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Boundaries of governance: social responsibility in mining in Western

Australia

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Abstract

This research investigated the boundaries of governance of social responsibility in three multinational mining organisations based in Perth, Western Australia. The mining industry has economic, environmental and social impacts, both positive and negative. While most of the attention of the media and supporters in government seems to focus on the positive impacts, a growing concern regarding the social implications of mining is clearly evident in public discourse and the academic literature. In response to public concern, the mining industry has adopted terms such as 'sustainability', 'sustainable development', 'social licence to operate' and 'social responsibility'. Such phrases are widely used in annual reports and public statements. It seems reasonable then to expect that organisations in the industry would be managing the social impacts of mining with the same diligence that is applied to economic and environmental impacts. However the governance of social impacts and the social responsibilities of mining organisations have historically been managed reactively, rather than proactively, or have not been addressed at all. This study used phenomenological research methods to examine the perceptions of the people who are at the forefront of decision making for social responsibility in the mining industry: the managers in mining companies. The findings detail different conceptions of social responsibility, and how these affected governance and boundaries. The term 'boundaries' is used here to express what participants perceived as the limits of their organisation's social responsibility. The thesis explores whether boundary setting was formal or informal, how boundaries were defined and under what conditions they changed. The research confirmed that terms such as 'sustainable development' were used widely; however the meanings attributed to these often obscured the narrow conception of the terms. This interpretation aligned with an organisationally strategic approach to social responsibility that primarily aimed to benefit the organisation, while the provision of benefits to other parties was a secondary consideration. The research found that the perceived level of risk to the organisation was most influential in defining boundaries, and risk itself was in a constant state of flux based on changing economic and social circumstances and changing perceptions. The findings showed

that the organisations governed social responsibility to reduce risk to the organisation, and construed their social responsibilities through narrow interpretations of sustainability and sustainable development that foregrounded the organisation, rather than as a way to effectively and systematically reduce the negative impacts of mining on society or to contribute to sustainability in a broader sense.

Declaration

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    i.   incorporate without acknowledgment any material previously submitted for a degree or diploma in any institution of higher education;

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    iii.   contain any defamatory material;

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Acknowledgements

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Preface

Since completing a Bachelor of Environmental Science I have worked as a consultant within the environmental and integrated management systems area. I assisted organisations within various industries to plan, implement, audit and review their management systems. In a practical sense I saw the management system as a set of documents that together describe the processes an organisation commits to for managing aspects of its business: it is a representation of organisational governance.

This research commenced in 2012 and was conceived out of observations and experiences while working in Western Australia for the mining, construction and fuel supply industries. I observed that systems were in place to address operational, environmental, health and safety and quality issues, yet there was little or nothing in place to manage social aspects. Social issues seemed poorly represented within management systems, or were managed outside of systems altogether. When considered as a legitimate aspect of management, social issues were not addressed with the same rigorous requirements that were applied to other areas. This was despite claims that sustainability and social responsibility were part of organisational management and considerations of development.

In my role I assisted organisations to gain and maintain certification to ISO 14001 Environmental Management System Standard, ISO 9001 Quality Management System Standard and AS 4801 Health and Safety Management System Standard. In 2011 I became aware of ISO 26000 Guidance on Social Responsibility, and to my mind it seemed obvious that this standard should be adopted by organisations who made claims about sustainable practises and that this would fulfil the missing component of sustainable management – the social aspect.

Based on this experience, my assumption when I began this research was that it would be feasible for social responsibility to be integrated into existing management systems, and that it would be practically possible to do so. This would allow for the purposeful management of social concerns, as opposed to the prevailing situation in which social concerns were being treated in an *ad hoc* manner, or ignored completely. My position

has progressively shifted while completing this research as I have been exposed to alternative options and the flaws of management system standards. However I feel that any form of meaningful management that aims to reduce the negative impacts of business on society, would be preferable to a situation in which little or no consideration is given to identifying and managing the social consequences of organisational operations.

1 Introduction

In Western Australia the resources industry is a major element of the economy (Brueckner, Durey, Mayers, & Pforr, 2014a). Since gold was discovered in the Kalgoorlie region in 1892 (Ghassemi & White, 2007), the state of Western Australia has been built by and even dependent upon mining wealth. The state's reliance on mining however, goes beyond the economic benefits to provide a historical context and form part of the Western Australian identity (Brueckner, Durey, Mayers, & Pforr, 2014b; Roche & Mudd, 2014). In recent decades the mining industry has undergone rapid expansion and this has brought into focus the social and environmental consequences that go hand in hand with the economic benefits. While some, arguably inadequate (Roche & Mudd, 2014), advancements have been made with respect to environmental regulation, little has been done to ensure that mining companies address the social impacts of mining. This is despite a growing concern regarding the social implications of mining in public discourse and in the academic literature (Brueckner, et al., 2014b).

As this rapid expansion occurred, the concept of sustainable development (Brundtland, 1987) began to appear in the mining industry vernacular. The terms 'sustainability' and 'sustainable development' were used abundantly, and the industry argued that they were incorporating these concepts into management and policy development (ICMM, 2008a). In this case, one might expect that organisations operating in the mining industry would consider and manage the three pillars of sustainability (Boström, 2012) - economic, environmental and social interests - with equal diligence. However, the social responsibilities of mining organisations are ambiguously defined and continue to emerge.

In 2010 the International Organisation for Standardisation (ISO) introduced ISO 26000 Guidance on Social Responsibility (ISO 26000). From an international point of view, this provided a conceptual and theoretical model, a definition of social responsibility and guidance on how the model could be implemented. The mining industry had previously advocated for self-regulation and the uptake of international management system standards (MSS) for environment, quality, and health and safety (International

Institute for Environment and Development, 2002). Academics have also detailed the widespread adoption of MMSs in the mining industry (Kemp, Boele, & Brereton, 2006). It might be expected then that a similar uptake of standards regarding social responsibility would be adopted. ISO 26000 was used as a framework for this research to examine whether areas of social responsibility were evident in organisational governance.

I chose to look at participant *perceptions* of social responsibility, rather than using sustainability reports and other documentation, for two reasons. Firstly, I was interested in those aspects of social responsibility that were not legislated requirements and not considered part of management norms. These aspects may not be formally represented in organisational documentation and reports, and are managed implicitly by managers and people with social responsibilities. Secondly, studies have drawn a link between mining and rhetoric-laden reports and documentation in relation to corporate social responsibility (CSR) (Coronado & Fallon, 2010; Kemp & Owen, 2012; Mutti, Yakovleva, Vazquez-Brust, & Di Marco, 2012). Common rhetorical language used by the industry, such as 'sustainability', 'sustainable development', 'corporate social responsibility' and 'social licence to operate' may be misinterpreted if relying on documented discourse.

The impacts on society and the environment as a result of mining are comprehensively researched, however there is only limited information on organisational governance of social responsibility, and less again on how organisations determine boundaries. These two areas represent significant gaps. Much of the available literature is theoretical rather than empirical. This research is significant as it examines how the industry determines where the extent of its social responsibilities lie within a context of limited regulation, a lack of widely adopted standards and claims of self-regulation. A boundary for management is deduced from the perspective of people working in the mining industry.

Within this thesis the term 'boundary' represents what an organisation, or individuals in an organisation, include or exclude explicitly or implicitly from management. The term is fundamental to the thesis as it expresses the limitations as to what participants

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perceived as their organisation's responsibilities, and defines what one might expect to find within organisational governance. By defining these limitations, a representation of boundaries was formed and explored.

This research adds to a growing body of literature on social responsibility and the mining industry, notwithstanding the gaps in research mentioned above. This thesis is uniquely placed to contribute empirical evidence to test theoretical models that have been proposed by academics (Husted, 2003; Lantos, 2001), while offering insights into processes of boundary determination. Questions arise when boundaries of social responsibility are examined: are the boundaries appropriate; are they relatively fixed or dynamic; and if the latter, under what conditions do they change? Thus, the research questions are:

- How do individuals in organisations perceive social responsibility to be represented in organisational governance frameworks?
- How do individuals in organisations describe the boundaries for social responsibility?
- Where do individuals in organisations perceive the boundaries of social responsibility to be?
- What do individuals in organisations perceive the conditions to be under which boundaries can change?

1.1   Chapters of this thesis

The thesis commences with a review of the literature on social responsibility and mining in relation to how boundaries are determined, who determines them and how social responsibility is expressed in organisations.   The review of the literature introduces the ideas and themes that are explored further throughout this thesis and is important in establishing the context of the study. The review also provides the benchmarks and models that have been used to interpret the results of this study, and to which comparisons are made in the discussion.

Drawing from this review, chapter three provides a rationale for, and a description of, the philosophical underpinnings of the phenomenological approach used for this study

and describes the research design and methodology in detail. Chapter four describes the findings and constructs a sense of how participants perceived social responsibility to be represented in their organisations. My observations and interpretations effectively narrate this chapter. The discussion in chapter five compares what participants perceived in relation to the research questions with the literature on this topic. Contrasts between the organisations are also included to discuss how perceptions differed in response to different governance models. The final chapter summarises the main findings and conclusions of the research.

2 Concepts of social responsibility, boundaries and mining

This chapter begins with an overview of the controversies and debates that are evident in the literature around social responsibility and mining. Key definitions of social responsibility are also examined, followed by a review of the rationale for social responsibility in the mining industry. The chapter concludes with a discussion of how boundaries for social responsibility can be conceptualised and the nature of how organisations deliver social responsibility.

Expectations that organisations should contribute to the social well-being of the communities in which they operate have been increasing over the past several decades (Labonne, 1999; Lantos, 2001; Mutti, et al., 2012). As Labonne explains in relation to the mining industry:

> in the current political climate of enhanced emphasis on social responsibility and enlarged role of the private sector in this regard, the extractive industry is often expected to contribute to the sustainable development of the community and the region where it operates. Community acceptance of a project is generally directly related to the willingness and ability of the company to provide social benefits. This is a major challenge for mining. The private sector can address sustainable development concerns as long as adequate profits can be maintained. (Labonne, 1999, p. 317)

Pressures to contribute to social well-being have come from external stakeholders (Frooman, 1999), increasing regulation and widespread adoption of voluntary international standards (Castka & Balzarova, 2008b). Practising social responsibility has come to the fore in the mining industry, because the mining industry has long-term and in some cases, irreversible impacts on the environment and communities where mines operate (Carrington & Pereira, 2011). Important issues have manifested in the industry: 'including industrial accidents, environmental degradation, health and safety issues, impact on livelihood of local communities and violations of human rights' (Mutti, et al., 2012, p. 212). As a result, the mining industry has experienced pressure

and scrutiny from external sources including human rights organisations, international environmental advocates and organisations concerned about the impacts of mining in developing countries (Mutti, et al., 2012). Local communities have also become aware of their potential to influence organisations: 'companies are increasingly aware of the resources that communities can use if they are dissatisfied with the firm, such as the ability to block local resources or the capacity to affect the image of a company through partnerships with global Non-Governmental Organisations' (Mutti, et al., 2012, p. 214).

Key controversies regarding the role of business in the community incite debates about social responsibility. Friedman (1970), for example, argues that the sole purpose of a business is to make profits for shareholders within the confines of law and ethical custom. Others add to the 'profit' imperative the need to be good corporate citizens and to engage in corporate philanthropy and donations (Carroll, 1998). Frooman (1999) Sen and Cowley (2013) add to the debate, arguing that stakeholder positions must be acknowledged and managed. Depending on the position taken, theoretical justifications for social responsibility will be different. The significance of these positions is important because the way in which people define their organisation's role in the community, forms a basis for decision-making about social responsibility.

ISO 26000 has led to considerable debate on the most appropriate way to use the standard, because it did not adopt a process-approach management system format. This has increased speculation about the need for further standardisation to assist organisations in a practical sense in implementation (Hahn, 2013). The work of Pavel Castka and others (Castka, 2010; Castka & Balzarova, 2007, 2008a, 2008b, 2008c, 2008d; Castka, Bamber, Bamber, & Sharp, 2004) details the development of ISO 26000 and examines its eventual entrance as a guidance document rather than a MSS (this is further discussed below). Despite flaws in the certification process, Hemphill (2013), in his analysis of ISO 26000, regards a lack of certification as a constraint due to the limited ability to assess whether organisations are implementing social responsibility and if they are implementing efficiently. Robinson (2013) argues that social responsibility can be integrated into existing management systems, but does not address issues about auditor competence or a compliance-rather-than-performance

focus (Castka & Balzarova, 2008d). Kemp and Owen (2013) observe management system approaches in community relations and highlight flaws with direct integration with other MSSs (e.g. ISO 14001, ISO 9001). Debate around the use of ISO 26000 continues and although the standard gives comprehensive guidance, interpretation and implementation is likely to vary widely.

The concept of a 'social licence to operate' has become favoured by the mining industry over the past few decades (International Institute for Environment and Development, 2002) and the term is used extensively in the corporate vernacular (Bice, 2014). Its adoption has created some controversy regarding the appropriateness of such a loosely defined and ambiguous term. The phrase has been used by mining organisations in documents such as sustainability reports (Bice, 2014), with little offer of proof or compliance against limited or non-explicit criteria (Kemp & Owen, 2012). The legitimacy of claims to gaining and maintaining a social licence remains in question despite the term's continuing widespread use.

Social responsibility has been described as 'fuzzy with unclear boundaries and debateable legitimacy' (Lantos, 2001, p. 595). In 2002 'The Desirability and Feasibility of ISO Corporate Social Responsibility Standards' was released and considered by the working group of the ISO consumer policy committee (COPOLCO) in relation to the development of ISO 26000. The report states that no single definition has become sufficiently authoritative for social responsibility and it outlines several definitions (ISO COPOLCO, 2002). Now, 12 years later, different definitions for social responsibility are still being offered by academics and no consensus is apparent (Bice, 2013). Other terms described in the literature as being used interchangeably or with the very similar intention to social responsibility include sustainable development, corporate citizenship, triple bottom line, social licence to operate, corporate sustainability and corporate accountability (Bice, 2014; ISO COPOLCO, 2002; Majumdar & Saini, 2013).

Table 1 provides a list of meanings for social responsibility drawn from the academic literature, peak bodies and standards. A number of commonalities can be drawn: most importantly they point towards an alignment with sustainable development. However, this term is equally ambiguous. The Brundtland definition: 'development that meets

the needs of the present without compromising the ability of future generations to meet their own needs' (Brundtland, 1987, p. Chapter 2 section 1) is the most widely accepted (Bice, 2014), but the nature of the link between the two phrases has not always been made explicit. Thus using the term to define or include in an explanation of social responsibility may lead to further confusion.

Another commonality is the reference to 'business', 'corporate', 'organisation', 'enterprise' or 'company'. Social responsibilities traditionally have been associated with governments however many of these definitions explicitly extend to corporate entities. Social responsibility refers to the ethical behaviour of organisations, and the way in which they demonstrate this is through policy, procedure and practice. ISO 26000 refers to 'social responsibility' rather than 'corporate social responsibility' (CSR), in order to be inclusive of any organisation (corporate or non-corporate).

Rather than provide another new definition for social responsibility here, this thesis will use ISO 26000 in its entirety as a benchmark and definition of social responsibility. This standard has been selected because its seven core subjects (see Table 2), inclusive of governance, embody many of the definitions below (Table 1) and provide a substantial framework against which the findings from this research can be compared.

Table 1: The definitions for both social responsibility and CSR found in the literature ordered chronologically.

Source	Definition of social responsibility or CSR
The World Business Council on Sustainable Development (ISO COPOLCO, 2002, p. 3)	The commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life.
Business for Social Responsibility (ISO COPOLCO, 2002, p. 4)	operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. CSR is seen by leadership companies as more than a collection of discrete practices or occasional gestures, or initiatives motivated by marketing, public relations or other business benefits. Rather, it is viewed as a comprehensive set of policies, practices and programs that are integrated throughout business operations, and decision-making processes that are supported and rewarded by top management.
Husted (2003, p. 481)	the firm's consideration of, and response to, issues beyond the

	narrow economic, technical, and legal requirements of the firm. . . (to) accomplish social benefits along with the traditional economic gains which the firms seeks.
Campbell (2007, p. 950)	I view corporations as acting in socially responsible ways if they do two things. First, they must not knowingly do anything that could harm their stakeholders—notably, their investors, employees, customers, suppliers, or the local community within which they operate. Second, if corporations do cause harm to their stakeholders, they must then rectify it whenever the harm is discovered and brought to their attention. Rectification could be done voluntarily or in response to some sort of encouragement, such as moral suasion, normative pressure, legal threats, regulatory rulings, court orders, and the like.
Castka and Balzarova (2008a, p. 297)	CSR means that organisations should take responsibility for their impact on society and the environment.
Carroll and Buchholtz 2009 in Corondo and Fallon (2010, p. 669)	the set of responsibilities that a corporation assumes, in order to respond to the interests of multiple stakeholders.
English (2009, p. 151)	CSR is a concept where businesses voluntarily integrate ethical, strategic, and philanthropic social concerns in their business operations and in their interactions with stakeholders.
ISO 26000 Guidance on Social Responsibility (ISO, 2010, p. 3)	responsibility of an organization . . . for the impacts . . . of its decisions and activities on society and the environment . . .through transparent and ethical behaviour . . . that • contributes to sustainable development . . . , including health and the welfare of society; • takes into account the expectations of stakeholders . . . ; • is in compliance with applicable law and consistent with international norms of behaviour. . . and • is integrated throughout the organization . . . and practiced in its relationships.
Bice (2013, p. 140)	CSR is . . . defined as a pattern of policies and activities undertaken by companies which may be directly or indirectly related to their primary operations, but which are influenced by social norms and expectations, as understood by companies and their stakeholders, concerning the company's social, environmental and economic behaviours and impacts.
Avetisyan and Ferrary (2013, p. 115)	the social and ethical behaviours of enterprises.

2.1   The rationale for social responsibility in the mining industry

The rationale for mining organisations implementing social responsibility is discussed in this section: these include ethical and moral obligations, altruism, strategic motivations and sustainability ethics.

Lantos claims that:

> today's business organisations are expected to exhibit ethical behaviour and moral management. However, over the past half century the bar has been steadily raised. Now, not only are firms expected to be virtuous, but also they are being called to practice "social responsibility". (Lantos, 2001, p. 595)

Lantos describes 'ethical corporate social responsibility' as avoiding harm to society and proposes this as a 'morally mandatory' form that all organisations undertake to meet economic, legal and ethical responsibilities (Lantos, 2001, p. 206). Ablända (2011) acknowledges that CSR has become a prominent topic for research and discussion in business ethics and argues that organisations should ensure ethical standards are included in corporate governance and policy. Social responsibility could be viewed as a manifestation of the ethical and moral obligations expected of organisations; however using ethics to determine the boundaries of social responsibility can be problematic because it is ambiguous as to who should be the beneficiary. Often the focus is to provide the greatest benefit to the greatest number of people; however this perspective can leave minorities out of ethical decision making in favour of the majority; employees, customers and even stockholders may be outnumbered by other constituencies (Lantos, 2002). Another problem is the assumption that ethical corporate social responsibility is 'mandatorily' undertaken: 'a corporation is morally responsible to any individuals or groups where it might inflict actual or potential injury from a particular course of action' (Lantos, 2002, p. 207). Lantos acknowledges that this is not always the case, evidenced by corporations 'who produce socially undesirable goods and impose social costs such as pollution' (Lantos, 2002, p. 207).

Obvious questions that arise in examining an ethical rationale for social responsibility include who is the organisation responsible for? Who is the beneficiary, and to whom and how much harm is ethically justifiable in exchange for the benefits produced? Although there is an assumption that organisations have ethical responsibilities (Lantos, 2002), the constituencies for large multinational companies are diverse and to whom the company should have the greatest responsibility is subject to debate.

Historically, according to Carroll and Shabana (2010), philanthropy and donations were the primary manifestation of social responsibility and organisations donated out of altruism, with little expectation that they would receive a return on investment. Carroll and Shabana (2010) discuss the background and historical perspectives to CSR and describe a period in the 1960s and 70s when social responsibility was in its relative infancy and the main rationale was 'socially conscious motivations', and 'businesses were not looking for anything specific in return' (Carroll & Shabana, 2010).

Carroll (1998) and Lantos (2001) describe altruistic or philanthropic social responsibility as activities undertaken at the expense of the organisation for the sole benefit of another beneficiary. Castka and Balzarova (2007, p. 746) describe altruistic social responsibility as people in an organisation 'believing in' issues and then advocating for changes to address those issues. Castka and Balzarova (2007) argue that where people in organisations have altruistic motivations for social responsibility (they refer specifically to the implementation of management systems), then the organisation is likely to have greater success in its endeavours. This is contrasted against other motivations such as external pressure and coercion, where performance may be poor.

From a neoliberal perspective, altruistic social responsibility has become controversial (English, 2009) for publically owned companies. Lantos (2002, p. 205) argues that it 'breaches shareholder property rights, unfairly confiscating stockholder wealth' while redistributing it to unrelated beneficiaries for no return (see also Friedman's (1970) contention that the only purpose of business is to produce profits for shareholders). Friedman (1970) criticises the concept of 'corporate social responsibility' arguing that only people can have responsibilities and that the executives in corporations are

employed by shareholders to work for their benefit. Lantos (2002) contends however that it is commendable for private companies and individuals to conduct altruistic social responsibility because if a company does not have shareholders, redistributing wealth does not detract from shareholder rights.

