

Outlining Long Term Corporate Social Responsibility Strategies in Non Profit Organizations: the case of a Colombian Health Care Insurance

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Abstract

In spite of the growing attention Corporate Social Responsibility (CSR) has received in the last decade, very often both profit and Non Profit Organizations (NPO) shown to be unsuccessful to implement long term CSR strategies. Several could be the reasons of such failures. In order to try to find an answer to such mistakes, the author assumes that by making explicit the main feedback loops structure underlying CSR strategies, decision makers can better understand, outline and implement effective long term CSR strategies, which are coherent with the organization mission. The paper initially offers an analysis of the literature in the field of CSR. In the next session, some preliminary findings of an empirical study carried out by the author in a Colombian NPO are provided. Such research allowed the author to build a cause-and-effect relationships model, based on the System Dynamics methodology, aimed to outline opportunities and pitfalls in designing and implementing long term social initiatives in an health care insurance NPO.

Key words:

Corporate Social Responsibility; Non Profit Organization; System Dynamics methodology, Cause-and-effect Relationships Model; Decision Makers Learning Processes.

1. Introduction – Corporate Social Responsibility strategies in Non Profit Organizations

In the last decades, Corporate Social Responsibility (CSR) strategies received a growing attention from both businesses and Non Profit Organizations (NPO) (Kotler and Lee, 2005). However, there is still lack of clear descriptions on how organizations can successfully implement CSR intentions. On this concern, analysis on CSR implementation in organizations have shown methodological inconsistencies and a very rare system approach (Porter, 2008). Furthermore, it has been also highlighted that organizations often introduce CSR strategies disconnected from the main corporate strategy or they are conceived as an optional add-on or as an act of philanthropy (Porter and Kramer, 2006). As a consequence of the above remarks, organizations fail to correctly implement successful long term CSR strategies (Schwartz and Gibb, 1999).

Such difficulties may also raise in organizations characterized by a) complex and not always clear lines of ownership and accountability, b) a retaining residual funds (e.g., earnings, financial resources) policy aimed to reinvest these resources for the achievement of the organization's mission, rather than distributing earnings to shareholders and c) a noncoercive nature of the product/service provided (Frumkin, 2002), i.e. NPO.

NPOs embody a very broad range of entities, organizations and associations that are neither part of the State nor fully conceived as commercial businesses. They often represent a solution to community and public problems that are outside the agenda of local governments. There are different kinds of NPOs, such as public-serving charities, member-serving organizations and informal organizations (e.g., mainly voluntary associations), which require a deeper analysis of their characteristics in order to effectively design and implement successful CSR strategies. In fact,

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although NPOs embody in their mission – by definition – CSR intentions, in some field intense commercial competition may erode the “moral high ground” of the organization and transform NPOs into “shadow businesses”. This behavior may lead rise to commercial activities as a mean mainly to pursue profits, rather than favor the achievement of the organization mission. As a consequence, the accumulation of capital in the form of large endowments – not necessarily oriented to fulfill organization’s immediate needs – can be invested either in new commercial activities or real estate to maximize returns.

These last decisions may give raise to critics among NPO’s members (and non members) and diffuse the perception that these development policies are contrary to the (public) purposes of non-profit organizations (Frumkin, 2002; Hansmann, 1990).

- *How can a NPO design a corporate social responsibility strategy coherent with its mission?*
- *How can a NPO effectively implement a corporate social responsibility strategy?*
- *How can a NPO properly balance the launch of new commercial versus non commercial activities to pursue its mission?*
- *How can a NPO meet the members’ expectations in fulfilling organization goals?*

In order to try to answer the above research questions, the paper is organized as follows. An analysis of the literature in the fields of CSR has been conducted and results portrayed. Then, the preliminary findings of an empirical analysis carried out by the author in a Colombian membership-based organization of the poor is also provided. In particular, through the involvement of the top management of the organization in several group model building sessions, a preliminary cause-and-effect relationships model, based on the System Dynamics methodology (Forrester, 1961), has been built and tested with reference to the prevailing literature. Furthermore, the above mentioned qualitative model has been also used as a framework to outline opportunities and pitfalls in designing and implementing a CSR strategy in a membership-based NPO. Finally, conclusions and further remarks are drawn.

