

SOCIAL INDICATORS OF THE UNIVERSITY CORPORATE RESPONSIBILITY

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Abstract. Today there are many challenges the modern university faces related to globalization, immigration, economic recessions, fluctuation of number of students, shrinking support from the government, commercialization of higher education establishments, etc. One of the most significant tendencies in the development in the field is the increasing role of the corporate social responsibility (the university socialresponsibility, in particular).The aims of the present paper are two: first, to research he current literature on the changing social roles of the university in society, second, to describe the concept of university social responsibility (USR) and its various research frameworks. Its main objective to work out model to be tested in the further empirical research of the university social responsibility in Latvia.

Keywords: corporate social Responsibility, university social responsibility, competitiveness, sustainability

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M14 - Corporate Culture, Diversity, Social Responsibility

University Social Responsibility: Concepts and Research Frameworks

Introduction

The role of modern university in the society has been the topic of interest for philosophers, sociologists, education and management researchers for decades throughout the 20th and 21st centuries. There are many different research angles of the topic – starting from the role of university in the knowledge-based society and ending with the modern university management issues. Apart from that the special attention is being paid to the university social engagement that goes beyond the scope of its traditional functions of knowledge creation and dissemination. The latter aspect is captured in the term “multiversity.”Today there are many challenges the modern university faces related to globalization, immigration, economic recessions, fluctuation of number of students, shrinking support from the government,commercialization of higher education establishments, etc.One of the most significant tendencies in the development of the field is increasingrole of the corporate social responsibility (the university social responsibility, in particular); the process as such and its prerequisites have been researched from different angles (theoretically and empirically) - philosophical/ethical, competitive advantages, sustainability,

corporate communication, organizational reputation, et.al. The aims of the present paper are two: first, to research the current literature on the changing social roles of the university in society, second, to describe the concept of university social responsibility (USR) and its various research frameworks. Its main objective is to work out model to be tested in the further empirical research of the university social responsibility in Latvia. Thus, this article could be described as the theoretical one. The reviewed literature (monographs, article collections, articles from such databases as EBSCO, Sage, Emerald and others) includes publications regarding social responsibility, university social responsibility, globalization, and international student mobility. The article is structured according to the aims stated above, i.e., the first chapter is devoted to literature review on the social role universities and challenges they face in the globalized world; the second chapter describes the development and indicators of the university social responsibility, as well as research trends.

Social Role of Modern University

In 1990 French philosopher Jacques Derrida published a book “Eyes of the university” where he in a negative manner asks a question: How not to speak, today, of the university? Such negative formulation of the question, according to him, is related to the fact that in the contemporary world it is virtually impossible to dissociate the university learning process from the external social economic, cultural and intellectual influences. He writes, that a major debate is under way today on the subject of the politics of research and teaching, and on the role that the university may play in this area; whether this role is central or marginal, progressive or decadent, collaborative with or independent of that of other research institutions sometimes considered better suited to certain purposes. (Derrida, 2004) In other words, he points at complexity of the phenomenon. Education sociologist Gerard Delanty in his book “Challenging knowledge. The university in the knowledge Society” summarizes the mission of the university in the modern world in the following statement: “My overall conclusion is that the central task of the university in the twenty-first century is to become a key actor in the public sphere and thereby enhance the democratization of knowledge. The university is the key institution in society that is capable of mediating between the mode of knowledge, the articulation of cultural modes and institutional innovation.” (Delanty, 2001) That is, he stresses the ever growing engagement of higher education institutions in the societal processes. According to him, the role of the university in the society depends on the changing status of knowledge itself, namely, if previously the university due to its autonomy was for most part outside the communication stream – it could be independent of social and political processes, the at present moment we witness democratization of knowledge, that is manifested through shifts of cultural models and advances of new technologies. According to Delanty, the main changes are the following: knowledge is being obtained from multiple sources, not only in the way of politically neutral academic research, but rather in cooperation with commercial organizations and technology centers; at present knowledge is more than ever dependent on the economic situation, orientation towards mass education; speedy information turnover and globalization actualizes short life of research data

