even if this adaption harms corporate performance. One of the fervent opponents of this idea was Nobel laureate economist Milton Friedman. In 1970, Friedman gave an interview to the New York Times Magazine (http://www.colorado.edu/studentgroups/libertarians/issues/friedman-soc-resp-business.html retrieved 8.3.2013) and in this interview he explains his opinions about social responsibility with these words:

> *In a free-enterprise, private-property system, a corporate executive is an employee of the owners of the business. He has direct responsibility to his employers. That responsibility is to conduct the business in accordance with their desires, which generally will be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom.*

If Friedman and others who think like him are right, it is logical to believe that bending to these social pressures would negatively affect a company's competitive advantage since acquiescing makes additional costs inevitable. In fact, early studies that focused on the relationship between corporate governance, social responsibility, business ethics and the financial performance of a company reported that these concepts had a negative impact on profits, returns on investment and stock prices. Researchers who found this negative impact had a simple explanation: social responsibility involves certain costs that fall on the bottom line, but its potential positive impact on corporate performance is simply uncertain (Gulati et al., 2013). However, a significant amount of recent research has documented the exact opposite. For example, Ergin (2012) found that corporate governance rankings and sub-components of corporate governance had a significant positive impact on the stock prices of publicly-owned Turkish companies. Similarly, Rehman and Mangla (2012) reported that various dimensions of corporate governance also had a significant positive impact on Pakistani banks' performance. In another study, analyzing 120 French companies, Ezzine and Olivero (2013) found that complying with corporate governance principles improved the visibility of a firm in the market. According to Berrone et al. (2005) this situation is similar for companies with a strong ethical identity. Strong ethics improve stakeholder satisfaction, which positively influences the financial performance of a firm. Berrone et al. (2005) tested this assumption through empirical research and found out that corporate-applied ethics had a positive impact on financial performance. Finally, Michelon et al. (2012) inquired about the impact of social responsibility on corporate performance by analyzing 188 companies over a 3 year period. They concluded that if a company creates link between social responsibility and strategy then it is possible to see a positive impact on both market and accounting-based measures of performance. In a theoretical study, Galbreath (2008) also suggested integrating social responsibility into company strategy and showed how companies could do that. Singer (2009) did the same for business ethics by proposing a model.

Interestingly, the studies cited above which imply a positive relationship between corporate governance, social responsibility, business ethics and corporate performance were not published in journals whose main focus is corporate performance and/or strategy. For example, as one of the most important journals of SM field, the Strategic Management Journal (SMJ) published only 23 articles related to business ethics, social responsibility- and other relevant concepts between the years 1996 and 2005 (Robertson, 2008). These 23 articles constituted just 3.5% of the total articles that were published in SMJ between those years. For this reason, we first wanted to see whether this trend started changing after 2005. Additionally, we also aimed to understand how corporate governance, social responsibility and business ethics focused studies were related to strategy and corporate performance.

3. Methodology

In order to understand the point of view of the strategic management field with regards to corporate governance, social responsibility and business ethics concepts we analyzed one of the top research journals of this field, SMJ, through its articles published between 1998 and 2010. We chose SMJ because it is the top academic journal in the SM field with its 3,783 impact factors (http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)1097-0266 retrived 19.02.2013). We assumed that the most trustworthy research was published in this journal. We chose the years between 1998 and 2010 because Google ngram graphs show that the usage of these three concepts is inclined to rise in the 2000s and we also know that collapse of giants as a result of unethical business activities, corruption, and mismanagement occurred especially in late 90s and early years of the 2000s. In addition, the world witnessed the global crisis in last 15 years and the role played by companies in global warming and pollution has started been criticizing harshly in those years.

With the intention of discovering the corporate governance, social responsibility or business ethics related articles published in SMJ between 1998 and 2010, we downloaded all articles from those years by using the e-journal access of Marmara University Central Library. We found 908 articles in total. Then, by using a website (http://25yearsofprogramming.com/perl/phrasecounter.htm), which is specifically designed for word counting, we found the most repeated words that consisted of at least four letters and repeat at least three times in each article. Then, we looked up the terms governance, responsibility and ethics, and if we found one of these words repeated at least three times, we marked the article by giving it a special number. We deliberately avoided using the full names of the concepts like corporate governance, corporate social responsibility and business ethics just in case we missed an article. Using the most refined versions of these concepts increased our workload but also enabled us to catch all articles related to them. Our analysis revealed that in 234 of the 908 articles one of the governance, responsibility or ethics concepts appeared at least three times. In order to complete our analysis we read abstracts of these articles and we eliminated the unrelated ones. Our findings are explained below.