2. Towards a definition of the concept of Corporate Social Responsibility: a long term sustainable approach

In the last two decades, the concept of CSR has been largely debated by governments, academics and consultants, and applied to both profit and non-profit organizations. In the year 2001, the European Commission (EC) introduced the CSR as part of an organization main strategy. More recently, in the so called Europe 2020 strategy document, the EC defined CSR as a goal aimed at favoring “smart, sustainable and inclusive growth”. The above definition stems from the seminal work on CSR (EU, 2001), where CSR is conceived as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

In spite of the numerous efforts to provide a clear and unique definition of the above concept, there is still some ambiguity (Dahlsrud, 2008; Porter, 2008).

By analyzing the most adopted definitions of CSR, it is possible to detect at least five recurrent dimensions used to outline such a concept:

- the stakeholder dimension;
- the social dimension;
- the economic dimension;
- the voluntariness dimension;
- the environment dimension.

Van Marrewijk (2003) tries to synthesize the above dimensions with the following definition: CSR ... refer[s] to company activities – voluntary by definition – demonstrating the inclusion of social and environmental concerns in business operations and in interactions with stakeholders. It

has been also remarked that CSR has to do with companies responsibilities for their impact on society in which they operate and with actions that go beyond their legal obligations.

Porter and Kramer (2006) observe four different prevailing justifications for the adoption of a CSR strategy:

- *moral obligation*, refers to the behavior of a company in doing the “right thing” in achieving a business success or, in other words, honor ethical values, respect people, communities and the environment;
- *sustainability*, mainly refers instead to the ability of a company to reach its own goals without compromising the fundamental resources to sustain the growth of future generations. Very often companies to meet such a goal recur to adopt control systems oriented to monitor the economic, social and environmental performance;
- *license to operate*, refer to the need for companies that operate in industries highly regulated to cope with social issues and to establish a constructive dialog with related stakeholders (such as, regulators, local citizenry, etc).
- *reputation*, refer to firms initiatives oriented to diffuse their social consciousness or to temper public criticism about their production and hopefully to improve company image and products' brand.

Although the above four reasons provide a rational basis to adopt a CSR strategy, very often a company fails to correctly implement it as it is conceived as an optional add-on or as an act of philanthropy (Porter and Kramer, 2006).

Kotler and Lee (2005) identified six major corporate social initiatives as activities a corporation can implement to support social causes and to commit the organization to social responsibilities. These initiatives are:

1. *cause promotions*. This typology of initiatives aims to increase awareness and concern about a social cause or to support fundraising, participation or volunteer recruitment for a cause. Organizations basically provide funds, in-kind contributions or other corporate resources to design “persuasive communications” oriented to achieve the above goals. Among organization benefits are the improvement of the brand position and customer loyalty.
2. *Cause-Related Marketing*. These campaigns, often managed by the marketing department, refer to an organization commitment to make a contribution or to donate a percentage of revenues to a specific case or charity based on product sales. Organizations involved in these initiatives expect to attract new customers, reach niche market, increase product sales and build positive brand identity.
3. *Corporate Social Marketing*. These initiatives focus on the development and/or the implementation of an individual behavior change – for instance – to improve public health, safety, the environment, or the community as whole. Potential organization benefits include in the long term the strengthening of the brand position.
4. *Corporate Philanthropy*. It is a direct contribution by a corporation to a charity or cause, often in form of cash and more recently donating products and services, providing technical expertise and allowing the use of organization's assets (e.g., warehouse, equipments, facilities, etc.). Organizations expect to build a stronger reputation, to attract and retain motivated workforce and to impact on societal issues, especially in small local communities.
5. *Community Volunteering*. It aims to encourage employees, suppliers and partners/franchises members to devote part of their time to support local community organizations and causes. These initiatives can contribute to build a strong link between an organization and the local community, to attract and retain satisfied and motivated employees and to enhance organization image.
6. *Socially Responsible Business Practices*. They are discretionary activities or investments to support social causes to improve community well-being and protect the environment. Most initiatives refer to change in internal procedures and policies, external reporting of consumer and investor information, making decisions related to customer privacy or

suppliers and plant locations. These initiatives are expected to produce brand preference, build brand positioning, improve product quality, build relationships with external partners and even the decrease of operating costs and employees' productivity.