Lantos (2001) argues that strategic social responsibility involves activities that provide beneficence as well as being good economically for an organisation and suggests that strategic social responsibility can be used as a resource and an asset. He contends that goodwill developed within stakeholders can be drawn upon in times of difficulty: 'Those helped will feel grateful and indebted to the organisation, and will reciprocate in various ways, by giving it their business, recommending it to others, asking government regulators to stay at bay' (Lantos, 2001, p. 618). This is a perspective that sees philanthropy as only justified if it is self-serving for organisations.

Also from a neoliberal perspective, Husted (2003) considers that to increase an organisation's competitiveness it is desirable for social responsibility to be strategically aligned to its core business. As will be discussed below, this can be done by making charitable contributions, and undertaking in-house projects or collaborations. Husted (2003) argues that decision making on what an organisation ought to do, and how to do it, should be based on what will give the best return on investment for the shareholder. The financial benefits to an organisation may not be immediately noticeable but in the longer term, strategic social responsibility is viewed as maximizing shareholder returns on investment (Lantos, 2001). According to this view, building and developing goodwill over time though social responsibility is strategically good for the organisation.

In reviewing the literature around the rationale for social responsibility, a tacit neoliberal perspective was found to underpin the assumptions of a number of writers (Friedman, 1970; Husted, 2003; Lantos, 2002). Specifically in relation to Western Australia, Roche and Mudd (2014) recognise the neoliberal approach taken by successive governments in facilitating mining development. The core assumption of neoliberalism is that an unregulated market with minimal governmental interference delivers 'efficiency, growth and widespread prosperity' (Heywood, 2012, p. 50).

Writers who adopt a neoliberal ideology uncritically accept assumptions that market forces and competition ensure that efficiency is achieved and that on a microeconomic level profit motivates individuals to work. Heywood (2012) suggests that adherents of this ideology assume that inequalities which develop over time are interpreted as a reflection of those who are not willing to work (Heywood, 2012). From an academic perspective, these assumptions should be acknowledged and supported by evidence; however this is not always the case, resulting in an unacknowledged source of bias stemming from the tacit assumptions associated with a neoliberal ideology.

Within the context of mining there is the potential for environmental and social consequences to be externalised by organisations, challenging the assumption that in a deregulated environment, market forces ensure efficiency and equality. A neoliberal perspective also overlooks selected aspects of the historical contexts of mining. For example, in Western Australia mining has been occurring for generations, yet the Indigenous Traditional Owners have only been recognised in recent years. Neoliberal writers do not question the assumption that everyone is able to have the same educational and employment opportunities. However intergenerational disadvantage has occurred for Indigenous people in Western Australia as a result of colonisation, dispossession and other subsequent government policies. The assumptions that underpin both liberalism and neoliberalism are not universally accepted (Heywood, 2012) and the argument that everyone has an equal opportunity to education and employment is unfounded when historical contexts are explored more fully.

An alternative perspective underpins sustainability ethics (Albrecht & Ellis, 2014; Becker, 2010, 2012); this view forefronts values such as inter and intra-generational equity, interspecies equity (biological diversity), global considerations, sense of place and the precautionary principle. The sustainability ethics position is commensurate with the concept of sustainable development expressed in the *Report of the World Commission on Environment and Development: Our Common Future* (Brundtland, 1987), which emphasises intergenerational equity and the equal consideration of the three pillars of sustainable development: society, environment and economy.

Sustainability ethics is a distinct area of applied ethics and methodologies have been and continue to be developed for research in this arena (Becker, 2010, 2012). Becker defines the ethical aspects of sustainability by evaluating the term and dividing it into three characteristics; continuance, orientation and relationships. Continuance relates to the literal meaning, an enduring existence. Becker (2010) observes that science often refers the continuance of systems (such as ecosystems or economic systems) which persist over time. The term sustainability has normative positive associations and orientates people in a particular direction (Becker, 2010). Politicised discourse demonstrates how governmental and industry bodies orientate a positive perception through use of the term. The relationship between contemporaries and future generations is fundamental to the Brundtland (1987) definition which emphasises intergenerational equity however sustainability ethics goes further to examine the relationships between human beings (both present and future) and nature (Becker, 2010). The ability for human beings to persist over time is dependant on the relationship with nature. From this perspective, contributing to sustainable development is a rationale for socially responsible behaviour, such that social aspects (including human rights, the right to well-being, health and quality of life) as well as environmental consequences (the relationship with nature), are given equal consideration to economic imperatives.

2.2   Boundaries of social responsibility

The literature on social responsibility suggests that, in practise, boundaries are defined in a number of discrete ways that can be deduced from legislation, conventions, standards and internal governance processes. The term 'boundary' represents what an organisation, or individuals in an organisation, include explicitly and implicitly within management.

Warhurst's (2005) case studies with multinational companies finds that the boundaries for social responsibility are being widened by an ever-increasing number of international laws and legally binding regulations, as well as being influenced by stakeholders (beyond the shareholder) and the need for a 'social licence to operate'. She writes, 'Globalisation is redrawing the boundaries of responsibility for business

and in some areas of social development and human rights, merging corporate responsibilities with those of governments, requiring business to address social development goals, increasingly in partnership with other societal actors' (Warhurst, 2005, p. 165). She predicts that the social responsibilities will continue to grow and argues that partnerships with government and civil society are one way in which social responsibility will manifest in organisations in order to meet greater expectations.

Another study investigated regulatory relationships and corporate behaviour in privatised industries, and finds that in relation to boundaries: 'statutes define the boundary of a field, however in new fields, and in fields where there is little convention and regulation, organisations or actors have choice, leaving scope for different practices to evolve' (Willman, Coen, Currie, & Siner, 2003, p. 74). Some aspects of social responsibility such as environmental management, and health and safety do have conventions and are highly regulated; however for other fields, and in the developing world, conventions are still being established and different ways of dealing with aspects of social responsibility such as human rights and community development are emerging.

Willman et al. (2003) and Lantos (2001) discuss boundary-spanning roles as pivotal in crossing organisational boundaries to meet stakeholder requirements. People in boundary-spanning roles that have responsibilities to both internal constituents and external stakeholders, require 'social and emotional skills as well as technical judgement' to meet divergent expectations (Willman, et al., 2003, p. 74). Although discussed in relation to regulatory (Willman, et al., 2003) and marketing roles (Lantos, 2001), boundary-spanning roles may also apply to community relations and stakeholder engagement. Similar issues and tensions can be experienced in community relations roles where there may be conflicting requirements and expectations of internal and external stakeholders (Kemp & Owen, 2013). In interviews with community relations' personnel in the mining industry, Kemp and Owen find that the majority of practitioners felt that their biggest challenges were with internal rather than external stakeholders. Importantly, they write that "mid-, lower-level or 'front-line' practitioners – those who had substantial and sustained contact with the community – felt the most disconnected from decision making within the

organisation" (Kemp & Owen, 2013, p. 529). A disconnect between boundary-spanning roles and decision making within an organisation means that boundaries are more likely determined by internal factors.

2.2.1 Legislation

Legislation is one way to determine an organisation's boundary of social responsibility; however in the globalised economy and in the context of multinational mining organisations, legislation is often lagging behind social norms of behaviour (Newell, 2000) and governance gaps exist, in particular in the area of human rights (Macdonald, 2011). While legislation can be a restrictive factor in developing countries where the ability to enforce laws is limited and corruption is common, Gjolberg (2009) argues that legislation is an important part of setting benchmarks for transnational organisations. For organisations with home nations that have strong legislative requirements, there are greater expectations (sometimes legally enforceable) to perform to a high standard internationally, where regulatory discrepancies may have less rigorous requirements. Legislation in developed countries also provides other stakeholders and NGOs with benchmarks against which they can campaign for higher standards and accountability (Gjolberg, 2009).

Historically the nation state and its regulatory requirements have provided a boundary for organisational social responsibility: 'Traditionally, corporations that complied with the dictates of applicable legislation regarded not just their legal but also their social obligations as ending at that point' (Avetisyan & Ferrary, 2013). However, Hine and Preuss (2009) find that although legislation had not been introduced, the government was a key factor for organisations to be good corporate citizens, explaining this as a risk-mitigation strategy to pre-empt and avoid the introduction of regulation. Gunningham, Kagan and Thornton (2004, p. 308) also argue that social obligations are no longer synonymous with an organisation's legal requirements and that obligations imposed by society may be more demanding than that required by legislation.

Although legislation is one way to determine boundaries for social responsibility (and should be considered at least as part of an organisation's social responsibility) it should not be seen as the sole determinant. For other areas, such as how organisations

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contribute to sustainable development, how they consider the health and the welfare of society, and take into account the expectations of stakeholders, the boundaries of what they will do will be self-determined and influenced by social and industrial norms[1].

2.2.2 External standards

The International Organisation for Standardisation (ISO) is a standards-development organisation that has produced over 75 000 international standards and standard-type documents (Castka, 2010), and according to Castka and Balzarova is 'One of the most influential and powerful platforms for self-regulation' through their setting of standards (2008d, p. 232). ISO standards include the internationally accepted (Castka & Balzarova, 2008d) ISO 9001 Quality Management Systems – Requirements (ISO 9001) and ISO 14001 Environmental Management System Standard – requirements with guidance for use (ISO 14001). These two voluntary international MSSs have enjoyed widespread adoption (Castka & Balzarova, 2008b) and allow for organisations to demonstrate implementation through third-party certification.

ISO also produces standards that are intended as guides only and are not for certification. ISO 26000 was released in 2010 and provides guidance on the principles of social responsibility, and on seven core subjects and associated sub-issues (Table 2). As this is not a certifiable standard there is no function for a third party to confirm its implementation; how an organisation responds to this guidance is self-determined. The following paragraphs detail why ISO preferred a guidance standard rather than an MSS.

ISO 26000 was anticipated to be a certifiable MSS based on a process approach utilised in preceding standards ISO 9001 and ISO 14001; however the process changed direction on advice from the Social Responsibility Advisory Group (Castka & Balzarova, 2008b): a group of stakeholders including representatives from business, consumers,

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[1] Where mining royalties are collected from industry, by governments, for return to the regions, there is an implicit, often instated, assumption that government has responsibility for the social consequences of resource extraction. Formal government policies established to redistribute the benefits of resource extraction, like the so-called "Royalties for Regions" programme operating in Western Australia, also influence boundaries for organisational expenditure on social impacts.

trade unions and government regulators (ISO, 2003). The debate as to whether an MSS or a guidance standard should be developed apparently polarised views among the stakeholders consulted during the development of ISO 26000 (Castka & Balzarova, 2008b). One reason why stakeholders did not advocate an MSS was that they perceived the complexity of issues associated with social responsibility was too great and that guidance on all associated issues was required (Castka & Balzarova, 2008b, 2008d). Stakeholders holding the opposite view, that an MSS approach should be adopted, felt that ease of integration into existing management systems and familiarisation of industry with an MSS approach would enable adoption of the standard.

The MSS-versus-guidance-standard debate cannot be completely separated from the debate about certification. Certification is fundamental to MSSs as it provides third-party verification that management system requirements are being met. The intention of third-party certification is to provide objective evidence that organisations are conducting specified processes required by the standard. However certification has become contentious for several reasons. Castka and Balzarova (2008d) argue that coercive external influences can be a driver for certification. External influences include those higher in the supply chain who require certification as a prerequisite for inclusion or to meet regulatory requirements. Organisations who are coerced into certification are more likely to focus on compliance rather than performance, in contrast to those who seek certification in response to internal influences, who are more likely to show improved performance (Castka & Balzarova, 2008d).

A second problem with certification is the perceived conflict of interest with the certification industry (Lal, 2004). In evaluating the ISO 9001 certification process, Lal (2004) indicates that with commercialisation of the certification industry, there is a conflict of interest which results in very few organisations being denied certification or having their certification suspended due to poor performance. The commercial nature of the relationship could be limiting the willingness of auditors to make decisions that would impact the commercial relationship, such as denying or suspending certification for the organisation. This has resulted in a large pool of organisations that perform relatively poorly while remaining certified (Lal, 2004).

Castka and Balzarova (2008d) argue that applying a certification process to ISO 26000 could risk the reputation of ISO. ISO advocates certification processes for preceding standards and aims to ensure that ISO certification has relevance to the international community. Social responsibility poses the problem of significant complexity and breadth in its coverage of issues (Castka & Balzarova, 2008d). To initiate certification processes for ISO 26000, ISO would need to be confident that certification bodies and their auditors have the ability and knowledge to audit organisations against the standard. At this stage, Castka and Balzarova (2008d) suggest that this confidence is lacking, and argue that its introduction could pose a serious threat to the credibility of ISO and existing MSSs.

Because of these issues a guidance standard only was developed, covering seven core subjects and 35 sub-issues (Table 2) of social responsibility. The ISO 26000 document provides guidance on the issues that ought to be considered in governing and implementing social responsibility in organisations, but leaves it up to the organisations to decide which issues they believe are relevant to their operations.

Table 2. Core subjects of social responsibility and sub issues identified in ISO 26000 Guidance on Social Responsibility.

Core subjects	Sub-issues
Organisational governance	(no sub issues)
Human rights	Issue 1: Due diligence
	Issue 2: Human rights risk situations
	Issue 3: Avoidance of complicity
	Issue 4: Resolving grievances
	Issue 5: Discrimination and vulnerable groups
	Issue 6: Civil and political rights
	Issue 7: Economic, social and cultural rights
	Issue 8: Fundamental principles and rights at work
Labour practices	Issue 1: Employment and employment relationships
	Issue 2: Conditions of work and social protection
	Issue 3: Social dialogue
	Issue 4: Health and safety at work
	Issue 5: Human development and training in the workplace
The environment	Issue 1: Prevention of pollution
	Issue 2: Sustainable resource use

	Issue 3: Climate change mitigation and adaptation
	Issue 4: Protection of the environment, biodiversity and restoration of natural habitats
Fair operating practices	Issue 1: Anti-corruption
	Issue 2: Responsible political involvement
	Issue 3: Fair competition
	Issue 4: Promoting social responsibility in the value chain
	Issue 5: Respect for property rights
Consumer issues	Issue 1: Fair marketing, factual and unbiased information and fair contractual practices
	Issue 2: Protecting consumers' health and safety
	Issue 3: Sustainable consumption
	Issue 4: Consumer service, support, and complaint and dispute resolution
	Issue 5: Consumer data protection and privacy
	Issue 6: Access to essential services
	Issue 7: Education and awareness
Community involvement and development	Issue 1: Community involvement
	Issue 2: Education and culture
	Issue 3: Employment creation and skills development
	Issue 4: Technology development and access
	Issue 5: Wealth and income creation
	Issue 6: Health
	Issue 7: Social investment

The International Council on Mining and Metals (ICMM) is an advocate for sustainable development in mining and for the mining and metals industry. CEOs' represent all member organisations on the council, which meets twice per year to set strategic direction and priorities. A requirement of membership is implementation of the council's Sustainable Development Framework (ICMM, 2008a). The framework is based on ten guiding principles, three of which centre around social aspects: "Integrate sustainable development considerations within the corporate decision-making process", "Contribute to the social, economic and institutional development of the communities in which we operate" and "Implement effective and transparent engagement, communication and independently verified reporting arrangements with our stakeholders" (ICMM, 2008a, p. 9). An assurance procedure also requires that implementation of the framework is independently audited by third parties (ICMM, 2008b).

The Global Reporting Initiative is a not for profit organisation that has developed a sustainability reporting framework. The framework has been adopted by many organisations internationally (Global Reporting Initiative, 2014). Organisations who align their reporting with the framework are able to provide standardised information about their economic, social and environmental performance.

Numerous other standards and guidance documents for addressing social responsibility have been developed (Castka & Balzarova, 2008d). A list of those commonly mentioned in the literature in relation to mining is provided in Table 3. Most standards listed in Table 3 address only some aspects of social responsibility as defined by ISO 26000. For example, they may address only environmental management, or human rights or community involvement and development.

Table 3 International standards, guidance and principles for social responsibility commonly mentioned in the literature for the extractive industry. The publishing body, standard and whether it is certifiable.

Institution	Standard / Guidance	Certifiable
United Nations	Global Compact	No
International Finance Corporation (IFC) (2008a)	Performance Standards on Social and Environmental Sustainability	IFC clients must comply
International Organisation for Standardisation (2004)	ISO 14001 Environmental management systems standard	Yes
Social Accountability International (2008)	SA 8000	Yes
International Council on Mining and Metals (2008a)	Sustainable Development Framework	Yes
United Nations (2009)	Guiding Principles on Business and Human Rights	No
ISO (2010)	ISO 26000 Guidance on Social Responsibility	No
World Resources Institute (2012)	Guidebook on Engaging Communities in Extractive and Infrastructure Projects	No
Global Reporting Initiative (2014)	Sustainability Reporting Framework	No
The Equator Principles Association (2013)	Equator Principles	No

2.2.3 Internal standards and governance

In the mining industry, an organisation's management system represents a form of self-regulation, (Kemp, et al., 2006) and such systems have been widely applied to health and safety, environmental and quality management (Castka & Balzarova, 2008b; Kemp, et al., 2006). As described above, ISO and other standardisation bodies have produced frameworks for management systems that are widely adopted. Possibilities for integrating social responsibility into existing management systems include the use of ISO 9001, ISO 14001 and the ISO 31000 series on Risk Management as frameworks for systemic management of social responsibility (Castka & Balzarova, 2007; Kemp, et al., 2006; Robinson, 2013). These standards focus on process-approach management systems, epitomised by the Plan-Do-Check-Act cycle: in which processes are planned, implemented, checked and then changed if necessary in order to improve the system – the aim being to achieve continual improvement (Castka & Balzarova, 2008a; Castka, et al., 2004; Robinson, 2012, 2013).

While ISO 26000 is not an MSS, it does place an emphasis on governance as one of its seven core subjects (ISO, 2010). One way to interpret and operationalise 'governance' is through integration with existing management systems. Tari (2011) draws theoretical similarities between social responsibility and quality management, including the need for ethics and core values that are consistent with the two disciplines. He writes:

> Quality may be managed through several practices such as leadership, customer focus, people management, supplier relations, etc. Similarly, social responsibility may be managed through several practices such as responsible vision, values, leadership built on foundation values, stakeholder engagement, strategy, human resource responsibility, integration into management systems, responsibility measurement systems, improvement (remediation, innovation and learning), results (performance, stakeholder, and ecological outcomes and responsibility), transparency and accountability (Tari, 2011, p. 631).

Tari (2011) suggests that social responsibility is already included in quality management, however he points out that the scope of, for instance stakeholder engagement, will be broader where social responsibility is explicitly taken into account. As also suggested by others (Castka & Balzarova, 2008a; Castka, et al., 2004; Robinson, 2012, 2013) ISO 9001 may be used, with adaptions, to apply management system processes to social responsibility.

At present no widely adopted standard applies to social responsibility, and this reduces pressure (Bice, 2013; Willman, et al., 2003) on organisations to conform and 'sign up' to a uniformly accepted standard. Whether social responsibility is integrated into existing management systems or managed otherwise, systems of governance determine how an organisation will manage different aspects of its operations. The scope of its management then can be seen as a representation of the organisation's boundary setting. In the absence of a widely adopted standard, organisations have a large degree of flexibility in how they will choose to self-regulate.

Self-regulation informs the concept of a 'social licence to operate'. Kemp and Owen (2012) associate the adoption of this concept with the 'survival' instincts of an industry that was faced with stakeholder distrust and opposition. They consider a key driver of the 'social licence to operate' concept to be the International Institute for Environment and Development's (IIED) report *Breaking New Ground: Mining, Minerals and Sustainable Development*, released in 2002 (Kemp & Owen, 2012). The IIED was commissioned by nine of the world's largest mining companies to convene the Mining Mineral and Sustainable Development Project (Kemp & Owen, 2013). The report includes 'viability' as one of the nine key challenges for the mining industry, and a 'social licence to operate' is necessary for viability (ICMM, 2008a). What is not stated in the report is also significant. There is no description of what a social licence is and how one is obtained, despite the clear statement that a licence is not only a necessity but also beneficial.

Gunningham et al. (2004, p. 308) gives the following definition for a social licence to operate: 'the demands on and expectations for a business enterprise that emerge from neighborhoods, environmental groups, community members, and other

elements of the surrounding civil society'. They describe companies going beyond legal compliance to meet the terms of 'social licensors', in an effort gain or maintain a 'social licence'. A shift in organisational thinking that emphasises the need to be clear about the terms of a social licence is attributed to case studies where corporate actors have 'misread the terms of their social licence' resulting in serious and costly damage (Gunningham, et al., 2004, p. 309).

Browne, Stehlik and Buckly (2011) are critical of the concept and highlight a Western Australian example, the BHP Billiton nickel mine in Ravensthorpe, which closed nine months into an anticipated twenty-five-year lifespan. The authors claim that 'communication about the project and its time frames created a sense of consistency, predictability, certainty and trust – enabling social licence' (Browne, et al., 2011, p. 707); however, due to economic factors, BHP Billiton reneged on its published timeframes and mothballed the site. Browne et al. (2011) argue that the concept of a social licence is problematic as companies engage essential non-contractual (with limited obligations) partners in times of economic prosperity but have no responsibility to these partners 'in times of bust' (2011, p. 707).