4. Findings

After having completed our analysis we had 25 corporate governance, business ethics and/or social responsibility related articles that appeared in SMJ between 1998 and 2010. In fact, it was interesting to see this number because Robertson's (2008) study had revealed 23 business ethics related articles that appeared in SMJ between the years 1996 and 2005. Because of this result we expected to see the greater number of articles and our results surprised us. In order to understand the reason for the discrepancy between Robertson's (2008) study and ours, we analyzed Robertson's (2008) methodology and we understood that he qualified some topics like corruption, morality and reputation management as business ethics related. However, we followed a stricter path and we only looked for the terms governance, ethics and responsibility as explained under the methodology section of this article. We believe the discrepancy between Robertson's (2008) and our studies stems from the concepts that we took into consideration. In addition, we did not count the articles that did not primarily deal with the relationship between corporate governance, business ethics, social responsibility and strategy or corporate performance although the concepts that we looked for appeared in those articles.

Our analysis revealed that only 25 of the 234 articles fell within our scope. We understood that the main reason for this was that the concept of governance had a broad usage in strategy literature. After reading the abstracts of those 234 studies that we selected in the first phase, we understood that the concept of governance was used by the scholars to refer to the managerial structure of a company. Thus, our focus on abstracts made it possible to eliminate articles in which governance, responsibility and ethics concepts appeared more than three times but were unrelated to corporate governance, business ethics and/or social responsibility. Table 1 below demonstrates the details of the 25 articles that we found.

Table 1 CG/BE and SR Related Articles Appeared in SMJ between 1998 and 2010

Year	CG Related	BE Related	SR Related	Total	Total Articles in the Year	Total CG-BE-SR Articles / Total Articles in the Year (%)
1998	2	0	1	3	72	4,17
1999	0	0	0	0	63	0,00
2000	0	0	1	1	71	1,41
2001	0	0	1	1	63	1,59
2002	1	0	0	1	71	1,41
2003	3	2	1	6	79	7,59
2004	0	1	1	2	68	2,94
2005	0	1	0	1	65	1,54
2006	0	0	1	1	64	1,56
2007	0	0	1	1	73	1,37
2008	1	0	3	4	74	5,41
2009	1	0	1	2	71	2,82
2010	0	0	2	2	74	2,70
Total	8	4	13	25	908	2,75

As seen in Table 1, 13 of 25 studies deal with the relationship between social responsibility and strategy or corporate performance. Corporate governance articles follow social responsibility articles and we found only four studies which dealt directly with the relationship between business ethics and strategy/corporate performance. When we analyze Table 1, the last column on the left shows the ratio of corporate governance, business ethics and social responsibility related articles published in SMJ between 1998 and 2010 compared to all articles published in those years. Results indicate a scattered distribution and the numbers of corporate governance, social responsibility or business ethics related articles do not display a tendency to increase. However, from our point of view, it is really interesting to see the rise of the corporate governance, social responsibility and business ethics related articles in SMJ just before the global economic crises. In 1997/98 the world witnessed a global economic crisis which first affected Russia then the rest of the world. Similarly, in 2008, the year in which the 5.41% of total articles were related to corporate governance, business ethics and/or social responsibility, another economic crisis shook the world. This might be a total coincidence but it is still interesting.

In order to understand scholars' findings on corporate governance, business ethics, social responsibility and strategy relations, we analyzed the abstracts of the articles that we selected. The full list of 25 articles that we found as a result of our research and their major concentrations and findings can be seen in Table 2.