Although all the above six initiatives are worthy and are able to generate positive impacts on the society and the environment, such benefits could not be durable in a longer period of time as they result from organization initiatives that are often disconnected from company goals. On this concern, Porter and Kramer (2006) remark that very often "the most common corporate response [to social causes] has been neither strategic nor operational but cosmetic: public relations and media campaigns, the enterprises of which are often glossy CSR reports that showcase companies' social and environmental good deeds".

Porter and Kramer (2006) also add that ... [company CSR reports] rarely offer a coherent framework for CSR activities, let alone a strategic one. Instead, they aggregate anecdotes about uncoordinated initiatives to demonstrate a company's social sensitivity. What these reports leave out is often as telling as what they include. Reductions in pollution, waste, carbon emissions, or energy use, for example, may be documented for specific divisions or regions but not for the company as a whole. Philanthropic initiatives are typically described in terms of dollars or volunteer hours spent but almost never in terms of impact. Forward-looking commitments to reach explicit performance are even rarer".

From the above considerations, it follows that an organization in introducing a CSR strategy should adopt a systemic approach (Burke and Logsdon, 1996; Shuili *et al*, 2007) aimed at:

1. exploring how company growth-oriented strategies are likely to influence the stakeholder, the social, the economic and the environmental dimensions and, vice versa;
2. identifying opportunities and treats derived from such relationships;
3. and according to company priorities, designing corporate growth strategies embodying the social responsibility dimension.