and scientific findings; the decline of the expert culture. Within context of these essential changes, Delanty states, communication has become the central role of the university – it should become the place of public debate. He offers an alternative scenario of the role of the university. It seems to be in essence a communicative role and one defined largely by reference to the growing salience of cultural and technological citizenship. The university is founded on the reflective relationship of these wider cognitive structures to knowledge. (Ibid.) The cultural citizenship means the preservation and dissemination of cultural traditions among the society as a whole, whereas the technological citizenship - a contributor to professional society, the demands of the occupational system and the extension of the equality of opportunity. The communicative concept of the university presupposes establishing new ties between the university and society, between sciences and the university interrelation between the expert culture and the public discourse; diversification of the university functions (research, education, professional education, formation of intellectual culture). Although the university has lost its monopoly to knowledge, it is still the only place in society where all these functions coexist, therefore it can play the consolidating role, therefore, the university is an open space in which power, knowledge and culture collide. (Ibid.) Martina Vukasovic summarizes the challenges the contemporary university face: first, continuing massification of higher education; second, diversifications of the sources for funds; third, continuing diversification of higher education provision, which is affecting the characteristics of the institutions bearing the name ‘university’; fourth, increasing internationalization of education. (Vukasovic, 2008) This all, according Vukasovic, results in the growth of trade in higher education (terms of import and export of education are applicable in this case) and marketization and commercialisation of higher education. The concept of citizenship is stressed also in R. Barnett “Recovering the civic university”. (2007) Here the author stresses the necessity of engagement of the university in social/political/economical processes, at the same time retaining its autonomy. “Being a civic university in the current age is to *be* in a certain way in the world.” (Ibid.) Van der Walt summarizes the main functions of the modern university: teaching, research, service, and social critique. (Walt van der, 2014) If the first two functions are traditional for the university, the third and the fourth ones are of a special interest in the context of our investigation. Services fall under two categories – the internal service directed at the faculty, students and wider research community (it includes academic oversight, institutional governance and institutional support, membership committees, program committees, serving on editorial boards, publications); while the external service comprises putting expertise to use for various external stakeholders and can include consulting, service learning, community action-based research, community upliftment projects, participation in cultural activities and civic service. (Ibid.) The fourth function, i.e., the one of the social critique has two pivotal dimensions, namely: (a) the reinforcement of a democratic civil society through being socially critical and hence socially constructive; and (b) the university’s task to promote social justice. (Ibid.) Jon TorfiJonasson, in his turn, admits, that in the 21st century universities find themselves in a paradoxical situation there is an explosive growth thanks to the internationalization of education (exchange programs, governmental funding, development of privately run universities and colleges, etc.), positive political rhetoric. “On the other hand, they seem to suffer from lack of confidence, existential uncertainty, fuzzy purpose, absence of undisputed relevant role models on which to base their development and, at least in relative terms, from a lack of funds... They seem

to be uncertain about their roles, obligations and loyalties, torn as they are by strong and seemingly conflicting demands made by a multitude of stakeholders.” (Jonasson, 2008) In other words, the term “university” is gradually being replaced by the concept of “multiversity,” coined by Clark Kerr in his seminal book “The uses of the university” (2001), first published already in 1963 on the basis of his research of the modern American research university. The multiversity, can best be described as a whole series of communities and activities held together by a common name, a common governing board, and related purposes. (Ibid.) Consisting of several different, sometimes conflicting, communities, it has ultimately become a university to serve society, more geared toward service industries, science and research, and government grants than in teaching. This idea, however, has received its share of criticism both from traditionalists and social activists. Derek Bok (1982) gives and proposes the description of these arguments. The traditionalists express their sharp displeasure over the precipitous growth of multiversity and its aimless pursuit of multiple goals. “Within this maze of activity, crowds of students were said to wander aimlessly, neglected by professors who felt more loyalty to government agency that funded them rather than to the university in which they temporarily made their home. In the eyes of the traditionalists, a sharp change of direction was urgently required. Universities must begin to cut back on social problem-solving and devote more time and effort to teaching and scholarship for their own sake.” (Ibid.) In other words, universities, in their opinion, are losing their central functions of teaching and research. Another strand of criticism, coming from the social activists. According to social activists, higher education served society only by passively accepting the agenda put before it by government agencies, corporations, and other powerful interests. In pursuing this policy, academic officials reached the height of hypocrisy when they proclaimed the neutrality of their institutions. (Ibid.) Here we see the stress put upon the pretensions of neutrality, and disengagement in social policies. Both sides in their discussion have exaggerated the drawbacks of the modern university, but at the same time these can be seen as warning signs or indicators of possible problems universities can face in near future. So the introduction of the principles of corporate social responsibility in the university or, more precisely, the principles of university social responsibility can offer a solution to the problems the university face or, at least, create a framework for scientific discussions and future research in the field.