2.2.4 Risk management

Kemp, Owen and Van de Graaff (2012, p. 3) state that risk 'currently sits at the very heart of the industry's approach to CSR, accountability and social auditing'. By 'risk' they mean that the operations, profits and reputation of the organisation are exposed (to a hazard), and that this exposure needs to be reduced in the interests of the organisation. Risk management is a component of widely adopted MSSs such as ISO 14001 and is applied to many operations as a way of planning for and managing adverse consequences and impacts. Kemp et al. (2012, p. 3) point to the 'rationalised and mechanistic' qualities of risk-management procedures that are intended to safeguard organisations from 'predictable and manageable' risks by minimising production disruptions and protecting corporate reputation. They argue however that the notion of risk has been applied to social risks that are not mechanistic or predictable; for example, risk procedures have been applied to stakeholders who are then labelled as an 'external risk'.

Kemp et al. (2012) contextualise changes in the application of risk through the work of Ulrich Beck (1992): 'Beck argues that the explanation lies in a fundamental transformation in the nature of risk itself. Where industrial societies were once characterized by production-type risks, the ongoing process of modernization has introduced new complexities around the types of risk that institutions may encounter' (Kemp, et al., 2012, p. 3). This change in the nature of risk however has not yet been translated by mining organisations, which continue to expect risks to be 'predictable and manageable' and able to be 'treated' with existing risk management tools that were historically developed for production-type risks (Kemp, et al., 2012). Extending this conventional notion of risk and the application of existing tools to manage social impacts, may be inadequate to capture the complexities of modern society and the needs of stakeholders.

Indeed, in later work, Beck (2009) problematizes the labeling of 'groups' as a 'risk':

> the category of risk consumes and transforms everything. It obeys the law of all or nothing. If a group represents a risk, its other features disappear and it becomes defined by this 'risk.' It is marginalized and threatened with exclusion (Beck, 2009, p. 3).

Beck argues that classical distinctions such as right or wrong, good or evil, don't apply: there is simply a greater or lesser degree of risk. Within every relationship there are decision makers and 'others' and everyone poses some degree of risk to each other (Beck, 2009). This is congruent with Kemp et al.'s (2012) argument that applying such approaches to stakeholders may be inappropriate because the 'risk' obscures the other attributes of a stakeholder group. The dialogue needed in establishing and maintaining relationships with stakeholders may be neglected when the emphasis is placed on managing risk.

2.2.5 Who influences the boundaries of social responsibility in organisations

Hine and Preuss (2009) argue that much of the academic literature focuses on the organisational approaches to social responsibility and the policies and procedures that are put in place. They suggest that the influence of employees is often overlooked

when their employers are organisations in which the rhetoric of bureaucracy and policy instruments is dominant (Hine & Preuss, 2009). They have focused on the 'manager' because:

> the perceptions of managers themselves are key to understanding the nature and purpose of specific CSR programmes and that a rigorous account of the actual corporate conditions of managerial agency – particularly for those who have some involvement in the execution of CSR strategy – are paramount to theory seeking to underpin CSR practices. (Hine & Preuss, 2009, p. 381)

Hine and Preuss discuss the 'manager' as persons-in-context; they are key decision makers but they work within the context of an organisation. Managers are expected to use morality and ethics to inform decisions; however Hine and Preuss (2009, p. 384) argue that these values are often overridden as they are conditioned to conform with normative expectations (an organisational context) that emphasise the 'imperatives of corporate employment, *inter alia* profitability, shareholder value and capital market responses'.

As discussed above, people in boundary-spanning roles can also influence the boundaries of social responsibility by addressing the expectations of external stakeholders. However, in roles that are marginalised by the organisation, such as community relations (Kemp & Owen, 2013), their ability to make the internal changes in response to community concerns is limited. Crawley and Sinclair (2003, p. 361) describe a similar situation in roles that manage Indigenous stakeholders, they write that such departments are 'carefully quarantined sections of mining companies' with limited ability to make meaningful change.

To summarise this section, for some aspects of social responsibility, legislation and standards define boundaries. Where legislation and standards don't apply, the internal processes and procedures (management systems) create self-determined boundaries. People working in organisations influence management through their interpretation of what social responsibility means, how they perceive and mitigate risk, and in their implementation of company policy.

2.3 The nature of social responsibility delivery

This section examines key concepts important to the implementation of social responsibility, including centrality and specificity, and how these apply to three different ways of structuring delivery: 'charitable contributions', 'in-house projects' and 'collaborations' (Husted, 2003). Other manifestations of social responsibility discussed are stakeholder engagement (Sen & Cowley, 2013) and community relations (Kemp, et al., 2006).

2.3.1 Concepts of centrality and specificity

Husted (2003) describes two concepts, centrality and specificity, an appreciation of which is important to understanding how organisations decide on governance frameworks for social responsibility. Specificity assumes that social responsibility activities undertaken by an organisation are based on economic strategy rather than altruism. Centrality describes how closely aligned the organisation's core objectives and activities are to its application of social responsibility (Husted, 2003). Centrality is considered high if the organisation's social responsibility activities are aligned or similar to its core activities (Husted, 2003). Specificity relates to the level at which social responsibility initiatives can be replicated and the degree to which the benefits are exclusive (Husted, 2003). If an initiative is one that is closely aligned with an organisation's core activity it may be difficult for that to be replicated by others; the benefits are likely to exclusively advantage the organisation's customers or stakeholders, thus the initiative would have high specificity. An initiative that would be considered to have low specificity would be reducing carbon emissions to mitigate the impacts of climate change: everyone benefits and there is little likelihood of making the benefits exclusive to the organisation's customers or stakeholders. An initiative that has high specificity would be providing flexibility in working hours to employees: in this case the benefits of the initiative are exclusive to the organisation.

2.3.2 Structural arrangements for social responsibility

There are three alternative ways in which funds can be provided by organisations to discharge their social responsibility obligations. These are charitable contributions, partnerships, and internally organised programs.

Charitable contributions are made when organisations provide funds to a benefactor (International Institute for Environment and Development, 2002). The benefactor is responsible for utilising the funds to meet their own objectives. The donor organisation and the benefactor are largely autonomous (Husted, 2003). Contributions can be made to any benefactor regardless of whether the objectives of the benefactor and the organisation are aligned, in other words it is not considered necessary that the benefactor mitigate risks or impacts in favour of the organisation. The goal of the donation can be likened to philanthropy. From a neoliberal perspective, charitable contributions are likely to have a low centrality and a low specificity as many other organisations are also able to donate funds (duplicate the initiative) and the organisation has little control over who benefits, thus exclusivity is reduced.

Management can internally develop and implement programmes to meet set objectives. Key to this form of governance is the internal nature of the system; planning, implementation and review of the process is undertaken by an internal department (Husted, 2003). In many cases the employees are the benefactors of social responsibility; however management can also target communities that may be impacted by the organisation's activities, or may act to address other community needs. In-house projects are likely to have a higher level of centrality than charitable contributions, as they are closely aligned with the organisation and difficult for other parties to replicate for the same beneficiaries. Specificity is also increased as the organisation has control over the objectives and targets and how the projects are delivered, thus the organisation can determine who will be included or excluded from the benefits of the initiative.

Collaboration involves partnerships between the organisation and a non-profit entity (Husted, 2003). The two parties enter into an agreement with expectations that both

will accrue advantages: such as the exchange of expertise, services and a sharing of costs to progress their joint objectives (Husted, 2003). In this case centrality and specificity will be a result of negotiation, with both parties seeking to gain benefits for their stakeholders.

Warhurst (2005) claims that the role of business in society is changing and that organisations are increasingly looking to partnerships between business and civil society, including governments and community groups, as the way to effectively mitigate major social problems. She argues that corporate entities need to align partnerships with their core business (as Husted (2003) would say they should seek some degree of centrality), and their implementation strategies need to ensure that the business remains economically viable and that personnel remain motivated. Clearly this represents one of the greatest challenges for business (Warhurst, 2005).

As Bice (2013) points out, community-corporate partnerships give mining entities decision-making abilities in community life. She contends that community organisations can become dependent on mining organisations' funds, which are not guaranteed and are variable depending on the market (Bice, 2013). Bice recounts problematic issues with corporate-community partnerships which include creating unsustainable financial positions for the community partner, fear of losing funding if complaints are made, ad hoc funding and overly prescriptive requirements.

2.3.3   Stakeholder relationships

Frooman (1999, p. 196) suggests that stakeholder engagement is undertaken within relationships in which there is a clear power imbalance, where power is determined by 'who is dependent on whom and how much' . Where an organisation is dependent on a stakeholder (for example, for land access), the stakeholder holds a level of power over the organisation. Frooman (1999, p. 195) describes factors that contribute to dependence on stakeholders as 'low supplier numbers, controllability, nonmobility, nonsubstitutability and essentiality'; mining is situated in specific places where mineral deposits are located and all of these factors apply strongly in this context. Stakeholders who have some power can employ influencing strategies to change organisational behaviour (Frooman, 1999). Two strategies used by stakeholders include 'withholding',

where the resource's use is restricted or withheld, and 'usage strategies', where the use of the resource is conditionally permitted (Frooman, 1999, pp. 196-197). Theoretically, engagement and negotiation is required of the organisation in order to gain the resources that it needs from its stakeholders.

Mutti, Yakovleva, Vazquez-Brust and Di Marco (2012) view the influence of stakeholders as a network of relationships. In relation to social responsibility they write,

> Understanding how these networks are constructed is the first step in the alignment of CSR programmes with stakeholder expectations. If a company is committed to improving the quality of life of communities in a sustainable way, it needs to utilise a stakeholder management model that employs a holistic perspective for responding to stakeholder networks and influence strategies. (Mutti, et al., 2012, p. 214)

Mutti et al. (2012) distinguish between the amoral 'management of stakeholders' that attempts to manipulate stakeholders in order to gain necessary resources, and a 'stakeholder management' model that includes the interest of stakeholders and integrates those interests into business decision-making.

Mining in Australia is often in rural and remote places (Carrington & Pereira, 2011) on land with which Indigenous peoples are often closely connected and thus Indigenous people have been recognised as key stakeholders (Coronado & Fallon, 2010). Corondo and Fallon (2010) critically assess the treatment of Indigenous stakeholder groups in Australia and find that a power imbalance leads to inequities and a misrepresentation of social responsibility. They argue that the historical and political context of mining in Australia contributes to a varied range of outcomes for Indigenous people, some successful and others confrontational. Rather than the Indigenous stakeholder wielding power in exchange for access to Indigenous lands (as theory might suggest (Coronado & Fallon, 2010; Frooman, 1999)), power lies with the well-resourced multinational mining companies. Mining companies are accused of applying a homogeneous approach and misrepresenting their 'social responsibility' activities as

being of benefit to all Indigenous stakeholders (Coronado & Fallon, 2010). This phenomenon has been researched and extensive literature is available around this topic.

Community relations as a role and a management system have been introduced in the mining industry to help organisations manage their external stakeholders (Kemp & Owen, 2013). The purpose of the role is to act as an interface between the organisation and the community. Prerequisites for this role often involve being locally employed so that the person is (already) embedded in the community (Kemp & Owen, 2013). Being a community member and an employee blurs the boundary between the organisation and community. Community relations' roles are burdened with complexities of delivering on expectations from internal and external stakeholders and are often spatially and conceptually disconnected from the main headquarters of the organisation, limiting their ability to meaningfully contribute to organisational decision-making (Kemp & Owen, 2013).

To conclude this section, the nature of delivery of social responsibility is an outcome of the interplay between centrality and specificity, and the means by which an organisation chooses to implement its decisions - either through philanthropic gestures, partnerships or in-house projects - represent the ways in which people in organisations perceive their responsibilities. Stakeholder engagement and community relations have been institutionalised in theory and in practice through particular roles, and people in these roles can influence organisational decision-making as to the nature and means of delivery.

2.4   Conclusions

Currently there is little consensus on definitions of social responsibility and there are many interpretations of how social responsibility should be implemented by organisations. Much of the available literature is theoretical rather than empirical and there are significant gaps with reference to the boundaries of social responsibility. No studies are evident that specifically address the boundaries of social responsibility in mining, despite copious literature on the impacts of mining on societies and the

extensive use of 'sustainable development' and 'corporate social responsibility' discourse by mining companies.

In reviewing the literature several aspects that might inform an exploration of boundaries have emerged. Boundaries can be determined by legislation, external standards, and internal policies and procedures around social responsibility. Boundaries can also be influenced by organisational structures, how social responsibility is manifested, external pressure from stakeholders, and from internal pressure by employees or upper management. The literature also suggests that the rationale and motivations for organisations to undertake social responsibility can influence boundaries by either enhancing or detracting from an organisation's success in implementation.

The literature also points to particular roles within organisations that function across boundaries (boundary-spanning roles), and have competing interests. People in these roles have expectations placed on them by the organisation and by external stakeholders, such as local communities, advocacy groups and regulators. There is a constant tension between being able to marry duties and obligations as an employee with the expectations of external stakeholders. Some of the functions commented on in the literature that could be viewed as boundary-spanning include, social responsibility, environmental management, regulatory compliance, community relations, Indigenous relations, stakeholder engagement, and management of human resources. People in these roles are likely to have an understanding of boundaries and of the conditions under which boundaries can change.

Therefore, an approach to research that seeks to fill this gap is required, one that allows for the fore grounding of the perceptions of people in organisations in boundary-spanning roles who have the ability to change boundaries through their work. Understanding perceptions is required to gain an understanding of how boundaries are determined and the conditions under which boundaries can change. A qualitative approach using phenomenological methods has been adopted and this methodology is described in the follow chapter.

3   Research Design

This chapter describes the qualitative research methodology of phenomenology and the steps taken to conduct this research. The rationale for choosing the Van Kaam method, as modified by Moustakas (2006), is discussed first to demonstrate its appropriateness for data collection and analysis techniques to answer the questions posed – which were primarily ones that centred around perceptions.

Qualitative research design begins with explicit identification of the researcher's epistemology. This allows the research to be assessed based on specific assumptions. The research for this thesis is founded on an epistemology of social contructivism. Among the assumptions commonly made by social constructivists are that,

- people construct meanings from the world as they experience it;
- the ways in which people make sense of their experiences depends on their past experiences and how they perceive society; and
- meaning is generated through social interaction. (Moustakas, 1994).

The qualitative researcher collects data by going to the participant and personally observing and talking with them in their natural setting. This setting provides the context for the researcher to consider how the participant interprets experiences. It is also assumed that interpretation of the information provided is based on the researcher's experiences and background (Creswell, 2009). Inductive interpretation is fundamental to constructing meaning from interaction with participants. Social constructivism allows the seeking of understanding from what is perceived and it is congruous with the phenomenological methodology adopted for this study.

Phenomenology is strongly grounded in philosophy and is based on the writings of German mathematician Edmund Husserl (Creswell, 2009). Moustakas (1994, p. 27). describes this philosophical background and asserts, 'For Husserl, as for Kant and Descartes, knowledge based on intuition and essence precedes empirical knowledge' Underlying phenomenology is an understanding that absolute knowledge can only be based on what is felt, sensed and perceived and that knowledge of objects or

phenomena are only based on perception. Moustakas recounts Hegel's definition of phenomenology as 'knowledge as it appears to consciousness, the science of describing what one perceives, senses, and knows in one's immediate awareness and experience' (Moustakas, 1994, p. 26).

Moustakas (1994) continues to describe Husserl's concept of *epoche*, sometimes referred to as bracketing. Bracketing involves the researcher acknowledging and making explicit their background and experiences (in accordance with this tradition I have done so in the Preface to this thesis.) In doing so the researcher acknowledges the presumptions that may affect how participants' perceptions are interpreted. As much as possible, the researcher focuses on the participant's recollection of his or her experiences, to describe the participant's perceptions.

Phenomenological research uses the experiences of people to describe phenomena. This strategy lends itself to the research questions outlined above, that require a description of the perceptions of the management and governance of social responsibility. Interviews with people of different backgrounds working within the same organisations, provide data rich in multiple perspectives on where the boundaries of social responsibility lie.

Moustakas's (1994) phenomenological methodology was adopted for this study, and included the following steps:

1. Development of a question that was relevant to the researcher and holds meaning and significance to society;

2. A review of the professional literature;

3. Development of a set of criteria to identify appropriate participants to be involved in the study;

4. Development of interview tools including a set of questions and scenarios to guide interviews with participants;

5. Approaching potential participants and providing them with information regarding the research;

6. Gaining the informed consent of participants prior to their being interviewed;

7. Interviewing participants;

8. Verbatim transcription of interviews;

9. Data analysis to prepare:

   a. individual textual and structural descriptions; and

   b. composite textual / structural descriptions;

10. Provision of composite textual / structural descriptions to participants for validation;

11. Review of composite descriptions based on feedback from participants; and

12. Consolidation of meanings and essences drafted into this thesis.

The above steps are described in detail in the following sections.

3.1 Question formulation

The research questions, as defined in chapter one above, were developed according to the following process. The research began with a very general observation – that social impacts were not being addressed by industry in the same apparently rigorous way that environmental and economic aspects were managed. There was a lack of legal or compliance-based frameworks in Western Australia for social impact assessment and a lack of certifiable MSSs related to social responsibility. Within this context how was industry managing social impacts? And, was this in line with claims made around sustainable development?

These observations and questions were very broad, so to develop an achievable research project it was necessary to identify a sub-set of issues to reduce the scope of the study and to determine specific research questions. ISO 26000 was used to define social responsibility and to identify the areas of social impact that organisations could potentially manage. All sub-issues from the seven core subjects of ISO 26000 (see Table 2) were considered. A process of elimination was undertaken to determine the core research area and which aspects could be used as an instrument in the interview process; this would allow participants to contextualise and describe management, potential boundaries or points of contention.

The core subjects and sub-issues eliminated first were those that were already addressed within an environmental, quality, or health and safety management system.

Next, core subjects and sub-issues that are generally managed through compliance with Australian legislation were eliminated. These issues were eliminated as they are likely to be considered in usual management practice and the boundaries are therefore well defined. For the purpose of this process, contentious (or ambiguous) issues are those that are not routinely considered as part of usual business requirements (management system and compliance requirements). Contentious issues represent those that are either implicitly included in organisational governance or are generally excluded. These are the issues that can give insights into boundary setting for social impact and responsibility in an organisation. It should be noted that if this process were undertaken in another country, then different issues might have been identified.

This process resulted in the following issues and sub-issues as defined by ISO 26000 as being deemed contentious, ambiguous or implicit, and thus a potential focus for research:

- Organisational governance;
- Human rights – Issue 2: Human rights risk situations;
- Human rights – Issue 7: Economic, social and cultural rights;
- Consumer issues – Issue 3: Sustainable consumption; and
- Community involvement and development – Issue 3: Employment creation and skills development.

All of these issues were considered as viable options for the research focus. As Moustakas states, 'In phenomenological research, the question grows out of an intense interest in a particular problem or topic. The researcher's excitement and curiosity inspire the search. Personal history brings the core of the problem into focus.' (Moustakas, 1994, p. 105). Organisational governance represents the overarching processes and procedures used by the organisation to manage their activities. Organisational governance should in theory encompass the other issues, which then provide a context to explain management. Taking into account my background and interests, organisational governance was chosen as a central focus for the project with the other four issues being used to develop the interview tools and provide context.

3.2 Review of the professional and research literature

A review of the professional literature was critical to the development of the research questions. I come from an environmental science background, and despite having been exposed to the implementation and practicalities of management systems and governance frameworks, had little knowledge of the professional literature at the beginning of this research. The initial review focussed on social sustainability, implementation of process-approach management systems, the development and dissemination of ISO 26000 and methodological possibilities. As the research progressed and themes emerged, a further, more comprehensive review of the literature was undertaken and the results of this were detailed in the previous chapter. This second stage allowed for the review to be directly related to the emerging themes, including social licence to operate, risk management, delivery models and rationales.

3.3 Development of criteria for participation

Purposeful criteria (Moustakas, 1994, p. 27) were used to select participants for the research to increase the likelihood that they would provide rich, thoughtful and useful data. An essential criterion was that participants had experienced the phenomena under study. The phenomenon was conceptualised for the study as '*the experience of consideration of social responsibility in developing or working within organisational governance frameworks*'. In other words, the participants must have been familiar with the organisation's governance, worked within that set of processes and procedures, and have been in a position to influence the framework or interpret the framework for implementation.

The mining industry provides a focal point for several reasons. The contribution that mining makes to society is contested in Western Australia, in the sense that there are economic benefits but also deleterious environmental, social and economic consequences (Brueckner, et al., 2014a). While aspects of mining are highly regulated (and where boundaries are well defined), there are areas of contestation that remain outside of regulation and management norms. For the mining industry in Western

Australia, social impact assessments are not required by legal framework; accordingly the governance frameworks, leadership and voluntary agreements of mining companies, define the identification and management of social impacts.

Mining in Western Australia is conducted on a large scale. The *Department of Mines and Petroleum in Statistics Digest 2010-11* lists 138 mining corporations (Department of Mines and Petroleum, 2011). The number of companies provides a large pool of potential organisations increasing the likelihood of gaining the desired number of organisations for participation. The number of potential organisations also reduces the likelihood that individuals and organisations might be identified, allowing for anonymity to be maintained.