Table 2 The Details of CG/BE and SR Related Articles Appeared in SMJ

Year	Vol	Issue	Title	T/E	Concentration and Major Findings
1998	19	3	Meta-Analytic Reviews of Board Composition, Leadership Structure, and Financial Performance	E	*In general, neither board composition nor board leadership structure has been consistently linked to firm financial performance.*
1998	19	4	Commentary On 'Corporate Strategies and Environmental Regulations: An Organizing Framework' By A. M. Rugman and A. Verbeke	T	*Alan Rugman and Alain Verbeke in their paper 'Corporate strategies and environmental regulations' organize the literature on environmental regulations and corporate strategy into a new managerial framework.*
1998	19	6	Management and Ownership Effects: Evidence From Five Countries	E	*This study empirically examines the ownership concentration–performance relationship across the nations of Canada, France, Germany, the United Kingdom, and the United States. Results indicate that important and statistically significant differences do in fact exist across the countries studied.*
2000	21	5	Corporate Social Responsibility and Financial Performance: Correlation or Misspecification?	E	*In this paper, we demonstrate a particular flaw in existing econometric studies of the relationship between social and financial performance. When the model is properly specified, we find that CSR has a neutral impact on financial performance.*
2001	22	2	Shareholder Value, Stakeholder Management, and Social Issues: What's the Bottom Line?	E	*...and find evidence that stakeholder management leads to improved shareholder value, while social issue participation is negatively associated with shareholder value.*
2002	23	5	Corporate Boards and Outside Stakeholders As Determinants of Environmental Litigation	E	*In this paper we draw on corporate governance and stakeholder theories to empirically investigate environmental lawsuits. We find that the likelihood of becoming a lawsuit defendant increases with board size, with the fraction of directors in industrial firms, and with the fraction of inside ownership, and decreases with the number of directorships held by outside directors.*
2003	24	1	Failed Takeover Attempts, Corporate Governance and Refocusing	E	*This study suggests that in the aftermath of a failed takeover attempt board of director characteristics can help predict changes in corporate strategies.*
2003	24	4	Corporate Governance, Investment Bandwagons and Overcapacity: An Analysis of The Worldwide Petrochemical Industry, 1975–95	E	*This paper attempts to further the debate by comparing the effect of these different corporate governance systems on preventing capacity expansion bandwagon behavior in the worldwide petrochemical industry in the period 1975–95. Our study shows, first, that neither system is particularly effective in curbing overinvestment; however, the market-based system seems to be less ineffective than the bank-based system. Second, free cash flow appears to drive greater bandwagon behavior in the market-based system than in the bank-based system. Finally, within the bank-based system, companies that rely on one bank–shareholder are more likely to join the bandwagon than those with more than one.*
2003	24	4	Mapping Moral Philosophies: Strategic Implications For Multinational Firms	T	*We seek to rectify the deficiency in international business ethics scholarship with two distinct contributions. First, we develop a new cross-cultural, macro-level model of societal ethics. Second, we map moral philosophies onto an established framework for assessing socioeconomic environments.*
2003	24	5	Proactive Environmental Strategies: A Stakeholder Management Perspective	E	*This paper includes an empirical analysis of the linkages between environmental strategy and stakeholder management. Finally, the linkages between environmental strategies and stakeholder management, based on a sample of 197 firms operating in Belgium, appear more limited than expected. Country-specific characteristics may to a large extent account for these results.*
2003	24	7	Increasing Firm Value Through Detection and Prevention of White-Collar Crime	E	*In this study, these traditional measures of governance are found to have little impact. Instead, operational governance, including clarity of policies and procedures, formal cross company communication, and performance-based pay for the board and for more employees, significantly reduces the likelihood of a crime commission.*
2003	24	7	Antecedents and Consequences of Corporate Governance Reform: The Case of Germany	E	*The paper examines the antecedents and consequences of the voluntary adoption of corporate governance reform in firms embedded in a relationship-based governance system with less protection of minority shareholders. We found an inverse 'U'-shaped relationship between ownership concentration and governance reform.*
2004	25	4	Corruption and Change: The Impact of Foreign Direct Investment	E	*This study examines influences on the level of corruption in countries from a strategic perspective. Results indicate that the more rapid the rate of change in FDI the higher the level of corruption. Higher levels of perceived corruption are associated with each of two dimensions of national culture: uncertainty avoidance and masculinity.*
2004	25	11	The Formation of Green Strategies in Chinese Firms: Matching Corporate Environmental Responses and Individual Principles	E	*This study examines how Chinese firms began responding to worsening environmental concerns in the late 1990s. We find that top executives who champion new strategic initiatives monitor early success or failure, and adjust their efforts to match early performance feedback.*
2005	26	2	Symbolic or Substantive Document? The Influence of Ethics Codes on Financial Executives' Decisions	E	*We develop our hypotheses by combining stakeholder management theory and the theory of planned behavior, and test them with a survey of 302 senior financial executives. We find that financial executives are more likely to integrate their company's ethics code into their strategic decision processes if (a) they perceive pressure from market stakeholders to do so ; (b) they believe the use of ethics codes creates an internal ethical culture and promotes a positive external image for their firms; and (c) the code is integrated into daily activities through ethics code training programs.*