University Social Responsibility – Conceptions and Research Trends

In order to research existing studies in university social responsibility (USR) we have to dwell briefly on conceptualizations and approaches to corporate social responsibility (CSR) since the latter concept is the foundation of the former one. The concept of CSR has received lots of scholarly attention during the last decades although it has mostly been attributed to business organizations and enterprises. Whereas the concept of USR has come to the researchers’ attention as of recent. It can be explained by the commercialization of higher education establishments (university as business organization) and by the lack of specific legal regulations regarding this matter. Nevertheless, at present we are witnessing the surge of interest coming from education

and management researchers, as well as from universities themselves due to their growing social role in society and challenges they face. The prime focus of the present article is to determine the significant social indicators of CSR. But that requires understanding of meaning and significance of CSR in the development of organization (private and public, business or non-business).

The European Commission's "Green Paper: Promoting a European Framework for Corporate Social Responsibility" as of 2001 describes CSR "as a concept whereby companies integrate social and environmental concerns in their business operations and their interaction with their stakeholders on voluntary basis." (Commission Green Paper) The definition stresses the main points, that CSR involves social and environmental issues of business strategies, and it is based on the principle of voluntarism. Besides that, the definition points out the importance of engagement of internal and external stakeholders, the internal stakeholders being primarily employees and shareholders (this involves such issues as investing in human capital, health and safety, and managing change), while the external stakeholders are business partners and suppliers, customers, public authorities and NGOs representing local communities, as well as the environment. (Ibid.) The Green paper strives to answer four main questions regarding CSR. (1) What is the role of CSR in corporate business strategies? (2) What are the best ways to establish and develop a process of structured dialogue between companies and their various stakeholders? (3) What should be the respective roles of the main actors? (4) What are the best means to develop, evaluate and ensure the effectiveness and reliability of CSR instruments? Another approach is related to the problem of corporate social performance, i.e., the ways companies act in the society and how responsive they are to the societal demands. Donna J. Wood admits that the basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities; therefore, society has certain expectations for appropriate business behavior and outcomes. However, a review of the literature shows that attempts to specify principles of CSR have not distinguished among three conceptually distinct though related phenomena: expectations placed on all businesses because of their roles as economic institutions, expectations placed on particular firms because of what they are and what they do, and expectations placed on managers (and others) as moral actors within the firm. (Wood, 1991) When these three phenomena (institutional, organizational, and individual) are being distinguished, it is possible to stress the performative aspect of the corporate social responsibility. The author proposes the following scheme: principles of corporate social responsibility comprise legitimacy (the institutional principle); public responsibility (the organizational principle); managerial discretion (the individual principle). This helps to define processes of corporate social responsiveness (environmental assessment, stakeholder management and issues management), and outcomes of corporate behavior, such as social impacts, social programs, and social policies. (Ibid.) The identification of specific responsive processes shows the channels through which companies act out their involvements with the external environment, whereas incorporating social impacts, policies, and programs as the collective outputs of a company's environmental interactions accounts for more pragmatic approach on the strategic management level.

Impacts of corporate social responsibility on companies' competitiveness have been discussed among others by M. Porter and M. Kramer in their article "The Competitive Advantage of Corporate Philanthropy." (2006) In their opinion, corporations can use their charitable efforts to improve their *competitive context* – the quality of the business environment in the location or