The scale of the mining industry in Western Australia also allows for a myriad of issues to be uncovered and explored through the research. The industry works over many regional and remote areas of the state, within many different communities and with diverse stakeholders. This provides a context that is diverse and potentially rich in data, while taking place within an industry that has the capacity to respond to the outcomes of the research, and to impact a wide range of beneficiaries.

The study targeted organisations that had an operational environmental, health and safety, or quality management system, and which had separate roles for key functions in the organisation. The rationale for this criterion was that organisations that had a management system were more likely to have deliberately considered organisational governance and thus experienced the phenomenon under examination. Participants who held managerial-level roles in social responsibility, environmental management, community relations, health and safety, or human resources, were targeted initially. People in these roles were targeted because:

- they have an influence over organisational governance in relation to social responsibility;
- there is an overlap between social responsibility and their other responsibilities;
- they were identified in the literature as having decision-making and implementation responsibilities;

- they are likely to be more accessible than upper management; and
- it was anticipated that they may have an interest in social responsibility and organisational governance, and therefore they would be willing to spend time participating in the research.

In order to ensure that the appropriate people were included in the research a further criterion was established. This criterion required a direct reference from another participant, together with a requirement that this person be associated with the management of social responsibility. This ensured that those whom, according to other participants, may have had valuable data to contribute, were included.

3.4 Interview questions and tools

The phenomenological method uses in-depth interviews to collect information from participants. In-depth, conversational interviews were conducted with 15 participants. Interviews lasted between 35 minutes and one hour, and were continued until I felt that no new themes were emerging.

The interview questions were broad and open-ended, allowing for the use of a reflective interview technique. This technique allowed the conversation to build on what the participant had said and used the participant's experiences to describe the issues. The conversation was then gently directed to areas the participant had experience in and which were relevant to the research. The questions included:

1. Can you tell me about your work and your role here?
2. You mentioned X, it seems like this posed a problem for you; could you explain it to me?
3. Currently there are a lot of mining projects in operation or construction in Western Australia, what do you think are the biggest positives and negatives of mining for you?
   a. And for the community?
   b. And for other stakeholders?

Scenarios were also used in some of the interviews. The scenarios were used to prompt a discussion of governance and factors considered during decision making.

This type of data could also be collected using descriptions of events that had taken place in the experience of the participant. If this was the case and appropriate data was being collected, the scenarios were not used. This is discussed further in section 3.7.

The list of questions and scenarios are provided in Appendix B.

3.5 Approaching potential participants

Initial contact with organisations was made through people in my professional network. The steps in approaching organisations began with consideration of the inclusion criteria for organisations, following which a list of potential people to contact was compiled. Initial correspondence by email, phone or in person, was undertaken to determine if there was potential for the organisation's involvement. An information letter was provided to familiarise the contact with the research. Where possible, the contact introduced me to the relevant people in the organisation who could assist in the coordination of participants. If the organisation was interested in participating, I met with the contact person to discuss the project, answer any questions and to determine whether at least four people from relevant roles were available for interview.

At initial meetings the roles that were the most appropriate to interview for the research were identified. Names and contact details of potential participants were provided by the contact. The contact wrote a short email of introduction or spoke with the potential participant in person. I then communicated with each participant individually, provided him or her with a participant information letter and requested their participation. Everyone who was directly approached through this process agreed to participate in the research.

3.6 Research participants

In total three organisations and 15 individuals participated in the study. All the participating organisations were multinational companies operating mines in WA and met the inclusion criteria for having an operational management system. The general

role classification and pseudonym for the participants interviewed for each company is provided below in Table 4. Specific role descriptions and organisational affiliations are not provided to ensure anonymity for participants.

Table 4. Provides the general role classification and pseudonyms for participants.

Roles Interviewed	Pseudonym
Agreement Implementation	Ind-B
Closure Planning	CP-A
Community Relations	Com-A
Community Relations	Com-B
Community Relations	Com-C
Community Relations	Com-D
Environmental	Env-A
Environmental	Env-B
Environmental	Env-C
Human Resources	HR-A
Human Resources	HR-B
Human Resources	HR-C
Indigenous employment	Ind-A
Risk Management	RM-A
Social Responsibility	SR-A

Participation was voluntary and participants had the right to withdraw from the research at any point. Informed consent forms were provided and participants

requested to sign if they were willing to participate. Pseudonyms were used for organisations and participants to ensure confidentiality. Information collected from participants was (and will continue to be) used for the sole purpose of this research project. The underlying idea here is that *who* the individuals and organisations are is less important than the context in which they work, and their perceptions.

There was a potential for individuals to feel coerced into participating in the research if others within the organisation were participating. The researcher remained vigilant to signs of coercion or feelings that the person may be uncomfortable with participating. All efforts were made to ensure participants were sharing of their own free will, were comfortable with the process, the subject, the questions and with the researcher. I attended several meetings with potential participants to explain the research and to answer any questions prior to consent being given.

The Participant Information Letter, and Confidentiality and Informed Consent Form are provided in Appendix A.

3.7   Participant interviews

Interviews were conducted at the interviewees' place of work in a meeting room or office. All interviews were recorded on two devices. The primary device was an iPhone, the back-up device was an iPad. All interviews were transcribed verbatim for analysis.

The interviews began with an open-ended question: 'Can you tell me about your work and your role here?' While initially drafted as an icebreaker, this question yielded valuable information to reflect on and further probe. Often the prepared questions would be answered as the conversation naturally progressed. Prompts were prepared beforehand to help continue the conversation; however the reflective technique was used more often than the prompts. This technique was preferred as it explored real examples offered by the participant, the language was congruous with that used by the participant and it allowed the conversation to flow.

The use of prepared questions and tools is aimed at evoking a memory of the phenomenon among participants which can help them recount and describe their

experience. Scenarios were used to trigger conversation during the interview; these were developed to illicit a response that explored the boundaries of management and the organisations governance that may or may not have been in place around a particular issue. As described above, the original intention was to use the scenarios for all interviews; however often relevant data could be collected without a need for the hypothetical. If the interview was progressing well and relevant information was being collected, then the scenarios were not used in that interview. Rather, in these cases, the reflective technique was used to follow the participant's train of thought and to probe the examples provided by the participant.

3.8 Methods of organising and analysing data

The following steps were used to organise and analyse the data; the steps are described by Moustakas's (1994) and are a modification of the Van Kaam method:

1. Interviews were transcribed verbatim by the researcher;
2. The researcher listed and grouped expressions and statements;
3. The initial listings were regrouped by reduction and elimination to describe the invariant constituents;
4. The invariant constituents were clustered into themes;
5. Individual textual descriptions were developed using quotations from the interview;
6. Using the textual descriptions and imaginative variations, individual structural descriptions were developed;
7. A textual-structural description was developed for each individual; and
8. A composite description of the meanings of the phenomena was developed.

The researcher transcribed seven interviews; another individual was contracted to transcribe the other eight interviews. This person was required to sign a confidentiality agreement.

Transcripts were imported into Nvivo 10 data analysis software (QSR International, 2012). The transcripts were read through carefully and any expressions or sentences that held meaning and facilitated answering of the research questions were coded into

nodes. The coded data was then reduced to eliminate repetitive descriptions and to illuminate the invariant constituents. Through this process a list of invariant constituents was collected for each transcript. The invariant constituents were then grouped together into themes. This allowed three to five themes, which were relevant to the research questions, to be identified for each participant.

Using the quotes, a textural description was written that described each of the themes predominantly in the words of the participant. This step aimed to represent as closely as possible, the participant's views in their own words. This step was challenging, as the way people communicate whilst speaking is very different to the way they might communicate when writing. The following step of writing a structural description allowed this issue to be somewhat alleviated as it provides for interpretation of what was said.

The structural description uses imaginative variation (Moustakas, 1994, pp. 120 - 121) to allow interpretation of what the participant said. The structural description goes beyond what was said, to what was meant and experienced by the participant. The researcher uses imagination and intuition to write the structural description using the quotes and themes as premises for the discussions and conclusions reached. In this process, the concept of *epoche* or bracketing is important. Although intuition and imagination were used, my interpretation of the themes was, as much as possible, set aside to reveal the participant's views and perceptions in relation to the themes. This process revealed more than the textual description had alone, as I reflected on the themes and quotes, other issues were recalled that the participant had covered in the interview. This stage prompted a review and re-read of the transcripts to ensure that my understanding of the participant's perceptions was accurate.

A composite description was developed for each interview. The composite description is a synthesis of the structural and textural descriptions. Structural descriptions of the interviews were used as a starting point for this description. Quotes that paraphrased the description or provided support were then included. This provided a document that detailed the participant's intentions and experiences, and was interwoven with quotes that supported my interpretation.

Composite descriptions of the interviews were provided to the participants to verify that the interpretation was an accurate representation of what was intended, and to provide comments and changes to the document if needed. The descriptions were emailed to all participants. Participants were requested to provide any changes within a two to four-week period.

The following protocol was used to review the descriptions that were returned with changes or comments:

- The document was reviewed carefully to allow understanding of misunderstood or misrepresented information;
- Changes were made to update the meanings and clarify what was intended;
- Any changes to quotes were now viewed as new quotes provided by the participant, these quotes superseded the original quote recorded at the interview;
- Changes to descriptive writing (the researcher's writing) provided by the participant were rewritten in the researcher's own words or quotation marks were inserted to indicate this as a new quote;
- If requested by the participant, the document was re-sent to the participant for validation;
- If major changes were made, the document was re-sent for validation.

Fourteen participants provided either no or minor changes to the description. One participant provided major changes and comments.

The composite descriptions then made up a new set of source data for analysis and reflection. Nvivo 10 (QSR International, 2012) was used again to sort and thematise this information. The descriptions generally comprised one or two paragraphs per theme; however themes were often repeated or similar among different participants. This second stage of analysis reviewed the data based on themes rather than on participants and allowed a comparison of the similarities and differences across the three organisations.

3.9　Methods of data storage, security and confidentiality

The controversial nature of mining meant that it was important to ensure that the participating organisations and individuals were kept confidential. This was communicated to participants from the onset of the research and confidentiality has been ensured throughout.

Any files that identified the participants were accessible only via a password. Hard-copy documents were kept to an absolute minimum and only consisted of the signed confidentially forms: these have been kept in a locked cabinet. Any notes taken during the interviews used pseudonyms.

Soft-copy files and audio files were stored on my laptop computer, and a back-up copy was stored on the university server. Files that named participants were stored for the duration of the project within password-access only files.　At completion of the research, the data were saved to USB devices and stored in the faculty at ECU. Emails generated throughout the research that could also identify participants were stored on my computer, which was secured by password entry for the duration of the research.

4 Results: Participant perceptions of social responsibility

This chapter describes the views of participants, and constructs a sense of how they perceived social responsibility to be represented in their organisations. My observations and interpretations are provided to narrate the chapter and link the participants' perceptions.

Organisations are numbered one, two and three. In order to preserve anonymity, quotes are not attributed to participant pseudonyms where reference is made to the organisation (one, two or three); pseudonym references are used for all other quotes.

4.1 Perceptions of organisational governance of social responsibility

Participants perceived that social responsibility was represented in organisational governance in management systems, which included procedures, internal standards and policy. Procedures were implemented through specific projects or programmes, partnerships with community or other stakeholders and through community relations. All of the participants reported a management system. This section describes the three systems as participants reported them.

The term 'standard' was used by participants to mean a document produced internally by the organisation, which described the processes or procedures to be followed by employees of the organisation. This definition differs from the use of the term that applies to external documents that are produced for the public domain.

Organisations one, two and three had integrated management systems (IMS). The systems represented one set of processes that were applied to health and safety, environment and quality. The organisations held certifications for the MSSs ISO 14001, ISO 9001 and AS/NZ 4801. Organisation three had used the IFC Performance Standards in Environmental and Social Sustainability (International Finance Corporation, 2012) to develop their internal standards. The differences are in the application of social responsibility within these systems. The terms 'social responsibility', 'community',

'stakeholder engagement' and 'community investment' represented aspects of social responsibility within the management systems.

Organisation one did not include social responsibility or community in its management system. Stakeholder and community engagement and investment were represented in the role structure, with two employees engaged to undertake activities in these areas. Some formalised processes were in place for engagement and investment; for example, a process for community groups to apply for funding and partnerships was described. Social risk management processes were undertaken together with the environmental department. Figure 1 depicts the management system.

Figure 1. Organisation one's management system: indicates community and stakeholder relations sit outside the scope of the management system.

Organisation two had recently added 'communities' to their management system. Social responsibility was addressed through a set of documents that included a policy and standard which described the way in which employees will work with and engage communities. These were described as their *'communities' architecture*'. However, 'communities' was described as not being fully integrated into the overall management system, *'I wouldn't say that [communities is] integrated in the HSEQC [Health, Safety, Environment, Quality, Community] system'.* This meant that some

processes required by the HSEQC management system, for example internal auditing, were not implemented or had limited criteria for the 'community' component of the system. *Figure 2* depicts organisation two's management system.

Figure 2. 'Communities' sits within Organisation two's management system however it was perceived as only partially integrated.

Organisation three had a CSR policy. The policy was supported by 13 social responsibility standards, '*we have a social responsibility policy driven out of [international headquarters], and from that the standards then are the operationalisation of that policy . . . and then the ten . . . procedures which actually apply . . . to the site.*' The standards were described as being broad in scope and could be tailored to the region or mine. Figure 3 depicts organisation three's management system.

Figure 3. Social responsibility sits within organisation three's management system.

4.1.1 Projects and programmes

Some participants viewed social responsibility as the implementation of projects and programmes and linked this directly to the organisation's financial position. Env-A described the mining industry as dynamic due to the constantly changing price of ore and the level of risk and investment associated with exploration. The degree of unknown factors in terms of price and resources is high, and so the return on investment is somewhat unknown. Within this context, social responsibility was not perceived as providing a competitive advantage, but rather as a cost to the organisation that was justified only by a certain level of profit.

Particular projects were funded only if the organisation could afford it. For example, if the price of ore drops then the way in which funds were allocated and projects prioritised within the organisation would change, and those that were the lowest priority may be cut:

> *When it's an iron-ore mine and iron price is above $150 per tonne for a*
> *sustained period of time, it is much easier to implement projects that are going*

to provide long-term benefit. If the iron-ore price stays below $100 per tonne, often companies will focus on reducing its costs and prioritise those projects that directly relate to extracting ore from the ground. That being said, most companies understand that sustainability is about long-term thinking, long-term planning and long-term profit making. (Env-A)

Projects were prioritised and approved on an annual basis; generally if projects were agreed upon they would be funded for the year. However, the next funding cycle may see changes based on the organisation's financial position.

SR-A also favoured projects that aligned with the operations of the organisations, or had high centrality. He felt that projects should be developed to achieve an outcome that is determined by a community or stakeholder, but that should also be aligned with the organisation's abilities, '*what is the link between the community / stakeholder aspirations or visions or outcomes and the inherent opportunities that a mining company has to deliver or contribute to that align[ed] with a company's inherent core skills and resources*'. (SRA)

Impacts that result from mining will occur regardless of profit or loss; however, where a construction of social responsibility is based on a project or programme dependent on financial circumstances, this means that impacts will only be mitigated during times of economic prosperity. This leaves stakeholders and local people vulnerable during times of economic hardship, which are the times when social responsibility will be of most importance in places where mining is a dominant industry. An embedded belief in social responsibility is also lacking; it is not a constant part of the organisation's processes or governance, rather it is a product of the inconsistent implementation of projects that are dependent on the organisation's profit, the price or ore and the success of exploration.

4.1.2 Partnerships

Partnerships development was a common strategy for implementing community investment. Typically, a partner such as a community group, government department or not-for-profit agency, would approach the organisation, and if the goals of the two

groups align then a partnership could be developed. The organisation could provide funds, capital, and capabilities with the partner providing a similar level of expertise and inputs. Partnership proposals go through an evaluation process with different criteria for each organisation but wherever this approach was stipulated, the criteria included that the partnership needed to align with identified areas of focus (for example education, health, culture etc.) or place (region, town or state wide) and the projects/programme implemented through the partnership should be sustainable once the partnership ends.

Partnerships represented a change in the way that the industry distributed funds to beneficiaries. Previously philanthropy and donations were a common way to invest in communities but partnerships were now the preferred method for providing funding:

> *'it's not a one-way transaction, in terms of here's the money just put our logo over everything and off you go. We take very much a collaborative approach in working with our partners throughout the term of the partnership, in terms of leveraging additional opportunities and networking and providing additional capacity, be it additional advice, . . . we sort of seek to . . . place our leaders or other staff members on boards of our partners'* (Com-C).

Stakeholder engagement was also linked to partnerships; for example as stated below, HR-C works within a stakeholder-engagement framework that results in *'partnering with those communities'.*

4.1.3   Stakeholder engagement

Stakeholders reportedly included members of the local community, community groups, environmental groups, Traditional Owners, government departments or agencies, partnering organisations, employees and family members and employee-source towns.

Participants described frameworks that guided relations and engagement; these were not prescriptive and allowed for adaption and interpretation. HR-C stated, '*I'm working within the organisation's framework, which is a great framework. And it's around*

knowing the communities, understanding your impact, then engaging with them and then partnering with those communities'.

The concept of risk was observed as participants related their perceptions of stakeholder engagement. Com-B felt that,

> *obviously it would be great to have the time to be able to spend . . . dealing with each of these stakeholders and actually catching up and having . . . ongoing communication, but that would really rely on . . . what their risk is and their level of influence on a whole lot of things*'. (Com-B)

If there is a potential for stakeholder groups to negatively impact on the organisation then that relationship was given priority. Other examples of consequences that could be imposed by stakeholders included regulators suspending operations, third party contractors withdrawing services, land owners or Traditional Owners lodging legal challenges or withdrawing consent for land access.

Each organisation had its own way of engaging based on the level of risk and the aims of the organisation:

> *depending on what we want to do, what we want to influence, we either want to bring them along for the ride or . . . get them working, you know, talk to them, engage them, inform like, give them the knowledge that they've got to understand, therefore they'll support us, . . . or provide us with information that . . . we might need and consider, . . . reconsider what we need to do . . . or a different approach that we might need to take.* (Com-B)

This statement describes two aims of engagement: to inform with the purpose of gaining support, and to gain information from stakeholders to be considered by management. To Com-B, the approach to engagement and the degree to which stakeholder's input influences decisions, is dependent on the level of influence they have or the level of risk they pose to the organisation.

Com-A explains another example: '*we didn't engage the local Aboriginal communities, then it delayed our operation of that mine by, I think, about eighteen months. So the*

cost to the company from not managing that relationship is really significant'. In this case the financial, operational and reputational costs of not engaging with the Traditional Owner group were realised. This set of events instigated change and shifted emphasis to engaging Traditional Owners. Realising the cost of this incident, a change was perceived to occur within the business that elevated the importance of stakeholder engagement.

Another example demonstrates how stakeholders have changed over time:

> *I think what the company has done is realise that the FIFO [workforce] has grown and so, what does a framework imply . . . we will consciously look at [place] as one of our source communities . . . it's thousands of kilometres from the mine, but our workers live there, so we will have a relationship with that community.* (HR-C)

Prior to the FIFO workforce, organisations engaged with communities close to the mine. With the current dominance of a FIFO workforce, there was recognition that the organisation needed to have a relationship with FIFO-source communities. The management team responded to these changing circumstances and implemented the intention of the framework. This set a precedent and engagement has been extended to many FIFO-source communities.

CR-B's organisation engaged with the port town from which they export ore:

> *we are the larger exporter in [town] and we have a significant impact on the town in terms of our rail use and our port use. So . . . it's considered important by the organisation that we have a strong engagement with the community of [town].* (CR_B)

Physically the port town is a long way from the mine however the town's infrastructure is critical to the continued operation of the mine. Engagement with both the rail and port operators and other stakeholders, including local government and members of the public, was considered important in ensuring that operations would continue.

The engagement of stakeholders ranged widely, from simply identifying and informing them of the companies' plans, '*So making certain . . . that you're aware of your stakeholders, stay in touch, keep informed*' (Com-B), to collaborations which involved mutual responsibilities. SR-A described stakeholder engagement as an evolution, '*so you're starting off with this pretty basic, you're just doing public relations and information outwards . . . and then . . . you're informing, you're consulting, you're involving, you're collaborating and you're empowering*'[2]. SR-A implied that his organisation was attempting to move along this continuum from a basic level of engagement to a more sophisticated level. SR-A wanted to be clear about the purpose of having a more sophisticated level of engagement, '*don't get me wrong, this is all about the business case, trying to get us in there, and do things that's faster and quicker and smarter and cleverer*'.

Managing the relationship with regulators and government departments was described as extremely important as it helped the organisation to gain timely approvals, ongoing operational licences, and the identification of opportunities, while also assisting in the mitigation of negative impacts when things went wrong. Developing a relationship and a level of trust went beyond regulatory compliance; building a relationship with the regulators was perceived as mutually beneficial. Examples of such outcomes included undertaking flora-survey work, partnering in work-ready programmes for Indigenous people, and the provision of funds and equipment to fight fires. There was an understanding that engaging with government can reduce the regulatory presence and improve the likelihood of gaining timely approvals.

