Stakeholder Happiness: A New Frontier for Corporate Social Responsibility

Presented by:
Mr Austin Chia

Prepared for:
5th Australian Positive Psychology and Wellbeing Conference
Adelaide, Australia
22nd September 2016
Research Interest in Happiness

- Happiness is an increasingly important topic of interest across all levels of society:
  - **Policy-Level** → The need to measure happiness as an indicator of social progress (Diener & Seligman, 2004; Stiglitz, Sen, & Fatoussi, 2009)
  - **Individual-Level** → The role of happiness in life outcomes, human functioning, psychological health and the etiology of illness (Aspinwall & Tedeschi, 2010)

- Far less attention at the meso-level of analysis:
  - i.e. How societal happiness is affected by corporation-society interactions and relationships?
  - Organisational research tends to be focused on employees
A Thought Stimulus

“There is one condition in doing business [in Bhutan]… Companies will need to take Gross National Happiness very seriously; your business will be respectful and add value to the good of society, respect our values and culture…”

- Tshering Tobay, Prime Minister of Bhutan

“Should corporations be concerned with societal happiness, and if so, why?”
Happiness as a CSR Concern

- Societal happiness should be a **CSR concern** for corporations:
  - Corporations have a scope of influence that spans all levels of our social system (Mutch, Delbridge, & Ventresca, 2006)
  - As individuals, we interact with corporations in almost all aspects of our lives (Wiist, 2010)
  - Happiness is a desirable outcome for individuals and nations (Diener & Chan, 2011; Lyubomirsky, King & Diener, 2005)

- Corporations have the capacity to affect the happiness of societal constituents in **positive or negative ways**.
  - Physical consequences
  - Emotional/psychological consequences
The Influence of PP in CSR Research

- My review of 84 articles across 7 specialist journals from 2002-15 revealed:
  - Business ethics (61%), Workplace Wellbeing (18%), CSR (16%), Other (5%)
  - 10/13 CSR articles published between 2012-15
Direct effects: First-order well-being consequence (i.e. pleasure or meaning) on a stakeholder who directly experiences a corporate activity.

Indirect (vicarious) effects: Second-order well-being consequence (i.e. pleasure or meaning) on a stakeholder who observes or learns about the direct effects of corporate activities on other stakeholder groups.
Thank You

Austin Chia
chiaa@unimelb.edu.au
Centre for Positive Psychology
The University of Melbourne