locations where they operate. Using philanthropy to enhance context brings social goals into alignment and improves a company's long-term business prospects. (Ibid.) According to them, the company's competitive context consists of four interrelated elements: factor conditions, or the available inputs of production; demand conditions; the context for strategy and rivalry; and related and supporting industries. Analysis of these factors can identify areas where economic and social values overlap and possibilities for increasing business competitiveness in a more context-focused way. The similar problem is being brought about also by R. Dobrea and A. Gaman in their article "Aspects of the correlation between corporate social responsibility and competitiveness of organization." (2011) Summarizing vast amount of literature on the subject the authors have pinpointed three main approaches to the corporate social responsibility. First, addressing CSR as an obligation to the shareholders, activities designed to increase its profits so long as it stays within the rules of the game. This entails that maximizing profits for shareholders is the central concern of any organization, while socially responsible activities and initiatives are not the companies' concerns. Second, addressing CSR as an obligation to all stakeholders. According to this point of view, the organizations are not only responsible to their shareholders / owners, but they also should take into account the divergent interests of those social groups affected by the company activities, or those who can also influence the fulfillment of corporate goals. Third, addressing CSR as an obligation to society as a whole. This perspective emphasizes that organizations are responsible to society as a whole, by the fact that they are open systems and constantly interact with the social environment. (Ibid.) The authors find positive correlation between corporate social responsibility and microeconomic competitiveness that leads to better economic performance. These common issues are: guidance on the values of ethics; common interests of the stakeholders, employees and shareholders; dependence on the production process or service quality; dependence on the quality of human resources; dependence on organizational culture and performance orientation, as well as medium and long-term orientation. Although the main goal of business organizations is to produce profit, under the pressure of they have to redefine their strategic goals in order to achieve business success that complies with obligations to shareholders, social welfare and environmental protection. De Sousa Filho and others address the question of the strategic corporate social responsibility management. They state that there are three types of social investment (altruistic, selfish and strategic) and that the strategic investment creates better results for companies that try to simultaneously achieve the maximization of both profit and positive advantages to society and local community. It also consists of additional benefits to the company – enhanced reputation and qualifies staff, the differentiation of products and extraction of premium price. Thus companies can add value and obtain competitive advantage through socially responsible activities. It is important that they should be connected with the corporate strategies. (De Sousa Filho et.al., 2010) All these approaches, however different, seek create and exploit win – win situations for enterprises and for society at large. CSR is increasingly recognized as being about having good business practices and its impacts are seen as contributing to an organization's reputation and performance. The latter is becoming more and more important as the value of business becomes more and more reliant on intangible elements. (Vasilescu et.al., 2010)

What is the context of CSR in the context of university? The concept of university social responsibility is rather new, most of the universities try to incorporate it into their strategies and

plans of development. Reiser defines the concept as “a policy of ethical quality of the performance of the university community (students, faculty and administrative employees) via the responsible management of the educational, cognitive, labor and environmental impacts produced by the university, in an interactive dialogue with society to promote a sustainable human development.” (Reiser, 2008) Researchers have summarized the desired outcomes of USR, such as, (1) community of learners and scholars who value the pursuit of new knowledge in a society of learning and are valued members and leaders of society, and global citizens effective in diverse setting; (2) graduates who have well-balanced knowledge and wisdom, and good character; intelligent, think rationally, behave morally and ethically; possess life and leadership skills; conscious of public and common good; practice good governance and are socially responsible, able to compete in an international job market, socially responsible global leader. (Knowledge Societies: Universities and their Social Responsibilities, 2011) While the desired social contributions of the university are to be the betterment of locality, society and mankind (forming community, providing local, national and international services, etc.); the development of local human resources, nurture creative and entrepreneurial leaders (accessible knowledge acquisition, in a variety of dimensions, formats and platforms); the development of a dynamic, learned and conscientious society (promotion of sustainable research in science, technology and the arts); the advancement of the world civilization by producing graduates who have global insight, tolerance, and exceptional academic achievement; generation, advancement and dissemination of knowledge and learning. (Ibid.) F. Vallaey approaches the matter philosophically, from the system theory viewpoint, namely, social responsibility should consist of a dynamic partnership for transforming a system that is reproducing the wrong impacts in which the university is participating. (Vallaey, 2013) So it is necessary to identify the impacts and risks, in order to facilitate the positive impacts of the university on society. The author describes four main types of impacts: (1) organizational impacts on local community, society in general, and environment; (2) educational impacts; (3) cognitive impacts on production knowledge; (4) social impacts – contribution to societal development and to problem solving. Among possible negative impacts F. Vallaey mention labor abuses, lack of transparency, poor environmental practices, scientific irresponsibility, education targeted solely on employability, indifference to social problems. The counterstrategies to concern these negative impacts are good university governance, dialogue and accountability for stakeholders, self-diagnosis of environmental and social impacts, local and social alliances for sustainable development. (Ibid.) All in all, USR can be perceived as a philosophy of a university as an ethical approach to develop and engage with the local and global community in order to sustain the social, ecological, environmental, technical, and economic development. (Chen et.al, 2015) A. Esfijani and others have identified seven main elements of USR that are important to attempt any research in the field, they are engagement, education, research, service, ethics, transparency, stakeholders. (Esfijani et.al., 2013) There have been different frameworks applied by researchers to empirical studies of USR. Within limits of single article, it is impossible to cover all the range, still we can categorize them in a following way.