Stakeholder engagement was predominantly rationalised through a risk management and mitigation perspective rather than through social responsibility. Stakeholder engagement was undertaken to minimise the risks to the organisation and to ensure the continued operation of the mine. This perspective also prescribes timing of stakeholder engagement, which occurs when there is a risk to manage, rather than in a

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[2] SRA was referring to the international association for public participation's iap2 public participation spectrum (International Association for Public Participation, 2014). This spectrum can be traced back to Sherry Arnstein's 1969 paper "A ladder of Citizen Participation" (Arnstein, 1969).

planning or early development phase for a project or mine. In some instances, this excluded engagement at a stage that is early enough to allow for meaningful input.

4.1.4   Indigenous stakeholders

Many participants regarded work with Indigenous stakeholders as part of 'social responsibility'. Mining organisations must negotiate with Traditional Owners for land access under the *Native Title Act 1993*; thus, developing the agreements was viewed as both a legal requirement and part of the organisation's social responsibility.

Native Title gives claimants the right to negotiate access to their country, enabling them to exchange social, environmental and economic benefits, for consent to mine. Agreements are negotiated between an organisation and Aboriginal Corporations who negotiate on behalf of Traditional Owners. Ind-A claimed that funding Aboriginal Corporations to assist Traditional Owners in this way increased the Indigenous peoples capacity and ability to achieve appropriate outcomes. By negotiating terms and conditions the Traditional Owners can influence the outcomes for a mine site and the local community.

Ind-B details three phases for how agreements with Traditional Owners have been sought. With each phase the level of sophistication and complexity increases. The first agreements exchanged money for consent to mine, '*I'd*, 'I'd *like mining lease X . . . and I'll give you Y dollars for it.*' The next phase also exchanged money for consent; however the money was for charitable uses only. This arrangement was criticised for being overly restrictive and locking up money: for example, '*Joe Bloggs has this brilliant start-up plan, he's done all the . . . business plan for it, he's got clients lined up but he just needs a grader or he just needs a something. You can't do that out of the charitable trust*'. Ind-B described the third phase of agreements as involving restricted monetary and non-monetary benefits, with expectations and requirements for both parties; these sorts of agreements are in place for most sites operated by her organisation.

Learning from the first two phases has helped to shape the most recent agreements. Participants claimed it was also influenced by a generation of Indigenous elders who

wanted the benefits to be long term, more inclusive and intergenerational. The third phase was perceived by participants as being more equitable in terms of a power balance between the organisation and the Traditional Owners; however Ind-A expressed concerns about her organisation's ability to relinquish power, *'it's going to be hard for [organisation], I think it's going to be hard to be challenged on things . . . the roles are changing and . . . potentially power balances are changing as well.'* To some extent this process had already begun. Ind-A described changes within her organisation, *'we are coming out of a period where there was a lot of sort of paternalistic sort of view of [organisation's] role'*.

Ind-B also expressed such a view, '*moving from this paternalistic . . . we will give you everything because you asked it of us, we will give you . . . a stream of benefits linked to our highs and lows and we're going to put some governance arrangements around this*.' Both Ind-A and Ind-B perceived a move toward an organisational role that provided a more equal position in relation to Traditional Owners. This requires change, '*There's certainly an intention for the relationships to be [a] mutual . . . partnership but that's going to require change for us internally and it's also going to require increased capacity and capability for Traditional Owners as well*' (Ind-A).

Traditional Owners now have legitimacy due to Native Title rights and power through legally binding agreements; this improves their ability to influence decision making in mining organisations. However, as the quote above demonstrates, there is a pervasive perception that Indigenous people lack the capacity to capitalise on the relationship. Expectations of Traditional Owner groups to become less reliant on a 'paternalistic style' of relationship had resulted in investment in Indigenous communities, including education, work-ready programmes and services; however this could also be interpreted as a paternalistic relationship. Indeed a move away from a situation where money was exchanged for consent, a commercial exchange, to an arrangement of an exchange with a series of conditions, may signal a more paternalistic arrangement which reduces the influence of the Traditional Owners. The process for developing agreements with, and investment in Indigenous communities, has a major focus on 'building capacity'. To participants, capacity meant educating and training Indigenous people to be employable. Education has obvious benefits, but could be problematic

when skewed in favour of western knowledge and ideology. There was little appreciation of Indigenous cultural knowledge or discourse around building or fostering such knowledge, and little consideration of using Indigenous knowledge to 'build capacity' among mining employees. Much of the focus is on changing Indigenous people so that they are better equipped to participate in organisational business which is rooted in western thinking.

4.1.5   Community relations

CR-D lived and undertook a community relation's role in the port town from which her organisation exported their product. She believed that because she lived there and was a long-term resident, that she was embedded in the community. Being embedded, she felt enabled her to identify opportunities and issues as they arose. She contended that without being an embedded member of that community the role could not be done as effectively, '*that was my predecessor . . . they were involved in the community but not to the depth that we are now*'. CR-D implied that the role needed someone local to provide the most benefit for the organisation and the community.

To CR-D, local employees were better able to identify projects and partnerships that would be appropriate, as well as being able to identify problems as they emerge. She believed that this was the case because employees who have an attachment to the place where they work, are more likely to advocate for the community and influence the organisation in such a way that it leads to positive community outcomes. She claimed that local people were interested in the long-term sustainability of the place for reasons that went beyond their current employment,

> *if you love a place, if your children love a place and your children want to stay there too, the town has to grow in order to provide employment and opportunities and education, . . . and facilities for you as you age and all of that sort of thing.* (CR-D)

4.2 Participants perceptions of the boundary for social responsibility

The section aims to interpret participant perceptions on how the boundary of social responsibility was determined in their organisations. Legal requirements and compliance were key mechanisms that determined the boundary.

Examples where the imperatives of newly enacted legislation gave rise to changes within participants' organisations are presented in this section. For some participants obtaining compliance represented social responsibility, while for others, social responsibility was above compliance. Individuals within organisations could influence a decision to simply comply or go above compliance. Three examples are provided and are discussed in this section relating to closure planning as a requirement of the WA *Mining Act 1978*; Indigenous engagement as a requirement of the *Native Title Act 1993*; and greenhouse gas emissions and reduction which is a requirement of several pieces of legislation.

CP-A described processes for mine closure planning initiated by changes to the *Mining Act 1978*, '*submission* [of a closure plan] *to government every three years . . . , it's written into the Mining Act now. So all mining companies have to do it*'. The content of closure plans was determined by CP-A's organisation's corporate standard, which was described as '*more about what information needs to be included in the closure plan and how to calculate the closure cost, which is very technical, . . . So it doesn't specify what needs to be done from a social side of things*'. CP-A explained that the costs associated with social impacts were very difficult to calculate and generally not included in closure plans. The Government of Western Australia's guidelines on closure planning were also used; however these were limited to environmental criteria, '*they don't really require you to set up completion criteria around the social side of things . . . the only thing it really requires is that you have to have consulted with your stakeholders*'. CP-A perceived both her organisation's closure standard and the government guidelines as limiting her ability to meaningfully include social aspects and criteria in planning for closure.

CP-A explained an example in relation to closure,

the biggest one for the community was that they didn't like us leaving holes in the ground, the open pits and the waste rock dumps. Cause . . . there's no illegal obligation for us to backfill and put the waste rock back into the pit. (CP-A)

When the mine was established the financial feasibility was based on leaving open pits, *'generally* [backfilling] *would make projects unfeasible and the government doesn't set it up like that at the beginning . . . the project would never have been done'.* Within this example there are several issues. Firstly, closure planning was limited to compliance, without a mechanism that includes social criteria the organisation was unlikely to respond to its stakeholders in that regard. Secondly, the project approval process and planning phases did not identify stakeholder expectations, in this case the community's expectation for pits to be backfilled. Lastly, the views of stakeholders will change over time. CP-A perceived the legal requirements to be rigid, and unlike the stakeholders, the requirements don't change over time. The scope of compliance mechanisms and guidance for closure planning determined how the organisation undertook the process. This implicitly impacted on the social outcomes following closure.

In contrast, Ind-B described an example where her organisation had gone beyond the boundaries set up by compliance. The *Mabo* decision and the *Native Title Act* instigated attitudinal and management changes within her department and the wider organisation. The engagement with the Traditional Owners significantly changed as a result of the introduction of the legal framework. Ind-B observed that people within her organisation have a wider appreciation of Indigenous issues and largely perceive the work they do with the Indigenous community as being above mere compliance, and as a representation of the organisation's social responsibility.

Another example concerned carbon emissions legislation, *'the Minerals Council had identified that . . . in terms of the key risk to the industry . . . climate change was the biggest risk'* (Env-B). Env-B noted that in a short space of time, *'probably seven or so key pieces of legislation'* had been introduced in the climate-change and energy-efficiency arenas and there was a lack of organisational response. This legislation prompted changes within his organisation; current emissions management was *'a fair*

deal of compliance and reporting, but then there's a fair bit of innovative stuff that we do as well, way above and beyond compliance'. Env-B also claimed that his organisation's Australian region was the first to document a climate-change strategy initiated by the *Clean Energy Act 2011, 'given that the U.S. doesn't have a carbon price, Australia was much more advanced, and so, we established our strategy first'*. Carbon-emissions management was instigated by compliance; however the management has not been confined to minimum requirements and also extends to social responsibility including the identification of stakeholder expectations of what mining organisations ought to be doing to mitigate climate change. It was not clear, however, if identified expectations actually influenced management of carbon emissions. It should be noted that climate-change and emissions management was not exclusively associated with social responsibility, as reducing emissions also reduces energy inputs and the carbon liability associated with the carbon tax: '*We got an obligation of about forty million dollars per year, that is our obligation under the carbon tax. So making sure that we meet that. And also trying to mitigate it and reduce it*' (Env-B).

In the instances described above organisational changes in closure planning, engaging with Traditional Owners and reducing carbon emissions have become part of management norms since legislative requirements were introduced. Going beyond compliance into perceived social responsibility was a result of the issues being foregrounded by legislation; however the degree to which the organisation goes beyond compliance differs and was dependent on specific people, financial considerations and leadership.

Participants reported that there was a lack of external standards and guidance on aspects of social responsibility such as community investment and closure planning, or standards for measuring social performance. Com-A discussed community investment, '*there isn't an agreed definition just on what community investment actually is . . . or an agreed benchmark for industry*', adding that,

> *if you put community investment in that broader corporate social responsibility, all the activities that we do, having a way to evaluate a model or a*

methodology or something, to be able to say in 2012 we did this, and this was the outcomes. And we can't do that currently. (Com-A)

To Com-A evaluation was critical: as described below, the financial imperative means that demonstrating outcomes is essential for maintaining a 'voluntary' budget. She also felt there was a need for an agreed methodology for measuring outcomes that would allow for comparisons between similar organisations, '*what's the point of having your own when you can't compare yourself'*.

Optimising expenditure can form a barrier to spending on social projects that have positive social outcomes but which are difficult to measure. The lack of tools for assessing social benefits could limit activities to those that are easily measured. The lack of standardised methods to compare social investment between organisations could also be hindering innovation and competition as organisations are unable to demonstrate how their social credentials correspond to other similar organisations.

Generally participants worked within the formal boundaries of legislation, guidelines or their corporate internal standards, where such standards required them to consider aspects of social responsibility. Where standards, guidelines or legislation were not available, or provided inadequate guidance, aspects of social responsibility were neglected.

4.3   Factors that limited or extended the boundary of social responsibility

4.3.1   Risk

Risk management was perceived as being an efficient and simple way to assess the companies' impacts and exposures, and to build a business case for implementing mitigation strategies, '*people, executives will think, risk, no problem I understand that, put a cost to that and you know, because that's how it works*' (SR-A).

SR-A described impacts in terms of social responsibility risk, '*SR risk[s] could be . . . protest around clearing of native forests for an expansion project, . . . failure to live up to agreements under our Indigenous agreements . . . they could be things like . . . boycotts, protests or legal challenges*'. Participants all described implementation of

social risk-management to differing degrees. RM-A described risk-management processes for his company in depth and directly applied them to SR. Other participants from RM-A's organisation also described the process for social risk-management and the development of social risk registers. Participants from the other organisations did not place the same emphasis on formal risk processes; however they informally used the notion of risk in allocating funds for community grants and for engaging with stakeholders. A participant stated in relation to risk assessments, '*In terms of the community, we've sat in more with the environment group*' (CR-B). Participants from another organisation knew of a social-risk register; however they did not know the details of it or participate in its development.

Participants from all organisations described examples of informally assessing risk when considering community investment and stakeholder engagement; this was discussed in section 4.1.3.

Limitations of risk were also noted by participants, '[risk management is] *proactive, but its proactive to a point, where you're just trying to . . . stop all of this bad stuff happening, as opposed to . . . actually adding value to the business*' (SR-A). Risk management inherently focuses on mitigating impacts rather than on other opportunities that the organisation might offer.

4.3.2 Individuals

Env-A, Ind-B and HR-A described individuals in the leadership teams as being important in establishing and maintaining aspects of social responsibility. They perceived that without the support of CEOs, general managers, and senior management, the social agenda would not progress or become embedded within the culture of the organisation. Participants gave examples where individual people had changed the direction of the organisation in relation to social responsibility, including:

- being outspoken for social responsibility principles and policies;
- providing and maintaining budgets for community relations and partnerships;
- introducing roles specific to community engagement and investment;
- asserting policies and targets for Indigenous employment; and

- changing the way risk management was structured to elevate the status of social risks.

Some of these examples are discussed below.

Env-A believed a change in upper management reformed social responsibility:

> *Our [regional] office was very fortunate to have a Vice President that recognised the need to invest in our communities and build better relationships with our stakeholders. Over the last couple of years, we have built up our internal capabilities such that we now have two dedicated people within our organisation who work closely with our local communities.* (Env-A)

When the Vice President came into the role the scope of social responsibility in his organisation changed. The focus shifted to allow for budgetary allocation for establishing stakeholder relationships and investing in communities.

Ind-B described leadership from her organisation publically accepting the *Mabo* decision and Native Title,

> *In about 1993, [name] who was the CEO of [organisation] at the time, . . . he came out and said, no we're going to work collaboratively with the traditional owners in mining . . . and that was . . . a turning point in [organisation's] thinking about engaging traditional owners.* (Ind-B)

Ind-B perceived that her organisation has a social responsibility to meaningfully engage and prioritise Traditional Owners and Indigenous groups. These perceptions were supported by the out-spoken nature of specific members of leadership.

People in leadership positions were important in determining how attitudes to social responsibility developed. Where participants felt their leaders would be supportive, attempts to alter implementation were described. Examples included writing a White Paper[3] on climate change and water risks; initiating cultural awareness training;

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[3] In this context a White Paper means a document written to explain in simple terms and language the issue, risks associated with the issue and potential ways to overcome the issue or resolve the problem.

changing the employment process for Indigenous people; and changing the risk-assessment process to elevate social-responsibility risks. In this way, employees who were not in leadership roles, could also effect change.

Env-B recognised climate change as a risk to his organisation. He wrote a White Paper outlining the risks and the potential benefits to his organisation if the risks were managed, '*It paved the way in terms of . . . clearly articulating what that risk was, and the need to be resourcing it*'. The outcome was a new position described as being equally concerned with managing the new compliance requirements, and going beyond compliance to improve energy efficiency and reduce emissions. Env-B has approached water management in a similar way, '*more recently, I wrote a similar White Paper for water risk*'. He has significantly influenced his company's approach to climate change and has changed the formal structure of his organisation. He might also change the approach taken to managing water in the future.

In a different way, middle management and supervisory roles could hinder implementation of social responsibility. For example,

> *you've got a General Manager for the site who's got 12% Aboriginal employment as their target, but then you've got supervisors here making decisions every day about, I'm going to employ this person, I'm going to employ that person, and what we're finding is we need them to be really clear about what that means for me and my team*. (Ind-A)

Policies and processes were put in place at the senior level; however implementation took place at lower levels where production quotas and operational issues took priority, and in day-to-day situations, implementation was overlooked.

Individuals have changed the extent and effectiveness of what participants perceived to be social responsibility in their organisations. Senior, middle-management and supervisory roles all play a part in implementing aspects of social responsibility. Matching roles with particular attributes of people can also effect implementation and the degree to which employees are embedded in communities implicitly impacts on the organisation's ability to meet its social responsibilities in a place.

4.3.3 Middle and lower management

Participants often referred to middle and lower management as creating a barrier to the implementation of social responsibility. As discussed above, individuals can influence how social responsibility is implemented. Despite formalised processes, the informal management, culture and attitudes of middle management can effectively create a barrier to implementation. The culture of middle management could be a reflection of the political will of the organisation, which foregrounds the financial imperative and prioritises legal and compliance requirements over those of voluntary social responsibilities.

4.3.4 Organisational culture

This section discusses how organisational culture was perceived by participants and raises questions of cultural uniformity. Seven participants used the term 'culture' when describing the organisation's social responsibility. Participants perceived that culture can impact on how social responsibility is implemented.

One perceived problem was getting all levels of the organisation to accept a uniform culture. Ind-A stated:

> *culturally in terms of leadership, I think . . . many of our operational leaders understand this, understand the importance of it. But . . . at the end of the day, they don't do all the doing, . . . the doing is done by lower levels in the organisation and . . . it's trying to build a culture where they are making decisions and they are supportive of the businesses . . . these things that impact on the social licence to operate and the commitments that we've made.* (Ind-A)

Differing cultures at the senior and operational levels can impact on the organisation's implementation of its formal policies to manage social responsibility.

Most participants considered that 'the culture' of senior groups was commensurate with meeting commitments made around social responsibility. This is likely due to the formal processes put in place and the decision making of senior management.

Implementing training within senior management was considered to further embed and legitimise social responsibility, and to create an appropriate culture:

> *they spend a lot of money, time and effort, to make sure that we are singing from the same . . . song sheet . . . what they want is that we're engaged at that level as well, it's not just that we're doing it because we're told to do it. So they do spend a lot of time making sure that we understand it.* (HR-A)

HR-A's organisation focused on providing an understanding of social responsibility to company leaders with an implicit purpose of having this message flow through the organisation. However, some decisions are made by middle-management and supervisory roles; therefore a culture that can deliver on commitments throughout the organisation is needed in this group as well. The quote by Ind-A provided above in section 4.3.2 about Aboriginal employment is an example of middle management hindering implementation. The commitment to employ a certain percentage of Indigenous people, or women, or local people, is made at a senior level, while day-to-day employment decisions are made by supervisors who may have less understanding of why it is important to employ people from minority groups, or who have a different experience of the practicalities of such a commitment. If the two groups have different or conflicting cultures and priorities, as was described, the commitments being made at a senior level will be restricted in implementation at an operational level.

Ethical and moral values were also raised, '*I think they're important, because it brings everyone in on the same page, in terms of our culture*' (SR-A). SR-A felt that '*setting the bar at the right level, and driving that through the culture of the company*' was important to ensure that the organisation's social responsibilities were prioritised at all levels. However, like Ind-A, he had reservations about being able to embed a culture, '*I think it's hard to embed anything, from the top level, right through to the ground*'.

An attempt to embed a culture that explicitly included social responsibility was apparent in one organisation, in which there was both an organisational structure with specific roles for social responsibility, and a more formal 'stage gate' in the planning

process for projects. A participant described such stage gates as holding up a project unless someone in a social responsibility role had reviewed the project stage.

4.3.5   The financial imperative

This section explores how the financial imperative can invoke implicit boundaries to social responsibility; two views are used to illustrate this process.

As previously discussed (section 4.1.1), some participants constructed social responsibility as discrete projects that were implemented only if funds were available. This construction is problematic as it removes social responsibility from the governance of the organisation and confines it to times of profit.

CR-A felt that the boundary for social responsibility may be being limited by the inability to quantify the effectiveness of programs and initiatives, '*So we might have funded a hundred and fifty different programs and couldn't tell you . . . what it actually did*'. She described the company as needing social investment programs, but recognised that internally the initiatives may be questioned because it was difficult to determine measureable returns, '*evaluation of social programs [is] so difficult . . . you can't quantify to the board or executives that this is actually having a difference*'. Despite this, the company was '*still investing in a number of programmes regardless of there being a lack of social-return-on-investment methodology*'. The participant pointed out that,

> in a cost-constrained environment the ability to be able to illustrate return on investment would be beneficial, furthermore from a community perspective it also ensures that the programmes we are supporting provide benefits back to the community, rather than supporting programmes that do not have a positive impact. (CR-A)

Similarly, the financial imperative is exemplified in the need to quantify cost-benefit figures. Com-A explained this need, and the resulting difficulty, '*you can't quantify to the board or executives that this is actually having a difference*'. It was important to Com-A to be able to effectively communicate the benefits of community investment to

the board, as this enabled her to gain support and maintain budgets for further work. Several participants recounted the need to evaluate and quantify in some way the positive impacts that their work had, in order to maintain budgets. In this way the boundary of social responsibility may be restricted by evaluation methods that perhaps under, or overestimate, the value for investment. The development of cost-benefit methods in some areas of an organisation's operations may also influence decision making. For example, readily measurable statistics may mean that employment of minorities is given preference over more complex, yet pressing, social issues such as the impacts associated with FIFO, or the impact of Indigenous employment on Indigenous communities.

4.3.6 Space and time

Historically mining organisations have engaged with people who live close to a mine, in particular neighbouring regional towns that house employees. However this has recently changed due to the prevalence of FIFO. Participants also described state-wide investment, implying that investment is intended to have a state-wide impact.