2006	27	11	Beyond Dichotomy: The Curvilinear Relationship Between Social Responsibility and Financial Performance	E	*The results show that as the number of social screens used by an SRI fund increases, financial returns decline at first, but then rebound as the number of screens reaches a maximum. Furthermore, we find that financial performance varies with the types of social screens used. Community relations screening increased financial performance, but environmental and labor relations screening decreased financial performance.*
2007	28	1	Investor Activism, Managerial Responsiveness, and Corporate Social Performance	E	*We study relationships between shareholder proposal activism, managerial response, and corporate social performance (CSP). We find that shareholder proposal activism reduces CSP.*
2008	29	7	Firm Performance: The Interactions of Corporate Social Performance with Innovation and Industry Differentiation	E	*This study examines the possibility that corporate social performance enhances financial performance by allowing the firm to differentiate, and that this effect may be moderated both by innovation, which also drives firm differentiation, and the level of differentiation in the industry. Our results support both innovation and the level of differentiation in the industry as moderators for a positive relationship between corporate social performance and financial performance: corporate social performance most strongly affects performance in low-innovation firms and in industries with little differentiation.*
2008	29	10	Organizational Responses To Environmental Demands: Opening the Black Box	E	*This article combines new and old institutionalism to explain differences in organizational strategies. Specifically, we argue that external constituents—including customers, regulators, legislators, local communities, and environmental activist organizations—who interact with influential corporate departments are more likely to affect facility managers' decisions. We find support for these hypotheses*
2008	29	11	Why Do Patterns of Environmental Response Differ? A Stakeholders' Pressure Approach	E	*The analysis, which is focused on a sample of 240 industrial firms, provides empirical evidence enabling us to identify, understand, and evaluate the impact of stakeholders on the choice of environmental response pattern.*
2008	29	12	Does It Pay to be Different? An Analysis of the Relationship between Corporate Social and Financial Performance	E	*This study explores the relationship between corporate social performance (CSP) and corporate financial performance (CFP) within the context of a specific component of CSP: corporate charitable giving. We found that firms with both unusually high and low CSP have higher financial performance than other firms, with unusually poor social performers doing best in the short run and unusually good social performers doing best over longer time horizons.*
2009	30	4	The Relationship between Corporate Social Responsibility and Shareholder Value: An Empirical Test of the Risk Management Hypothesis	E	*We find that participation in institutional CSR activities—those aimed at a firm's secondary stakeholders or society at large—provides an 'insurance-like' benefit, while participation in technical CSRs—those activities targeting a firm's trading partners—yields no such benefits.*
2009	30	8	Stakeholder Relations and the Persistence of Corporate Financial Performance	E	*We examine the effect of a firm's relations with its nonfinancial stakeholders, including its employees, suppliers, customers, and communities, on the persistence of both superior and inferior financial performance. Our findings further suggest that the positive effect of good stakeholder relations on the persistence of superior performance is not as strong as that of some other firm resources, such as technological knowledge, but it is the only factor examined that promises to help a firm recover from inferior performance. Therefore, the role of positive stakeholder relations in helping poorly performing firms recover is found to be more critical than its role in helping superior firms sustain their performance advantage.*
2010	31	2	Is Doing Good Good for You? How Corporate Charitable Contributions Enhance Revenue Growth	E	*This study examines the impact of corporate philanthropy growth on sales growth using a large sample of charitable contributions made by U.S. public companies from 1989 through 2000. Overall, our evidence suggests that corporate philanthropy, under certain circumstances, furthers firms' economic objectives.*
2010	31	5	Corporate Responsibility and Financial Performance: The Role of Intangible Resources	E	*This paper examines the effects of a firm's intangible resources in mediating the relationship between corporate responsibility and financial performance. Our results indicate that there is no direct relationship between corporate responsibility and financial performance—merely an indirect relationship that relies on the mediating effect of a firm's intangible resources.*