The first group: studies concerning educational perspective (curriculum and ethical aspects) and students’ and alumni perception of USR. (Karima et.al., 2006; Muijen, 2004; Mehta,

2011; Vázquez et.al., 2013) These studies focus on value learning in higher education and ethical reflection in various university courses, as well as on developing special programs.

The second group: investigations concerning the role of USR building and sustaining university reputation, online communication and public relations. (Nejati et.al., 2011; Sanchez et.al., 2013) Karimi (2013) conducted a study to examine the correlation between university public relations and external factors including: (1) financial resources, (2) environment, (3) management challenges, (4) perceptual and attitude challenges, (5) technological change, and (6) individual experiences as an independent variables and social responsibility as the dependent variable in order to identify the role of Islamic Azad University (IAU) and its responsibility. M. Nejati and others studied the top 10 world universities' websites in the context of communicating social responsibility. They concluded that all the world top universities are, in some way or another, engaged in social responsibility and sustainability issues and announce it in their website content. R. Sanchez and others (2013) investigated online disclosure of USR in private and public universities in the USA. The article has two main aims: first, to analyze whether in the framework of university accountability, information transparency in relation to social responsibility is starting to play a key role, bearing in mind both the information requirements of stakeholders and the need for legitimacy in universities' interaction with society as a whole. And second, to analyze whether USR issues are being used as a differentiating factor in the highly competitive world of USA higher education. They concluded that although universities could make use of the opportunities provided by information technologies to improve participation and interaction with stakeholders, it is clear that at present they have little awareness of the importance of this question, at least in terms of social responsibility. Their results suggest that universities are not fully committed to transparency in these areas, and that they are not making use of new technology to learn the opinions of their stakeholders regarding the design and implementation of social responsibility policies. Another research study conducted by Tetreva and Sabolova (2010) found concluded that: (1) information technologies are not being used effectively to enable the interaction necessary to inform stakeholders in terms of the elements of accountability, (2) environmental information is not easy to find on university websites nor in the annual social responsibility reports, (3) there is little awareness of the importance of social responsibility among participants and stakeholders, and (4) university social responsibility initiatives focus more on the legitimacy and public image rather than on the needs, expectations, and demands of the society in which they operate. S. Dahan and I. Senol (2012) studied reputation and competitive advantage aspects in Istanbul Bigli University. They concluded that in order to compete in changing education industry and also fulfill their mission, higher education institutions must recognize that their own actions should reflect the values and norms which they claim to embody. This means deepening their commitment CSR at the operational and academic level.

The third group: USR and stakeholders' relations research. The stakeholder theory identifies groups and individuals relevant to the company. The basic assumption it is that organizations, regardless private or public, have obligations to society. In the context of the USR research, the theory helps universities to become aware of the fact that they have publics (internal and external) that are affected by their actions and services, thus they need to be socially responsible to them. (Asemah et. al., 2013) J. T. Jonasson points out main stakeholder groups of