The spatial boundaries for engagement are no longer as relevant as they used to be: the criteria for engagement now centre on what impact the organisation has in that particular place or who is important and needs to be engaged, be it Traditional Owner groups, FIFO source communities or government agencies. If an impact was perceived as significant, or if there was an associated risk with a place, then the boundary for inclusion in engagement processes would be extended. These boundary-changing decisions were subjective and relied on the formal and informal management of an organisation to identify whether the impacts were significant, or were occurring in places that were not close to the mine, such as in FIFO-source communities.

Mines have a long-term impact on the environment and communities. Participants discussed closure planning, managing legacy sites and the responsibilities of the organisation following closure. Legacy sites were described as,

> *sites which have closed, but we still own and we have the responsibility to manage the ongoing environmental liability associated with those. So, a fair bit*

of environmental rehabilitation, water management's [a] big aspect, but social responsibility in terms of engagement with crucial owners. (Env-B)

Some degree of responsibility is taken for legacy sites however this is limited by the associated costs and legal requirements.

Closure planning involves engagement with stakeholders and attempts to incorporate their requests for the mine post closure. CP-A recounts a story that concerns one mining community where following closure the open pit will be filled with water, beach sand will be brought in and the public will be allowed to swim there. To CP-A this was an unrealistic expectation; CP-A took into account the expectations and requests of the people who were engaged with during closure planning, however the extent of what can realistically be achieved (where the boundary is set) is again restricted by financial and legal requirements, since social aspects were not included in closure criteria.

4.4   What did 'social responsibility' mean to participants?

When speaking about social responsibility participants used terms and concepts including 'social licence to operate', 'community capacity', 'resilience' and 'mutually beneficial'. These have been interpreted as holding meaning and essences of social responsibility for participants and are discussed below.

4.4.1   The concept of a 'social licence to operate'

Five participants used the term 'social licence to operate' or referred to a 'social licence' when describing social responsibility. For example, *'I link it to social licence to operate, which for me means that although we've got legal obligations, . . . the social side is just as important'* (CR-A)*.* To CR-A, the term 'licence' elevates the status of social responsibilities to that more in line with compliance responsibilities.

Ind-A believed a social licence allowed her to engage, communicate and negotiate more effectively with Indigenous stakeholders. She explained that her organisation had a legal obligation to negotiate Native Title rights; however *'the other driver is . . . [a] social licence to operate'*. Ind-A observed two types of interaction with Indigenous

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groups: firstly with Traditional Owner groups; and secondly with the general Indigenous community. Interaction with Traditional Owners is a legal requirement but she associated a social licence with the second interaction, '*social licence to operate, is really broadly . . . our role and responsibility in increasing the opportunities for Aboriginal people generally to participate in the mining industry*'. Going beyond compliance with Native Title requirements, with the premise being a social licence to operate, was considered as part of the organisation's social responsibility.

Env-B's interpretation of social licence emphasised reputation, *'objectives always have been to improve our reputational capital, so that we've got a social licence to operate in those regions'.* In this context 'reputational capital' meant the ability of his organisation to use its 'good reputation' to provide a competitive advantage. Reputation was an asset that could be used to improve the likelihood of gaining acceptance, approvals and access to resources, *'If we want to go into another area and hopefully open a new mine site, and operate in there, that we can . . . leverage off of our social licence to operate.'*

Based on CR-A's experiences a social licence could be lost, '[if] *you don't consult with the communities that are impacted, positively or negatively, by your operations . . . you could lose traction and support of your operation'.* CR-A recounted the circumstances around a breakdown in a relationship with a Traditional Owner group that resulted in a legal challenge, operational delays, damage to the company's reputation, and a greater degree of public and regulatory scrutiny. She perceived this as a withdrawal of a social licence.

The concept of a social licence to operate was used as a premise for supporting investment in programmes, partnerships, donations and sponsorships. Env-B and CR-A assigned a mutual-advantage argument for a social licence detailing how it can be useful in reducing costs for the organisation. Ind-A had a different interpretation, seeing a social licence more in terms of implementing activities that go beyond compliance. Native Title, and the experiences of people within Ind-A's organisation, have elevated the status of Indigenous issues, encouraging further action in areas beyond compliance.

Participants often used the term as if they were referring to an actual licence with clauses and requirements, rather than an abstract concept. The intention for gaining a social licence to operate is explicit within the term itself – licence to operate. The main purpose of garnering a social licence is to allow the organisation to continue to operate, ideally without costly disruptions such as legal challenges, industrial action, or lack of access to approvals, land or resources.

4.4.2 Aims to build 'community capacity' and 'resilience'

One way that social responsibility was implemented was through community investment. Seven participants claimed that the aim of community investment was '*capacity building*' and three believed it was building community '*resilience*'. This section discusses the nature of these perceptions, claims and terms together, as they were often used interchangeably or with minimal differences.

Capacity building and resilience had commonalties in terms of how they were expressed by participants. The assumptions made for both capacity building and resilience included:

- diversified industries are good;
- increased services are required in regional areas;
- employment from regional areas should be prioritised;
- more people living regionally is good;
- building capacity will improve the liveability of places; and
- more people inhabiting a regional place will increase that place's capacity.

These assumptions become problematic where they create a workforce that is not representative of the local populace but is made up of predominantly transient mine workers. Is it possible that there are good reasons why settlements are not established where mining organisations are currently based, for example where sustainable water resources, adequate accommodation and services may not be available? The following paragraphs discuss these assumptions.

According to Com-B, mines change the population demographics, the local industries, identity of places, and, '*the community around it. So all of a sudden . . . the exploration*

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is going in to potentially a new town, how is that mine site going to all of a sudden, change the . . . community and the fabric of it?' (Com-B). Diversification of industries was perceived as being both economically positive, and a social risk. For example, removing farmers from their land to work in mining or bringing in workers from other places could negatively impact on the community identity. Changing '*the fabric*' of the community will occur over time; however the unexpected or sudden changes associated with mining entering or leaving a region can have serious and long-term consequences.

The constructs of community capacity and resilience described rely on a people who live and work in a place having some regard for the place, caring for the place and being in some way attached to the place, in other words, having a *sense of place*. Participants implicitly and explicitly described attempts to foster a sense of place and attachment to place. Policies on local employment, local sourcing of contractors, Indigenous employment, and cultural and environmental awareness all, in some way, attend to the development of a sense of place. Implicitly a sense of place was acknowledged as lacking in people who have opted to live or work on mines; this represents a social risk for the organisations and the place. Participants described the way organisations encourage people to move to regional areas; however these people may not have an attachment to that place (or it will take time for attachment to develop), they are likely to be transient or short-term residents, are unlikely to participate in some public processes and are likely to leave when the mine closes. As a result, these policies and practices can have the unintended consequence of working counter to the perceived building of capacity and resilience of the place.

Participants claimed that what regional and remote towns lack in services they make up for in sense of community; Env-A termed this '*community feel*'. He gave an example of members of a local business bringing a forklift into town to lift a delivery off the back of a truck,

> *do you mind bringing that down and getting it off and he's like 'yeah no worries'. And there's no cost involved in that and that's part of that whole community feel, and that's what I think if we went in there and all of a sudden*

> *started taking over and started doing all those things then you would be taking away.* (Env-A)

Mining organisations have great capacity to do things for the people in regional places, and it is often easy to do so; however if an organisation does too much, the people may become reliant on the organisation and the community could lose its 'community feel'.

Local employees in regional areas were perceived to have a better understanding of the place and the sentiment of the community, '*He lives in [town], that's his community; he doesn't want [town] to be a bad place to live, and so, [name] knows what's going on, he's got a sense of the community, his kids go to school there, his wife . . . works there*'. Local people can be fundamental to an organisation successfully working within a place. They can assist in understanding the concerns of the local people and are essential in identifying potential partnerships and opportunities.

The term '*capacity*' was also used in different ways, '*what is the capacity of people in this community?*' and '*what is the business capacity of the community?*' In this sense it was instrumental for the organisation: what is the ability of this community to contribute to the mining operations? And, what is the ability of this community to be able to participate in partnership with the mine?

A need to 'build capacity' in regional areas was emphasised by many participants. As Com-C stated, '*in terms of our investment outcomes, [we] look at creating stronger communities in Western Australia by building capacity*'. This would be good for both the 'communities' and the mine, as greater capacity was inextricably linked to accessing employees or services. As Com-D explained, '*when you have a situation when you need something urgently the town has the capacity to provide it. If you don't build capacity then you're constantly dependent on flying or driving people and things in and out*'. Increasing capacity materially included the provision of services such as medical practitioners, recreation facilities, schools and teachers, and affordable accommodation. Thus, much community investment in regional and remote places

was targeted at improving services and the liveability of the place for their employees, and to provide an advantage to the organisation.

Com-D commented that diversifying the rural economy increases capacity by reducing reliance on the agricultural industry:

> *I think if you diversify the economic base of the town it becomes a much, . . . more sustainable [place]. You don't have the highs and the lows, where you used to 15 - 20 years ago, where if the farmers had a bad year everybody had a bad year because the farmers didn't spend, whereas now you have that base of people that have regular income.* (Com-D)

From a socio-economic point of view the mining industry may have reduced reliance on the agricultural industry in some regions, however in other regions the opposite may be true. Env-A suggested that mines could assist farmers in poor years by giving them fixed-term contracts, but cautioned, '*we don't want it to make a full time job otherwise, . . . they go "oh people leave the farm,[and] go there" and then you've got the people leaving town'.* This would be detrimental to both the place and to the organisation's reputation, and counter-productive to 'building capacity' in this sense.

SR-A stated, '*I'm a bit of a tenant of . . . resilience thinking, about how do you build resilient communities'.* He described resilience thinking as a relatively new approach that was being incorporated into the management of social responsibility in his organisation, to achieve particular outcomes.

The terms 'resilience' and 'resilient' were used as descriptors for a type of community that was the intended outcome of investment and development, and was described as a community '*that can adapt and change and deal with negative impacts, but also take up on opportunity*' (SR-A). Attributes assigned to 'resilient communities' included an ability to partner with the mine, an ability to provide an employment pool and an ability to sustain itself once the mine closes. SR-A believed that the ability of regional places to partner with his organisation to maximise the benefits from the mine, was limited in Western Australia. This was due to a 'lack of capacity' in the regions as well as a lack of knowledge and information on social outcomes.

SR-A acknowledged a deficit in the Western Australian local government-planning process by citing requirements in New Zealand, where '*local government and the local Government Act are required to have . . . a community's outcomes plan, so a long term community's council plan, which identifies what the community wants or sees as its long term visions and outcomes'.* Without this process in Western Australia, the process for determining community outcomes is being facilitated by mining organisations as they perceive themselves to be a key regional stakeholder, '*Well that's what we've started to do now on our own*'. SR-A suggested that, if an organisation is unaware of what the various stakeholder groups want in terms of outcomes, the organisation is unable to contribute meaningfully,

> *what I'm suggesting . . . under resilience thinking, is that you think longer term and you look at the whole life of mine and say look when [we] leave here we've created a resilient community, and a resilient community as defined by this community is a,b,c,d, and '.* (SR-A)

In the context of closure, resilience was the ability of a community remain viable without the mine. The concept of resilience guides how investment is allocated and prioritised, '*economic development . . . we might fund that in [place] because when we go we know there's a 24% decrease in the economy of the town, so we'll fund something while we're there to try and replace that*' (SR-A).

There was an assumption that capacity and resilience was being 'built' within regional communities however this is incommensurable with some of the policies and practices, the environmental impacts and pace of social change, all of which are a direct result of a mine or a result of cumulative impacts of many mines. In addition, excluded from this construction of capacity is the contribution that people and business might make independent of the mining operation, or to contribute to or grow other industries.

4.4.3   Mutually beneficial outcomes of social responsibility

There was an assumption made by the participants that social responsibility should be mutually advantageous. This assumption allows for the exclusion of activities that may

be detrimental to an organisation but positive for a stakeholder group. Incongruously, such activities potentially represent mitigation of operational impacts.

There was also a tendency to perceive some projects as coming under the umbrella of social responsibility where these projects were initially or primarily needed by the organisation, *'Our feeling was that to build a bridge you killed two birds with one stone, you take pressure of this crossing, you lengthen the rail yard so you can run longer trains and you provide unimpeded 24hour a day access'* (CR-D). By framing social responsibility as mutually advantageous it implies permission for an organisation to promote projects, that are primarily required by the organisation and which incidentally benefit a stakeholder group, as fulfilling their social responsibility. Participants held a belief that because a project was mutually beneficial it constituted social responsibility. The reverse was also considered to be true: that if a project constituted social responsibility it also needed to be mutually advantageous, *'my idea of social responsibility is that it's also mutual responsibility'* (Ind-A). The perception that social responsibility is mutually advantageous represents implicit boundaries as to what will be considered by an organisation attempting to implement social responsibility – if an undertaking does not hold some value for the organisation, it will be excluded.

One of the benefits to the organisation of social responsibility was that it was seen as providing a competitive advantage. Env-C stated that, *'social responsibility is being seen as a differentiating . . . competitive advantage, basically against some other people to make sure that we can have that access'*. Env-C perceived that his organisation's management and structure for environmental and social responsibility resulted in improved recruitment, obtaining permits and approvals quickly, and obtaining leases land access, all equating to a competitive advantage. Env-C detailed the departmentalisation of environmental and social responsibility with a matrix structure, and with specific social-responsibility roles at several levels of the organisation. A matrix structure meant that environmental and social responsibility personnel working onsite had two line managers: the mine general manager and the environment manager or social-responsibility manager based offsite. He contended that this structure provided additional rigor because when social responsibility is

explicitly separated as a role with accountabilities in corporate and operational levels, it had an elevated status. The level of accountability and detail given to environmental and social responsibility within his organisation, gave Env-C confidence in being able to undertake his role without being undermined by an economic or production imperative. It was this differentiation that he perceived as providing a competitive advantage.

Env-A perceived two advantages of social responsibility: firstly it resulted in improved recruitment and retention of personnel, and this provided a mutual advantage for employees and his organisation. Secondly, having support from people living near mines was deemed necessary to be able to continue long term, '*We want to be in the region for another 20 years, and we can only do this through maintaining our good reputation and with our local community's support*'.

Ind-A and CR-A stated that they believed good working relationships with Indigenous stakeholders were beneficial to the organisation. CR-A recounted examples where Indigenous groups had asserted their legal rights and this had incurred significant costs to her organisation. Improvements in Indigenous relations had helped her organisation to have amicable interactions with Traditional Owners and to maintain access to land.

Providing a mutual advantage was a consistent theme that emerged throughout the interviews, referred to variously as '*mutually advantageous outcomes*' or '*mutually beneficial projects*'. There was a need for the organisation or partners to demonstrate that a process, standard, structure or programme, provided some benefit to the mine or organisation, as well as to the intended beneficiary. The alternative - to fund activities and initiatives that will have positive impacts for stakeholder groups, but which are not 'mutually beneficial' - was unlikely to be supported. The perception of social responsibility was in this instance, explicitly linked to the mutual benefit of the organisation.

4.5   Summary

For the participants, a social licence to operate was the most frequently used definition of social responsibility. It was also used to rationalise behaving in ways that

were perceived as socially responsible. Participants believed that their organisations were in an exchange with external stakeholders; such that particular behaviours, decision making and projects, were implemented in exchange for a social licence to operate, which was perceived as necessary by a number of participants. In this way, rather than having to make a business case for implementation of social responsibility, and demonstrate a return on investment, it was more convenient to assert that it is necessary because the activity facilitated a 'social licence to operate'. The term was found to be in widespread use and was acceptable to participants as a reason for making decisions which, although they may incur costs to the organisation, were believed to smooth continued operations.

Informal and formal risk management was another determinant of boundaries. Assigning risk to the business based on the outcomes of decisions made regarding stakeholders and the community, was common practice. Where a risk to the business was identified, mitigating activities were justified to reduce the risk. In this way the boundary for social responsibility could be extended to manage a perceived risk. However, the boundary could also be limited, as action may not be considered if the risk to the business is perceived as negligible, despite potential impacts on other stakeholders.

This section has illustrated how certain assumptions, people, and perceptions are delimiting social responsibility. Perceptions on the boundary are inextricably linked to the constructions of social responsibility that were apparent in the interviews; finances, a lack of guidance and standards, and a need to provide a mutual advantage, combine to set up explicit and implicit boundaries to what participants perceived to be their organisation's social responsibility. Within areas where responsibility was explicitly recognised, limitations in middle management and culture can surreptitiously change the boundary.

5   Discussion

In this chapter the perceptions of participants (outlined in Chapter 4) are examined in relation to the findings of the literature review (presented in Chapter 2). Part of this examination will also be a comparison across the organisations to provide a tool for synthesis.

The questions that were identified in the developmental stages have not changed through the course of this research. The literature review reinforced the need to question, in particular, how boundaries are described and under what conditions boundaries change.

5.1   The rationale for social responsibility

This section examines the rationale organisations had for implementing aspects of social responsibility. Firstly the differences between organisations are reviewed, and secondly the two main rationales – risk and a social licence - are explored. As discussed in section 2.1, a neoliberal ideology was identified in a number of authors, however the analysis in this chapter uses assumptions that are aligned with a sustainability-ethics (Albrecht & Ellis, 2014; Becker, 2012) ideology.

Organisation one had limited governance and processes around social responsibility. The lack of a framework resulted in a partial construal of social responsibility when compared with broader interpretations such as ISO 26000. A strong emphasis was placed on reputation as the rationale for what was perceived to be social responsibility. This included community relations and investment into projects and programmes, '*We want to be in the region for a long time, and we can only do this through maintaining our relationships, our good reputation and with our local communities' support*'.

A couple of areas dominated Organisation two: these were Indigenous issues and community investment. The rationale for the extensive procedural requirements described by participants in this organisation, was essentially to keep the mines in

operation. These procedures had been adopted over time in response to events that had shaped the company and its understanding of its responsibilities and risks. These two issues were dominant as they were directly related to the resources needed by the organisation to continue operations: consent to access Indigenous lands (and mine resources) and access to employees.

Organisation three had extensive governance of social responsibility, mechanisms were documented in policy and internal standards, and visible in the role structure of the organisation. Participants in organisation three explicitly described the rationale, *'we do it for access to land, access to capital and access to an approval'*. Participants in organisation three also described the rationale in terms of expansion and reputation: by conducting themselves according to their procedural social-responsibility standards they were more likely to be able to expand into new areas with less community resistance.

The minimisation of risk to the organisations was a shared rationale for social responsibility. As discussed above (section 4.3.1), all of the organisations used risk as a way to prioritise and make decisions around aspects of social responsibility. Participants recognised that external stakeholders could have an impact on operations and that using risk-management strategies to identify and manage potential consequences could mitigate or negate this impact. This rationale aligns with a neoliberal strategic perception of social responsibility (Husted, 2003), rather than altruistic, or ethical obligations.

The frequent use of the term 'social licence to operate' by participants, suggests that the organisations are engaging in particular behaviours in exchange for community and stakeholder support. Participants perceived that a social licence was necessary for continued operations. The popularity of this voluntary and self-regulatory mechanism has elevated its use in the discourse of mining employees, yet the criteria that organisations must meet in order to gain a social licence are often unknown and poorly publicised (Bice, 2014). Although the term 'social licence to operate' has become widespread, application and implementation of social responsibility is more frequently associated with risk-management processes. The loss of community and

stakeholder support, the likelihood of legal challenges or a lack of employees, were all potential impacts associated with a loss of a social licence and were all aspects managed through risk processes. The term 'social licence to operate' is perhaps simply a more palatable term for communicating organisational intentions which minimise operational risks.

The rationale of all of the organisations aligns with a strategic model of social responsibility. While the organisations conducted activities relating to different aspects of social responsibility, and some had broader interpretations and intentions than others, the basic rationale was the same: to gain access to land, resources, employees and other capital.

5.2 Determining the boundaries of social responsibility

This section discusses participants' interpretations of how the boundaries of social responsibility were set: the determining factors included legislation and going beyond compliance, external standardisation, internal standards, and governance, including management systems and risk.

5.2.1 Organisational differences

There are some obvious differences in the governance of the organisations involved in the study. Organisation three's internal social responsibility standards were reportedly based on the IFC's Performance Standards on Environmental and Social Sustainability and provided a broad coverage of the subjects of social responsibility. Organisation two's systems had been developed and grown over time but were largely based on experience and narrowly focussed on those aspects that had proved a previous (and costly) problem, such as engagement of Indigenous stakeholders. Organisation three had trigger points built into its governance which helped to ensure that social aspects were not overlooked. These included a stage-gate process for projects, a matrix structure within the organisation and a risk-management process for identifying social risks.

5.2.2 Legislation

The findings indicate that the organisations in the study tended to wait for legislation before acting on areas of social responsibility. This was illustrated by participants who gave accounts of Indigenous engagement and negotiation of land access being legitimised after the introduction of the Native Title Act; waiting for carbon reduction legislation before significantly reducing carbon emissions; and undertaking substantive closure planning in response to changes to legislation. This is somewhat is line with the traditional view (Avetisyan & Ferrary, 2013) that meeting regulatory requirements also meets social demands. It differs slightly though in that the organisations often claimed they went beyond compliance within those areas. The findings also differ from the situation described in the UK where the government was perceived as a key influence on organisations taking up social responsibility. In the UK this is done out of concern that if organisations do not act in socially responsible ways, the government will regulate such action (Hine & Preuss, 2009). Similar concerns were not apparent in this study. The embedded nature of mining in Western Australia, the reliance on its economic benefits (Chandler, 2014) and the dominant neoliberal ideology of successive state governments (Phillimore, 2014) makes the regulation of social responsibility unlikely.