Table 2 indicates that only two pure theoretical papers related to corporate governance, business ethics and/or social responsibility appeared in SMJ between 1998 and 2010. It can be argued that the majority of these articles have strong empirical evidence to explain the relationships that they focus on. In order to avoid any misinterpretation, we copied parts of the abstracts of the studies that we found and analyzed. The last column on the left of Table 2 shows a brief explanation of each study.

When we read these 25 articles to analyze their main idea and findings, we realized it was really hard to say whether they were related to corporate governance or business ethics or social responsibility. We believe, since there was not any common view on the definition of these concepts, scholars used them interchangeably. Moreover, it was very difficult to decide whether some studies were focused on business ethics or social responsibility. For example, corporate giving might be a subject of both business ethics and social responsibility. In short, we argue that the literature still needs some theoretical attention to explain the relationship between corporate governance, business ethics and social responsibility. Then, these models can be associated with the strategy and corporate performance.

Our results also revealed that it is almost impossible to establish a direct link between corporate governance, business ethics, social responsibility and strategy or corporate performance. In most of the articles that we analyzed, scholars either reported that they did not see any impact of corporate governance, social responsibility or business ethics on corporate performance or they indicated that they found a negative impact. In the few studies that reported a positive impact of corporate governance, business ethics or social responsibility on strategy/corporate performance, the relationship was not direct but dependent on several additional circumstances.

5. Conclusion

In the title of this study we asked if the SM field really cared about the importance of corporate governance, social responsibility and business ethics concepts. Now, after completing our analysis, we can say that as a reputable journal of SM field, SMJ reflects that the SM field does not really care about these concepts, though it does not totally ignore them. Since we regularly read this journal as a part of our academic life, this result was not surprising for us. However, what we find really surprising is the negligence of the SM field with regard to governance, business ethics and social responsibility concepts. Even if they harm the financial performance of a company by raising costs, it is almost impossible to sustain a business by ignoring them. Global warming, pollution, corruption and employee burnout stemming from a competitive work environment are just the most visible examples of this situation. In fact, today there are some start-ups whose reason for existence relies on social issues, and these companies create company policies and execute strategies in accordance with corporate governance, social responsibility and business ethics. Perhaps they are not corporate giants, but they indicate the values of the next generation of companies. Thus, we believe that corporate giants that follow traditional methods will have to transform their strategies, and scholars should support this transformation with their research. It is also surprising not to see research that explains how companies integrate their strategies with corporate governance or social responsibility in order to get resources. For example, corporate governance advises companies to hire independent board members and some companies follow this advice as a cooptation tool. Similarly, some companies create their sales, marketing or production policies in accordance with the social responsibility concept. As a result, the SM field needs to see more studies that try to integrate corporate governance, social responsibility, business ethics and strategy concepts. Additionally, according to our results, SM researchers should not search for a direct relation between corporate governance, business ethics, social responsibility and corporate performance, instead they should offer more detailed models and empirical findings in which people can see the latent nature of these relations.

This study and our analysis is just a beginning of a more detailed research project and it has certain limits. First, our results depended on data which came from only one journal. Although SMJ is one of the most eminent and reputable journals of the SM field, in our subsequent research we plan to increase the number of journals consulted. Additionally, SMJ is an American academic journal and generally publishes research from American universities. We know that stakeholder view is mostly dominant in Europe and any analysis which does not include and European SM journal has a risk of being biased.

We believe it is also important to comment on the reason why SM scholars do not publish research that examines the relationship between corporate governance, social responsibility, business ethics and corporate performance/strategy. According to our research, we can say that the vague structure of corporate governance, business ethics and social responsibility concepts makes them difficult to deal with. More concrete definitions and detailed theories would be useful as a starting point. Otherwise, researchers whose methodological ideology is positivism would not be interested in conducting research taking corporate governance, social responsibility and business ethics concepts into consideration.

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