the university, stating that the term university stakeholder refers to individuals, groups or organizations that have a legitimate interest in the operation of the university. We also take it to refer to abstract entities like democratic processes and constructs, like knowledge or science. (Jonasson, 2008) Other researcher point out that a university is accountable in front of such stakeholder groups as instructors, students, academic units and institutions, and community/neighborhood organizations, as well as corporate supporters of the university. (Aamir et.al., 2014) R. Barnett (2007) admits that universities should understand that they have responsibilities towards the wider community. Aamir and others (2014) in their study of influence of social responsibility on university reputation of King Saud University in Saudi Arabia came to the conclusion that there are significant differences in satisfaction with USR activities among different stakeholder groups (characteristically, the least satisfied were students), it means that the university has to pay more attention to all groups having their interests (short or long-term) in the university. L. Tetreova and V. Sabolova (2010) discuss stakeholder management strategies from the point of view of universities. They conclude that in the present hard conditions, particularly in the former transformation economies, whose university education market is experiencing fundamental changes (genesis of private universities, strengthening foreign competition, dramatically growing supply of educational institutions, decreasing income from the public budgets, negative demographic development, etc.), universities have to understand the role of their stakeholders, identify their primary stakeholders and apply corresponding strategies to deal with them. (Ibid.)

The fourth group: investigation of correlation between USR and organization sustainability. A. T. E. Mohamed (2015) proposes a framework for USR and sustainability. It integrates social responsibility into strategic management and identifies the vision, mission and values to guide all other three dimensions, management, policies and actions, and evaluation. Different models of USR are to be found in the literature, however this study proposed a new USR and society framework integrating social responsibility with strategic management through the establishment and maintenance of the vision, mission, values, goals and management systems; elaboration of policies; provision of actions; evaluation of services; and development of social collaboration with stakeholders to meet current and future needs of the community and environment. The framework links between different stakeholders internally and externally using communication and reporting tools. N. Pollock and others (2009) studied correlation between sustainability and USR at the University of Vermont. J. Puukka's (2008) research is aimed at mobilizing higher education for sustainable development. According to her, higher education institutions contribute to sustainable environmental development in their regions in many ways, for example by generating human capital in the region through their learning and further education programs in areas of sustainable development, acting as a source of expertise through research, consultancy and demonstration, playing a brokerage role in bringing together diverse regional actors and elements of capacity to the sustainability process, demonstrating good practice through on-campus management and development activities, strategic planning, building design, waste minimization and water and energy efficiency practice, responsible purchasing programs and pursuing good citizen type initiatives like a "green campus", offering recognition and reward incentives for staff to be involved in sustainable development leadership groups in the regional community. Analysis of sustainability is possible on the basis of the triple bottom line of

sustainability. Firstly, higher education institutions have considerable direct and indirect economic impacts in the local and regional economies: their staff and students increase consumer demand, the use of services and tax income in the region. The provision of locally relevant skills and knowledge contributes to regional business innovation and employment. Economically responsible higher education institutions also carry out their operations in a cost efficient way. Secondly, the social responsibility of higher education institutions refers to the wellbeing of staff and students, and good relations with stakeholders. Thirdly, higher education institutions are not only consumers of non-renewable energy and generators of CO₂ (negative impacts), but also sources of technological and organizational expertise to tackle these challenges (positive impacts). Economic performance of the university consists of: efficient degree production, regional employment of graduates, direct economic impacts, indirect economic impacts; environmental performance consists of on-campus work to protect natural resources, training of environmentally conscious graduates, policy advice, expertise and research and learning programs to support sustainable development; social performance, promotion of wellbeing, knowhow and ownership of staff and students, community involvement, good practices in stakeholder co-operation. (Ibid.) R. Othman and R. Othman (2014) conducted a research on indicators of public and private university performance. As theoretical framework they used conception of J. Puukka on the triple bottom line of sustainability of higher education institution. The research method applied was qualitative content analysis of public reports of one private and one public university. The findings of this research show that the two universities responded differently to the challenges and focused on different aspects of social responsibility. The public universities activities were focused on existing members – staff and students while the private university employed a very different strategy, using social responsibility platform as a part of its response to the ever-changing demands and pressures. Although their strategies differed the research proved that both universities recognized the importance of social involvement and social accounting for future development.