5.2.3 Beyond compliance

The participants indicated that their organisations went beyond compliance and that this represented a form of social responsibility. For example, participants perceived that their organisations went beyond compliance in their interactions and development of agreements with Indigenous Owners and by reducing carbon emissions beyond the requirements of legislation. However, going beyond compliance in these areas also held significant advantages for the organisations. In the example of emissions reduction, actions also reduce financial liabilities and costs by reducing inputs; and by meaningfully engaging with Indigenous Owners, access to land and resources were secured to enable continued operations.

It was found that decisions to go beyond compliance were complex and made within a context of external pressure, and cost-benefit analysis, but that they also needed a

trigger: the introduction of legislation. Going 'beyond compliance' in and of itself was a limited concept in which to define boundaries of social responsibility as it is reliant on some minimal level of legislation, which as Newell (2000) notes, is often lagging behind the demands of society. Secondly, the motivations for going beyond compliance are multifaceted, which may obscure intentions to reduce costs while benefitting from claims of social responsibility. Gunningham et al. (2004) suggest that organisations go beyond compliance in order to meet social expectations and responsibilities. The findings of this study however differ in the sense that organisations will go beyond compliance, but only where it is advantageous to them to do so; this is more consistent with a strategic model of social responsibility (Lantos, 2002).

5.2.4 External standards

The influence of external social responsibility standards on the participants interviewed was limited. Participants more often referred to internal corporate standards, frameworks, and architectures developed by their employers to manage functions such as stakeholder engagement, environmental management and community relations. For one of the organisations, the external environmental MSS ISO 14001 and the IFC Performance Standards on Environmental and Social Sustainability, had been used in the development of internal standards. ISO 26000 was awaited by organisations and practitioners of social responsibility; however only one participant mentioned the standard in the interviews, and this was simply to state that his company had assessed the standard and decided not to use it.

However, other external standards have had an influence on how two of the organisations in the study addressed social responsibility. MSSs that adopt a process approach, such as ISO 9001, have been used by two of the organisations to organise their management of social responsibility and community relations. Social responsibility has being integrated into these frameworks, suggesting that these external standards have influenced how social responsibility is being managed by organisations. This is consistent with Kemp and Owen (2013), who find that mining organisations are integrating community-relations functions into existing management-system frameworks.

External standards and approaches for measuring the impact of social projects and programmes are available (for example see (Muir & Bennett, 2014). However, participants stated that they did not use standardised approaches to measure the social impacts of the projects and programmes that were in place and could not confirm on whether implementation had a positive or intended impact. Similarly participants mentioned the Global Reporting Initiative only briefly, although it was used as a reporting framework it did not determine boundaries for social responsibility.

5.2.5 Internal standards and governance

As described in the findings, all of the organisations had internal policies and procedures that facilitated the management of functions including environmental management, health and safety, quality, human resources, stakeholder engagement, communities, and community relations. The descriptions below relate how the management systems were described by the participants in the study, rather than a review of management-system documentation.

Two of the organisations in the study had integrated aspects of social responsibility (social responsibility in its entirety in Organisation three and 'communities' in Organisation two) into their existing management systems. Organisation one had some processes around stakeholder and risk management. In contrast to environmental management, all of the organisations were certified to ISO 14001, which means that equivalent processes were undertaken to manage environmental aspects and impacts[4]. The findings suggest that one reason for the degree of difference regarding social aspects is due to the lack of widely adopted external standards, meaning that social responsibility has been interpreted, applied and governed in many different ways, and this remains generally permissible. Where many organisations adopt a particular standard or convention a degree of external pressure is exerted on other organisations to follow suit. Bice describes this as a form of 'isomorphic' pressure: 'Australian and international mining industry associations

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[4] It is noted that there are considerable issues identified with certification to ISO standards and that being certified to ISO 14001 does not necessarily ensure high environmental performance (Castka & Balzarova, 2008d).

consciously and unconsciously assert isomorphic pressures concerning expectations upon firms to achieve legitimacy via "best practice" through industry body membership and signatory commitments to global frameworks' (Bice, 2013, p. 140). In the absence of such pressures and uptake of external standards, internal governance of social responsibility was highly varied; thus the boundaries were different for each organisation and internal governance was an important determinant of where boundaries lay.

5.2.6 Risk as a determinant of boundaries

The findings show that the concept of risk was used in two ways: firstly, and more tangibly, as a formal process of practice for identifying and managing potential threats to an organisation and associated communities as a result of operations. Secondly, risk was used more broadly as a conceptual model for decision-making.

Social-risk management was a focus for Organisation three. Recent changes to their system had enabled a process to identify and improve the top five social risks, this had elevated the status and emphasis placed on social risks in the organisation. Previously risk-management processes had identified and developed improvement plans for the top ten risks based solely on financial impacts. This previous process effectively negated social risks as they were anticipated to have a relatively low financial impact.

Risk, as a process and practice, was applied to social responsibility in all of the organisations. The formal processes included documentation of social risks and the development of minimisation strategies. This is reflective of the descriptions given by Robinson (2013) who advocates for the integration of ISO 31000 Risk Management standard with ISO 26000 and ISO 9001 to provide a framework for the implementation of social responsibility. In contrast to Robinson's (2012, 2013) argument that social responsibility can be integrated into a management system framework, Kemp (2012) argues that this framework had led to an 'audit culture' and that social responsibility, community engagement, and stakeholder management require dialogic processes, rather than the mechanistic, unidirectional and largely quantitative style of risk management.

The second construction of risk was as a model for decision-making that was applied to everyday managerial choices. This was not directly associated with the organisation's formal process of risk management; however it is likely that this way of making decisions has been influenced by the embedded formal process. Using risk as a framework for decision-making was tacit and widely applied by managers: for example, it was used to make decisions about which stakeholders required consultation and at what level; it was used to decide who would receive funding for community projects; and it was used in engagement with regulators. Kemp et al. (2012) describe this type of risk thinking as existing within a 'risk paradigm' that is prevalent in mining. Although Kemp et al. (2012) do not distinguish between process-oriented risk management and tacit use of the notion of risk, their descriptions of both an 'audit culture' and 'risk paradigm' are commensurate with the two conceptions of risk found.

The formal process of risk reportedly assessed both risks to the business as well as risks to external stakeholders; however the tacit use of risk was largely focused on gaining benefits for the organisation rather than reducing the risks posed to external stakeholders. In terms of the boundary of social responsibility, these two constructions suggest that there is a 'formal' boundary determined by formal processes and documentation, and an 'informal' boundary determined by the reaction of managers to perceived risks in everyday decision making. In both conceptions it is the organisation, rather than other stakeholders, which is the primary focus for risk-based mitigation.

5.3 Manifestations of the boundaries of social responsibility

5.3.1 Organisational differences

Organisation one's social responsibility was primarily exhibited through community relations. The organisation focused its efforts on two physical locations where it perceived that its operations had most impact. Community relations' employees were situated in these places. Organisation one also had a community-grants programme. Community groups were able to apply and the community engagement personnel (this

was described as a three person panel) would decide who received the funding. This appears to be a largely philanthropic style of social responsibility with the main purpose being to improve the reputation of the company; however participants stated that risk was also a consideration when deciding how funds were allocated to groups. Groups who were more likely to make complaints against the company were allocated funding.

Organisation two had several areas of focus yet these could all be categorised as community relations and community investment. The company engaged with local, Indigenous and FIFO communities, and employees. Community investment included that implemented by separate teams on a statewide, regional and local basis.

Organisation three differed in how social responsibility was exhibited. Rather than focus on external stakeholders, social responsibility was internalised and exhibited in its roles and the structure of the organisation. Social responsibility was institutionalised within organisation three, where there were specific roles for social responsibility at several levels of the organisation. It also had a matrix structure which meant that those roles with social accountabilities had direct access to upper management, rather than going through regional line managers where social responsibilities may be discounted in favour of economic or production imperatives.

Organisation three's approach to social responsibility was markedly different to that of Organisation one or two as it had in place planning processes, as well as reactive processes, to enable the identification and management of potential social-responsibility issues before they arose. External manifestations such as sponsorships or philanthropy were less apparent because social responsibility had been internalised and was represented by how the organisation was managed and governed. This approach was more aligned with the guidance provided by ISO 26000, which emphasises that social responsibility should be part of internal governance.

Organisations one and two appear to have addressed social responsibility reactively and the systems of governance reflect this: in both their historical development in response to problematic issues, and in having employees (community relations)

available to respond to issues as they arise. Organisations one and two focused on managing external stakeholders and it is possible that they neglect other factors, such as planning for potential social impacts or consulting stakeholders at a stage early enough that they can provide meaningful input and influence decision making. Their systems of governance were missing triggers which, within a broader implementation of social responsibility, might provide for proactive management of social responsibilities.

5.3.2 Partnerships

The findings show that partnerships were a preferred method of community investment as opposed to simply providing funds to a beneficiary as a donation or philanthropic gesture. Participants described that it was common practice to provide more than funds: the professional capacity of the partner organisation could be bolstered for example, by the provision of technical assistance, or by senior-level managers joining the partnering agency's board of management.

The findings suggest that a partnerships model is preferred because it shares the cost of implementation between the organisation and another party. Partnerships can also allow an organisation to be strategic in its investment: it will choose partners that have similar objectives and it will have some say over how the funds are expended. The findings concur with both Bice (2013) and Warhurst (2005) who argue that philanthropy or donations are being phased out in favour of a partnership model. However, in contrast to Warhurst's (2005) argument that partnerships are a way to address society's major social issues, partnerships described by participants were used as a way to gain a strategic advantage, lower costs or mitigate risks for the organisation. An intention to contribute to sustainable development or address significant social problems was less evident.

An obvious question concerns the influence on the partner, particularly with senior members of the mining company sitting on their board of management. Bice (2013) highlights similar issues of influence and fear created by dependence on corporate partners. Inherently the community partner has a value that a corporate partner will want to exploit, hence a partnership is developed. Is it possible that this value will

change if the organisation imposes restrictions or influences how the partner uses resources? It is also possible that organisations can strategically position themselves through partnerships with government, non-government organisations, civil society and community groups, to gain a level of influence that will provide them with a competitive advantage. The greater the degree of dependence, the greater the level of influence the organisations will have, and perhaps the greater the degree of competitive advantage gained. Warhurst (2005) argues that corporate–community partnerships are necessary and outlined the benefits that these can bring; however some degree of caution, as Bice (2013) suggests, should also be exercised to ensure that motives are genuine and that the partnership contributes to overall sustainable development.

5.3.3   Stakeholder engagement

The engagement described by participants was consistent with the amoral definition of 'management of stakeholders' given by Mutti et al. (2012), which aims to influence stakeholders in order to gain access to necessary resources. The concept of risk, interpreted as risk to the organisation, was also employed in stakeholder engagement. The level of risk determined who, to what extent, and when stakeholders were engaged. Stakeholders were viewed in terms of their level of relative risk to the organisation; this perception is problematised by Beck (2009) who indicates that 'risk' overrides all other attributes of the stakeholder. Where stakeholders have the ability to withhold (Frooman, 1999) access to land, resources or approvals, the organisation engages them to manage the risk and ensure continued operations. However, often this interaction was described as occurring at a stage that is too late for significant changes to be made to the project. Motivations for stakeholder engagement were to inform in order to gain access and support, rather than to be inclusive in the decision-making process. One participant explicitly acknowledged that his organisation needed to increase the sophistication of its stakeholder engagement in order to be more inclusive, and that this should be tied to the timing of engagement.

Several events were described by participants including the introduction of Native Title legislation, legal challenges and mine disruptions; they perceived that these events

elevated the legitimacy and status of Indigenous stakeholders. The relationship between the mining organisations and Indigenous stakeholders was described as being in a state of change. Power dynamics were changing giving a greater power to Indigenous stakeholders. This was occurring in recognition of Indigenous stakeholders' ability to withhold land access. Several examples were described where Indigenous stakeholders had caused costly disruptions to operations of mines because of land-access claims and legal challenges. In response to these events, one of the organisations had significantly changed the way that they approached engagement with Indigenous stakeholders. This is consistent with Froomans (1999) stakeholder concept, that the ability to withhold access increases a stakeholder's relative level of importance within organisations. Specifically in relation to mining however, the findings differ from Coronado and Fallon's (2010) interpretation that suggests mining organisations hold all of the power in relationships with Indigenous stakeholders. This study's findings suggest that, although mining organisations still hold the majority of power, an exercising of legal rights and acknowledgement of risks by mining organisations is changing this dynamic.

5.3.4   Community relations

Organisations one and two had institutionalised community relations. Personnel employed in these roles were located in the places that the organisation perceived were being impacted by their operations. Having these roles was a manifestation of social responsibility, as participants perceived it was the responsibility of the organisation to respond to community concerns, and that this could be achieved through employing community relations' personnel. Organisation three had 'environment and social responsibility' roles, situated at all of their mines and had overlapping responsibilities to community relations. Responsibilities included engaging with local communities, making decisions about community investment, dealing with community complaints and grievances, developing and managing community-corporate partnerships, evaluating and quantifying the impact of social investment and identifying opportunities and issues as they arose. Communicating with other departments, operations, executives and board of management was also a part of these roles.

Most participants believed that the employee with responsibility for community relations should be a local community member; this was termed a 'local employee'. Participants felt that employing locals as community relations personnel meant that they had tacit knowledge of the people and place, and that they would be better able to help the organisation to contribute to the community more broadly, while also recognising problems when they arose. The belief that local employees are better placed to be in a community relations role is challenged by Kemp and Owen (2013) who highlight some of the issues that local employees face, including being publically vilified and verbally abused because of frustration with the organisation. Local community relations employees often bare the brunt of community dissatisfaction, and because they are situated away from the organisation, they are often the 'last to know' about projects or changes and have little input to organisational decision making (Kemp & Owen, 2013).

Institutionalised community-relations functions, employing locally, and situating these roles in the regions, potentially has the effect of externalising the function. As a manifestation of social responsibility, community relation's roles appear, from an external viewpoint, to provide a conduit between the community and the organisation; however, the input of the community is unlikely to reach those parts of the organisation responsible for decision-making in a manner timely enough that it could effect change within the organisation. Having local employees may be advantageous where there is a general level of consent for operations; however where the community is divided and conflict arises on issues associated with the mining operation, employing a local person may place this person at risk of being excluded from the community, potentially defeating the purpose of the policy to employ locally.

5.4   Factors that influence boundary changes

The boundary of social responsibility is not fixed but in a constant state of movement as contexts change. This section discusses participants' perceptions of the factors that affect boundary change. The boundary of social responsibility can move to both externalise and internalise aspects of social responsibility.

The major factor that extended the boundary of social responsibility was legislation. The areas of social responsibility that were talked about most by participants were being actively managed because legislation had been introduced which forced the organisations to address the issue. The impact that legislation had on the organisations should not be underestimated. The extent to which the organisations engaged with Indigenous stakeholders, addressed climate change, managed the environment and planned for closure, were principally influenced by legal requirements.

A reduction in the price of ore, poor results in exploration, or operational disruptions can all lead to claims of financial difficulties and retraction of perceived social responsibilities. Participants stated that financial considerations were one of the factors that restricted how an organisation implements social responsibility. Funding for community engagement, community investment and development, projects and programmes, were dependent on funds being made available by the board of management. These funds were by no means guaranteed and were change dependent according to the financial position of the organisation.

The findings show that social responsibility may also be restricted by a lack of policy implementation. This was exemplified by employment targets for Indigenous people that were not met due to poor implementation and understanding of the employment policy. A culturally embedded imperative that operational issues should take precedence over social responsibilities led to a lack of implementation. The findings showed that operational imperatives coupled with limited training and understanding meant that policy could be overlooked or disregarded in preference for operational performance. This is consistent with Kemp et al. (2006) who also cite a lack of training of personnel as an impediment to implementing process-approach management systems that have been adopted for community relations.

The research found that individuals and organisational culture were two influences that could extend the boundary of social responsibility. Firstly, individuals in a position of power (either charismatic or legitimate), for example a CEO or a higher-level manager, could effect change. The CEO of one of the organisations illustrated this in an announcement that the company was going to negotiate with Traditional Owners for

land access. This effected a major change in how the organisation engaged with Traditional Owners as well as changing the culture of the organisation. Secondly, if a lower level manager sought to initiate changes, the culture of the organisation had to be responsive to such potential innovation. A participant who wrote a White Paper on the risks to the business of climate change demonstrated how change could occur. A culture that elevated the status of social responsibility and used the concept of risk, enabled the participant to write the paper and then a decision was made to change how the organisation addressed this risk. In this way, an empowered individual coupled with a culture that is receptive to change, can extend the boundary of social responsibility in an organisation.

5.5   Social responsibility defined and expressed

Three distinct conceptions were drawn from participants' meanings of social responsibility. These were: 'projects and programmes'; 'social licence to operate'; and 'mutual benefit'. Additionally 'community capacity and resilience' was also derived as an expected outcome. These themes accord with those provided in Table 1, and are discussed below.

5.5.1   Conceptions of social responsibility

Some participants perceived social responsibility to be the implementation of discrete projects and programmes. Projects were undertaken and funded by the organisation in response to stakeholder or community requests or concerns. A key part of this conception was that if finances became restricted then these projects could be cut or suspended without significant consequences for the organisation. The process of implementation can be likened to charitable contributions or in-house projects (Husted, 2003) but is nuanced by the perception that it is acceptable for management to cut projects in financially difficult times.

In contrast to the projects and programmes conception, some participants viewed 'a social licence to operate' as being pseudo-regulatory. This meant that they perceived the organisation was part of a necessary, yet implicit, agreement to exchange socially considerate and responsible behaviour for a 'social licence to operate'. The use of the

expression was consistent with literature that has also found it in widespread use in the mining industry (Bice, 2014; Browne, et al., 2011; Kemp & Owen, 2012), despite a lack of criteria to assess whether an organisation holds one (Bice, 2014). Participants' discourse around 'social licence to operate' tended to convey a sense that they were referring to something real rather than intangible. This is problematic as claims were made that they have, are maintaining, or are gaining, a social licence with little burden of proof. Absence of community dissent, absence of operational disruption, and absence of legal challenge were interpreted as evidence of a social licence, rather than active community consent.

The concept of a 'social licence to operate' and 'mutual benefit' both constructed social responsibility in terms of an exchange, the organisation would give something and receive something in return, '*If we need to do any social investment, it's really clear why, and we can articulate why we're doing it, and why it's good for the community and good for the business*' (HR-C). This is consistent with a neoliberal strategic model of social responsibility (Husted, 2003). One point of difference is that the social-licence concept does not specify what the organisation is exchanging; it is simply assumed that the activities it undertakes provide a social licence to operate. Participants who conveyed a mutual-benefit construct needed to make explicit, from an internal perspective, what it was going to do, the reasons why it needed to, and what it expected in return.

Stakeholders were a key theme; they are social licensors (Gunningham, et al., 2004), potential beneficiaries of philanthropy, projects and programmes, members of local communities, and partners. Consistent with the literature (Bice, 2013; Coronado & Fallon, 2010; English, 2009) the meaning of social responsibility for participants was focussed on the organisation's practices, policy and its immediate stakeholders. Shareholders also represent a stakeholder group to whom the organisation, arguably (Friedman, 1970), has primary obligation and responsibility. The strategic model implies that shareholders are an important consideration in decision making for social responsibility as the organisations aim to invest in ways that create a return. The Browne et. al. (2011) case study of the BHP Billiton nickel mine in Ravensthorpe exemplifies how shareholders interests can be prioritised over other stakeholders. The

authors showed how the company propagated a sense of consistency and stability to gain buy in and acceptance, but then reverted back to traditional corporate governance, prioritising the economic interests of the organisation.

The literature often discusses social responsibility under the umbrella of sustainable development (Brundtland, 1987), with social responsibility being a key component (Castka & Balzarova, 2008d; ISO, 2010; ISO COPOLCO, 2002). Although the term 'sustainability' was used by participants, it was not to used discuss how social responsibility contributes to sustainable development, but rather in relation to ensuring the continued operation or financial 'sustainability' of the organisation. The interpretation of sustainability was often narrowly focussed on the organisation, or it was motivated by perceived benefits, with less emphasis on the contribution made to sustainable development on a local, regional, or global level. This view of sustainability is congruous with the strategic model that necessitates benefits to the organisation in relation to how the organisation was governed and implemented social responsibility. With the mining industry having widespread environmental and social impacts, a narrow view of sustainability excludes considerations such as the cumulative impacts that result from many mines in one region (Franks, Brereton, & Moran, 2010) or impacts on a larger scale.

5.5.2 Discourse on community, community capacity and resilience

Participants used the term 'community' to make reference to stakeholder groups. To participants, community refers collectively to those citizens who lived near mine sites, in towns where employees were sourced or were part of community groups. The term was used to refer to people homogeneously, as if they all held similar views or positions, and was often used in association with the term 'social licence to operate'. Together these two terms offer convenient discourse that assumes the community has a singular view, and that this view is in support of mining; there was no attempt to substantiate such claims because of the normative use of the two terms in the mining industry.

'Building community capacity and resilience' was one of the perceived outcomes or objectives for communities who were the beneficiary of the organisation's social

responsibility. However, the meaning given to these terms was oversimplified and inconsistent with the meanings provided in the literature. For example, the definition and purpose of 'building community capacity' provided by Cuthill and Fien (2005), relates to the empowerment of citizens to participate in the democratic process, enabling them to actively undertake education, providing skills and services, and facilitating a dialogue between citizens and local government. Primarily 'building community capacity' is about developing a relationship between citizens and government that enables greater participation in decision making and local governance (Cuthill & Fien, 2005). A limited construct of the term was interpreted by participants and its use overstates industry's role in 'building community capacity'. Its use conveys misleading information about the intentions of mining organisations, which are primarily aimed at the ability of the community to contribute to the mine or mining industry.

Discourse around 'resilience' and 'community capacity' were used to suggest these full meanings; however only narrow or partial definitions were interpreted for actions around social responsibility. There were claims, and a belief, that social responsibility in mining is for the benefit of 'the community', or rather to those in the community who support mining, but benefits are only offered if they provide advantages to the mining organisation as well.

6 Conclusions

At the beginning of this research it was assumed that voluntary standards such as ISO 26000 would have an impact on the governance and implementation of social responsibility in the mining organisations involved in the study. This was not the case. Unlike the widely adopted certifiable standards for environmental, quality, and health and safety, a similar uptake of social responsibility standards was not (yet) evident. Social responsibility was interpreted differently by all of the organisations.

The interpretation of 'strategic social responsibility' (Lantos, 2001) was the common theoretical model used by participants in determining boundaries. This was expressed in their engagement with stakeholders, which was viewed through a risk-management lens rather than as a collaborative decision-making process. Boundaries were extended where it was of benefit, or to reduce or mitigate a risk to the organisation. Systems of governance also predetermined the strategic social-responsibility model that the organisations adopted. By requiring a demonstrated organisational benefit of any social investment, the arrangement enabled strategic social responsibility while excluding altruistic, ethical and moral models, or any broader notion of sustainable development. This could be problematic, particularly in the exclusion of ethical and moral models, as the mitigation of some societal impacts of mining could largely be a net cost to an organisation while being ethically or morally justifiable.

The boundaries for social responsibility were determined and changed by both internal and external factors. External pressure came primarily from two sources: legal compliance and stakeholder engagement. Changes to legal requirements impose an expansion of the boundary because compliance was considered mandatory. Going beyond compliance was perceived as a form of social responsibility; however a minimum legal requirement was a precursor in all of the examples provided. This implies that going beyond compliance only relates to those areas of social responsibility that have some level of legislation.

Individuals in managerial and higher positions could change the boundaries by advocating for a particular cause. The ability of individuals to make changes was affected by the culture of the organisation. The culture needed to be responsive to innovation and receptive to change. Additionally, formal systems needed to be able to adapt, rather than being perceived as inflexible. In most of the examples provided where individuals changed the boundary, they framed their argument for change as a risk to the organisation, with adverse consequences should they do nothing.

The concept of risk was prominent in the perceptions of participants in all of the organisations. Risk was conceptualised as both a formal process to document social risks and management strategies, as well as an informal framework for everyday decision making. These two conceptions of risk are embedded in the mining industry and documented in the literature (Kemp, et al., 2012). The findings agree with Beck (2009) and Kemp et al. (2012) that the nature of risk in today's society has changed, along with the relative importance of risk in framing societal issues. However the mining industry is lagging behind in developing new tools to manage the diverse array of complex issues associated with social responsibility (ISO, 2010). Risks are no longer simply mechanical and production related, rather they multidimensional and complex, with management needing to involve a variety of stakeholders, engage in collaborative decision making, and manage competing outcomes. Conceptually risk, as it is currently used, is limited as it focuses too heavily on protecting the organisation from consequences, with not enough emphasis being placed on mitigating the impacts that the organisation has on the community, contributing to sustainable development or effecting positive impacts on society at large.

Social licence to operate was another concept that was used widely in discourse around social responsibility. For a number of participants this term was the preferred way to refer to and interpret their organisation's social responsibility, but it is problematic because of its vague and ambiguous nature, this has previously been analysed by Bice (Bice, 2014) and Kemp and Owen (2012). With no criteria against which to assess whether an organisation has a social licence, empty claims can be made, which while conveying a notion of social responsibility, have little substantiation. The practicalities of obtaining a social licence to operate are perhaps

more accurately described as risk-management and stakeholder-engagement processes. Where undertaking these processes has reduced the occurrence of legal challenges and allowed access to land, resources and approvals, a 'social licence to operate' is claimed; a social licence is thus assumed to exist in the absence of community dissent, rather than as a reflection of consensual support.

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Appendix A: Informed consent form and participant information letter

A Phenomenology of boundaries: social responsibility in mining in Western Australia

Researcher:

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Consent Form:

I have been provided with a copy of the Information Letter, explaining the project and understand the information provided. I understand that participation in the research will involve:

- Participating in an interview of approximately one hour.
- I understand that the interview will be audio recorded.
- I understand that I will have the opportunity to review the descriptions of the interview developed by the researcher and request changes to the descriptions.

I have been given the opportunity to ask questions and any questions have been answered to my satisfaction. I am aware that if I have any further questions I can contact the research team to answer these questions.

I understand that the information provided will be kept confidential, will only be used for the purposes of this project and I will not be identified in any written form or presentation of the results of this project. I understand that this research will be published in a thesis and may be published in a scholarly journal or other form of publication, provided that the participants are not identified in any way.

I understand that I am free to withdraw from further participation at any time, without explanation or penalty; data provided may be withdrawn at any point prior to the thesis being finalised.

I freely agree to participate in the project.

……………………………………………………………………………

Name

……………………………………………………………………………

Signature

……………………………………………………………………………

Date

12/08/12

Information for Participating Organisations

A Phenomenology of boundaries: social responsibility in mining in Western Australia

My name is Gemma Broderick and I am writing to you on behalf of Edith Cowan University. I am conducting a research project that aims to examine how and the extent to which aspects of social responsibility are managed in the mining industry in Western Australia. The project is being conducted with supervision from Associate Professor Trudi Cooper and Professor Pierre Horwitz as part of a Master of Science (Environmental Management) degree.

I would like to invite people working in environmental, health and safety, quality, human resource or other roles whose key responsibilities include aspects of social responsibility to take part in the project. Ideally I would like one person working in a midlevel or senior role from each of the disciplines to take part. These roles have been targeted because I felt people in these roles may be familiar with the concept of social responsibility and have experienced managing aspects of social responsibility within their work.

How could this research benefit you?

This project focuses on the least developed pillar of sustainability, the social aspect. How your organisation perceives and manages social responsibility has an impact on your organisations sustainable development. For organisations intending to operate in a sustainable manner this research could provide key insights to assist you develop and grow your approaches to managing social risks and sustainable development. This research will be conducted with Edith Cowan University, a prominent university providing outstanding research opportunities. Partnering with universities in key research projects demonstrates your organisations commitment to research and development and in this case to sustainable development.

What does participation in the research involve?

I seek access to four participants from within your organisation. The four participants would come from environmental, health and safety, quality, human resources or roles with accountability for social responsibility. The participants will hold mid level to senior positions within the discipline and have worked for the organisation for at least three months.

The participants will be invited to participate in an interview with myself. It is anticipated interviews will take approximately one hour. I will make arrangements for a suitable location for the interview or come to the interviewee's place of work. Only one interview per participant will be required. The interview will be audio taped and transcribed as part of the research. I will then draft a description of the perceptions and themes that emerged from the interview. This will be provided to the interviewee to review and amendments will be made if the interpretation is found to be inconsistent with the interviewee's intention. The interview will be a conversational style guided by prepared questions based on aspects of social responsibility. The participant will be encouraged to talk about their personal perceptions of how aspects of social responsibility are managed within the organisation and where they perceive the boundary of responsibility to lie.

To what extent is participation voluntary, and what are the implications of withdrawing that participation?

Participation in this research project is entirely voluntary. If any participant decides to participate and then later changes their mind, they are able to withdraw their participation at any time. Interviews provided by participants can be withdrawn from use at any point prior to the final thesis being finalised. There will be no consequences relating to any decision by an individual regarding withdrawing participation. Decisions made will not affect the relationship with the research team or Edith Cowan University.

What will happen to the information collected, and is privacy and confidentiality assured?

Information that identifies anyone will be removed from the data collected. The data will be stored securely within password access files and locked filing cabinets and can only be accessed by my supervisors and myself. The data will be stored for a minimum period of 5 years, after which it will be destroyed.

The identity of participants and your organisation will not be disclosed at any time. Participant privacy, and the confidentiality of information disclosed by participants, is assured at all other times. The transcriptions will be used only for this project, and will not be used in any extended or future research without first obtaining explicit written consent from participants. A summary of the research findings will be made available to the participants and your organisation. You can expect this to be available from December 2013.

Is this research approved and funded?

The University Human Research Ethics Committee has approved the research. The research proposal has undergone peer review and has been approved by the university. The research is fully funded by Edith Cowan University; no other organisations are contributing funding for the research.

Who do I contact if I wish to discuss the project further?

If you would like to discuss any aspect of this study with a member of the research team, please contact myself on g.broderick@ecu.edu.au or 040 113 7978. If you wish to speak with an independent person about the conduct of the project, please contact the Research Ethics Officer at Edith Cowan University on (+61 8) 6304 2170.

How do I indicate my willingness to be involved?

Please contact myself if you feel you are willing to participate and are potentially able to provide a minimum of three interviews from your organisation within the roles described above.

Once participants have had all questions about the project answered to their satisfaction, they will be requested to sign the consent form that is provided on the following page for your information.

This information letter is for you to keep. I look forward to hearing from you in the near future.

Gemma Broderick

MSc Candidate

Edith Cowan University

E: g.broderick@ecu.edu.au

P: 040 113 7978

Appendix B: Interview questions

1. Can you tell me about your work and what your role involves?

Scenario x 1

2. Can you describe what social responsibility means to you?

3. Can you tell me what it means to your workplace?

Currently there are a lot of mining projects in operation or construction in Western Australia, what do you think are the biggest positives and negatives of mining for you?

- And for the community?

- And for other stakeholders?

4.   A. You mentioned X , it seems like this posed a problem for you, could explain it to me?

- Could it have been pre-empted in some way?

- How was or how do you think it could be resolved?

- What would you change to resolve this situation?

- How could these changes be made for the workforce?

- How could these changes be made for stakeholders?

OR

        B.   Could you describe a social problem that posed an issue for your self or for the organisation?

- What was your view of this issue?
- Could the issue have been pre-empted in some way?
- What would you change to resolve this situation?
- How could these changes be made?
- How could these changes be made for stakeholders?

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Appendix C: Scenarios

Scenario's were provided to prompt participants to talk about potentially contentious areas of social responsibility. Scenarios were only used if sufficient data was not being collected at the time of interview using a reflective interview technique.

Scenario 1

The mining company that you work for owns and operates a mine in a remote region of Western Australia. Your company has performed a social impact assessment of the operational aspects of the mine. Mine employees live either in the remote community 20km off site and drive to site or FIFO from Perth, they are then bussed to the mine site at the beginning and end of swings.

The assessment was based on qualitative data, stories and interviews, collected from three stakeholder groups. The stakeholders included:

1. Employees and their families;

2. The community that lived in the nearest town 20km from the mine; and

3. Indigenous people who hold native title over the site and have negotiated an agreement with the mining company.

The issues of most concern to employees and their families were:
- The pressures of FIFO swings to the family unit; and
- Transport from home to the airport on either side of swings.

The issues of most concern to the local community were:
- The number of truck movements per day through the town, where the highway went through the town and passed the school, causing noise, vibration and air pollution; and
- The higher ratio of men to women in the town causing residents to feel unsafe.

The issues of most concern to the indigenous community were:
- The contribution of the mine to indigenous employment; and
- Honouring commitments made in the negotiated agreement.

Can you describe how you would prioritise the findings of most concern and the processes that would be undertaken to address these findings?

Scenario 2

The mining company that you work for owns and operates a mine in a remote region of Western Australia. The mine holds a licence from the Department of Water to extract 1.2GL per year for primary ore processing for the life of the mine, which is estimated at 20 years. Due to the remoteness of the site there is limited hydrological data available for the locality.

A hydrological report has been prepared on behalf of the mine in response to license requirements. According to the report, the deep aquifer that the water will be extracted from for mine use currently holds approximately 4GL of water and the recharge rate for the aquifer is estimated to be 1GL per year.

The other stakeholders in the surrounding area include another mine, which also holds a licence to extract 0.5GL per year, and rural farming communities who, it is estimated collectively use approximately 0.2GL per year from the superficial aquifer which overlays the deep aquifer accessed by the mines. If both mines extract the maximum allowable under their licence, after 8 years there will not be sufficient water to extract for primary ore processing.

Can you describe how you would manage a situation like this?

Scenario 3

The mining company that you work for owns and runs a mine in a remote region of Western Australia. You need to employ a person to undertake a 1st year apprentice role for a machinery operator at the mine; the position was advertised as unskilled, no prior experience required, option to FIFO or live in a community close to the mine.

You have three applicants who have made the short list, these applicants meet the minimum requirements defined in the selection criteria, meet all medical requirements and performed equally well in the interview:

- Applicant 1 is female, non indigenous, has some work experience in the mining industry and lives close to the mine.
- Applicant 2 is male, non indigenous, has some work experience in building maintenance, lives in Perth and has opted to FIFO.
- Applicant 3 is male, indigenous, has no prior work experience and lives close to the mine.

What factors are considered when deciding who will get the job?

Appendix D: Pilot Study

The aims of the pilot study were to test the proposed methodology of the research as outlined in the research proposal and to provide some experience of conducting qualitative interviews. The process for approaching participants, interviewing, recording, transcribing and using Nvivo software were included. A review of the process contributed to changes or adaption of the methodology and interview questions.

The study was conducted with the use of Edith Cowan University as the participating organisation. It was noted that universities operate within a very different context to the research target industry of mining, therefore it was important to consider how this might effect the success of the pilot. Firstly, the time constraints placed on a masters degree meant that convenience sampling for the pilot study was needed. Secondly, the risks involved in gaining mining organisations for the research were highlighted during the proposal stage, it could have been difficult to gain the required number of participating organisations. Using a mining organisation for the pilot study may have resulted in one less to use in the research. Lastly, while the themes that may emerge from the pilot study are likely to be different to that from the research, it is not anticipated that this would change the methodology for collection of appropriate data. The outcomes of the pilot will still be relevant to be able to inform changes to the process and improve the research.

Participants

Four interviews were conducted with employees at Edith Cowan University; one from within each role of environmental, quality, human resources and risk management in senior roles. Participants were identified by using an affiliation and snow balling. If an approached participant could not participate, they were asked if they could suggest someone else who might be able to participate.

Interview protocol

An interview protocol was developed to guide the interview process. This was important to ensure the interviewee's time was used effectively and efficiently and each participant was given the same information at the beginning of the interview. This was to ensure that as much as possible I did not influence, by prior conversation or comments, the information that the participant provided. It also ensured that the participant did not provide me with information in conversation before I had commenced the interview and was recording. I learned the interview protocol during these interviews and it became tacit knowledge.

Scheduling the interview

Once a participant had agreed to participate I scheduled an interview at a time convenient to the participant. A group meeting room in the library was booked and then a meeting request sent via outlook to the participant. The meeting request included details of the date, time and general information about the interview. A copy of the participant information letter (adjusted for the pilot study) and a copy of the consent form were attached to the meeting request.

Estimated timeframes for the interview

Table 1 indicates the estimated timeframes for the interviews. The total time estimated for the participant to be involved was approximately one hour plus time expended arriving and departing the interview. I scheduled interviews in the ECU Joondalup library to reduce the impact on participants as much as possible.

Table 5. The activities and estimated timeframes for the interviews with pilot study participants.

Activity	Time allowed
Researcher arrives and sets up and tests equipment.	15 mins
Participant arrives and is greeted and seated.	5 mins
Participant is given a hard copy of the participant information letter and informed consent form. Any questions the participant has will be answered. Participant requested to sign consent form if willing to participate.	5 mins
Recording equipment is switched on.	1 min
Interview conducted with questions and scenarios	40 mins
Questions relating to the interview questions and style of interview technique will be asked.	10 mins
Close interview and thank participant.	5 mins

Greeting

All participants were welcomed with the same greeting as far as practicable, different information was only be offered in answer to a direct questions during the allocated question time. Minimal conversation occurred prior to the interview. The participant was be supplied with a pad and pen in case they needed to draw a process or diagram during the interview.

Greeting:

'Hello and thank you for agreeing to be part of the research. I really appreciate your participation.

I have printed off a copy of the participant information form and consent form. Would you read these and feel welcome to ask any questions.

(any questions will be answered)

Could you please sign the consent form?

Before we start, just to inform you the nearest bathrooms are upstairs.

If at any point you would like to stop the interview please just let me know and I'll stop the recording.

I've provided a pad and paper, if you would like to draw or write anything down.

I'll start the recording now and begin the interview.'

Interview evaluation

At the end of the interview the following questions were be asked to assess the interview.

- Did you feel any of the questions were ambiguous or you didn't know how to answer them?

- How would you change them?

- Did you feel like you understood the scenarios?

- Is there anything about the interview you think I should change?

Questions I reflected on:

- Did the interview technique work?

- What changes to the questions need to be made?

Data analysis

The most complex of the interviews, as decided by the research team, was used for a full process of analysis. The interview was transcribed, entered into Nvivo and coded to trial the software.

Data storage and security

The purpose of this section was to define how data is to be stored and the identity of participants protected. This process was reviewed at the end of the pilot.

Each participant was be assigned a pseudonym. The participants name, role, organisation, pseudonym, and contact details were stored in a password protected excel spread sheet and were available to the research team only.

Audio files were to be password protected. Transcriptions were stored in NVivo software and in word documents which were password protected.

All data, transcriptions and other softcopy materials associated with the research will be stored on the researcher's computer which will be backed up weekly to an external hard drive. Hard copy materials which could identify participants will be stored in locked filing cabinets at ECU.

Pilot Study Schedule

Table 6. Provides and indicative timeframes for completion of the pilot study

Date	Week	Activity
20-24/08	Week 4	Confirm participants, meet with participants and s interviews.
27-13/09	Week 5	Confirm participants, meet with participants sched and conduct interviews.
03-07/09	Week 6	Conduct interviews.
10-14/09	Week 7	Transcribe and enter into software.
01/05/10	Week 10	Complete pilot, conduct review of methodology.

Review of the pilot study and revision of the methodology

The proposed methodology was reflected on and reviewed on completion of the pilot study. Generally the processes that were undertaken for the pilot worked well and only minor adjustments were made to the research. The pilot study was valuable in providing me with interview experience and confidence in conducting the interviews.

The processes for communicating with potential participants highlighted the need to speak with potential participants in person prior to them agreeing to participate. Meeting and speaking with me allowed them to become familiar with what the research was and how their participation could contribute. This was carried over into the research and I met in person with at least one representative from each organisation prior to conducting interviews.

The reflective interview technique was used in the pilot. The study confirmed that this technique was adequate for probing and gently directing the interview to gain relevant data. The pilot gave me experience in using the technique and confidence that this was an appropriate way to conduct the interviews. The use of this technique also meant that I didn't need to have as many prepared questions, I was unlikely to have time to ask a series of questions as well as reflect and probe. Changes to the interview questions were made progressively throughout the pilot study. After

each interview I reviewed the questions. These were reduced and refined to three questions with prompts over the course of the study.

The equipment used to record the interview was an Iphone and an Ipad, these both provided high quality audio for transcription. One interview was disrupted by noise and vibration from construction work outside the library. This was distracting to the interviewee and I however the audio was still clear enough for transcribing. This experience did emphasis the need to conduct interviews in quiet locations with minimal disturbances. As a result meeting rooms were requested to be booked for the interview if possible. This was to minimise disturbances and distractions during the interview and to improve the quality of the audio.

Post Pilot Study Findings

In the course of my research it was brought to my attention that Edith Cowan University was a signatory to the Talloires Declaration on the Civic Roles and Social Responsibilities of High Education. This is an official declaration and includes 11 specific commitments for signatories. Despite targeting roles within the university who were assumed to have included some level of social responsibility, there was no reference made to the declaration.

This omission led me to revaluate the completeness of the data collected. It is likely, that in my research, despite my best efforts to interview appropriate roles, some aspects of social responsibility management will be missed. Within the quagmire of roles and responsibilities, documentation, commitments, policies and initiatives in a large organisation I am unlikely to able to capture every aspect of social responsibility management that is currently being undertaken. However I feel that this is permissible given the approach that I have adopted. A phenomenological approach focuses on the understanding of perceptions. The reality being that if an employee doesn't know about something then they are unlikely to have view or perception around that issue. In terms of the pilot study, if employees don't know about responsibilities for social responsibility and commitments made by the university on their behalf then they are unlikely to act on those responsibilities or have a perception on how the issue is managed. This does raise the question of who has responsibility for ensuring the commitments made are disseminated and that ECU is contributing to the achievement of the agreement and the overall aims of the Network.