So as we see, different frameworks have been applied to analysis of USR, accentuating its multiple roles in higher education institutions, be they private or public ones. Taking into account the previous research and essential lack of data about USR in Latvia universities, we have designed a research project “Reporting University Social Responsibility by Higher Education Establishments in Latvia” to be carried out in 2017. The aim of the project is to compare five year annual reports of two Latvia higher education institutions – one private, another public to establish how the reports reflect the social engagement and henceforth – their sustainability. The selection of the mentioned samples is dictated by the fact that private and public institutions, due to their legal status may react differently to societal demands. The theoretical background for this investigation is triple bottom line of sustainability. The current empirical research framework is based on comparative study of university sustainability carried out by R. Othman and R. Othman (2014). The project consists of two stages. The first stage consists of identification and listing the statements of social responsibility activities in the annual reports in both HEI. These activities are then coded according to J. Puukka’s classification of social performance indicators in following way: activities for promotion of well-being (WEL), know-how (KNH), ownership of staff and students (OWN), or community involvement (COM). The second stage presupposes comparison of social indicators within five-year time period in each university, and then comparison of

findings from both universities, and explanation of overlapping and omissions in order to work out proposals for both institutions to raise their sustainability potential.

Conclusion

The aims of the present paper were to research the current literature on the changing social roles of the university in society, second, to describe the concept of university social responsibility (USR) and its various research frameworks, in order to work out model to be tested empirically in comparative study of annual reports of two universities in Latvia within time period of five years. The main conclusions of this article are:

1. The challenges the contemporary university face are, first, continuing massification of higher education; second, diversifications of the sources for funds; third, continuing diversification of higher education provision, which is affecting the characteristics of the institutions bearing the name 'university'; fourth, increasing internationalization of education. This all results in the growth of trade in higher education (terms of import and export of education are applicable in this case) and marketization and commercialization of higher education.
2. The European Commission's "Green Paper: Promoting a European Framework for Corporate Social Responsibility" as of 2001 describes CSR as a concept whereby companies integrate social and environmental concerns in their business operations and their interaction with their stakeholders on voluntary basis. The definition stresses the main points, that CSR involves social and environmental issues of business strategies, and it is based on the principle of voluntarism. Besides that, the definition points out the importance of engagement of internal and external stakeholders. The Green paper strives to answer four main questions regarding CSR. (1) What is the role of CSR in corporate business strategies? (2) What are the best ways to establish and develop a process of structured dialogue between companies and their various stakeholders? (3) What should be the respective roles of the main actors? (4) What are the best means to develop, evaluate and ensure the effectiveness and reliability of CSR instruments?
3. The concept of university social responsibility is rather new, most of the universities try to incorporate it into their strategies and plans of development. Reiser defines the concept as "a policy of ethical quality of the performance of the university community (students, faculty and administrative employees) via the responsible management of the educational, cognitive, labor and environmental impacts produced by the university, in an interactive dialogue with society to promote a sustainable human development." (Reiser, 2008)
4. Empirical research on USR can be loosely divided in four main groups: (1) studies concerning educational perspective of USR (curriculum and ethical aspects) and students' and alumni perception of social engagement activities; (2) studies concerning the role of USR building and sustaining university reputation, online communication and public relations; (3) USR and stakeholders' relations research (stakeholder theory identifies groups and individuals relevant to the company; the basic assumption it is that organizations, regardless private or public, have obligations to society; the theory helps universities to become aware of the fact that they have publics that are affected by their actions and services, thus they need to be socially responsible to them); (4) investigation of correlation between USR and organizational sustainability.

5. According to J. Puukka, social performance indicators are promotion of well-being, know-how, and ownership of staff and students, as well as community involvement. These aspects are important when analyzing social accounting and social reporting of educational institutions.
6. The empirical research project “Reporting Social Responsibility by Higher Education Establishments in Latvia” will be carried out in 2017. The aim of the research is to compare five year annual reports of two Latvia higher education institutions – one private, another public to establish how their reports reflect the social engagement and henceforth – their sustainability. The theoretical background for this investigation is triple bottom line of sustainability. The first stage consists of identification and listing the statements of social responsibility activities in the annual reports in both HEI. These activities will be coded according to J. Puukka’s classification of social performance indicators in following way: activities for promotion of well-being (WEL), know-how (KNH), ownership of staff and students (OWN), or community involvement (COM). The second stage presupposes comparison of social indicators within five-year time period comparison in order to work out proposals for both institutions to raise their sustainability potential.

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