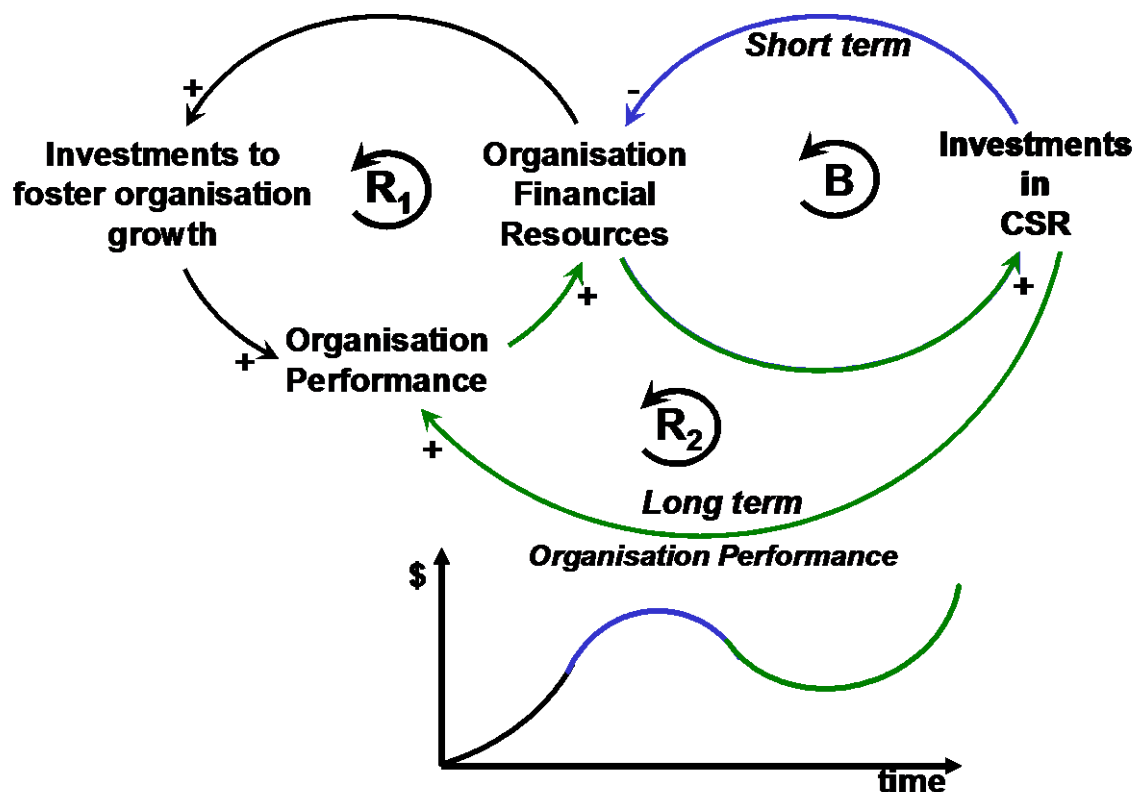


Figure 1 – Shifting from a myopic to strategic perspective

Figure 1 aims to make explicit the research hypotheses underlying this paper. In particular, the figure portrays the main processes an organization can activate to foster its growth over time.

In fact, by investing available resources in building unique strategic assets, an organization may achieve a distinctive performance (e.g., a durable competitive advantage), which may give rise to further resources to fuel such a growth (see R1 in figure 1).

Such organization, for different reasons, could also decide to devote part of its financial endowment to finance CSR initiatives (e.g., donations, sponsorships aimed to support *cause promotions*, etc.). However, if these investments are not linked to the main company strategy or do not contribute to foster the acquisition of those strategic resources aimed at improving the competitive position of the organization in the market, this decision will finally produce a detriment of the organization financial resources (see B1 in figure 1). As a consequence, although such initiatives have unquestionable ends, they are “disconnected” from the organization main strategy and, in the short term, they could produce only a reduction in financial resources and an organization weaker competitive position.

In order to avoid the above myopic behavior, an organization should be oriented to design and implement CSR initiatives which can contribute in the medium-long term to improve organization performance, i.e. the acquisition or the improvement of those strategic assets which could enable the organization to improve its competitive advantage (see R2 in figure 1).

3. Outlining a CSR strategy in a Colombian membership-based organization of the poor: Emssanar case-study

3.a The research project

In order to investigate the research questions outlined in the introduction section, a research project has been conducted with a NPO operating in the health care insurance industry in the South-West of Colombia. Such a project allowed the author to develop and test a preliminary System Dynamics qualitative model to support the management of the organization to assess the impact and the sustainability of alternative CSR strategies.

3.b The research methodology

This project can be considered, as defined by Vennix (1996) ‘client driven’, as the initial contact with the organization provided a specific dynamic problem to be investigated. After a first meeting with the organization, an analysis of the exiting literature in the corporate social responsibility field has been conducted. Such analysis and the study of company reports allowed the author to build a preliminary framework aimed to make explicit the relationships between strategic resources, performance drivers and performance indicators (Bianchi and Bivona 2005; Bivona, 2008). This framework has been also used during the group model building sessions (Vennix 1996) to elicit managers’ mental model about the cause-and-effect relationships underlying the company CSR strategy. In making explicit the causal loop diagram describing the main processes underlying the organization strategy, the System Dynamics methodology has been applied (Forrester 1961; Sterman, 2000).

On the basis of the causal loop diagram validated by the management, opportunities and pitfalls in designing and implementing a CSR strategy have been outlined.

3.c Introduction to the case-study

In 1993, the Colombian Government approved the “lay 100” to provide in more effective way health care services to the poor through the introduction of a demand-based model (Plaaza, *et al* 2001). This law favored the launch of several NPOs in the health care insurance sector approved by the State.

Emssanar was established in 1993, with the goal of providing health care insurance services to poor people and fostering socio-economic growth in the South-West of Colombia.

From Emssanar mission ² is possible to detect three main values according to which all activities must be carried out:

- *Leadership*, in terms of ability to achieve, to innovate, to learn, to work in team, to propose solutions, that are consistent and are likely to generate a positively impact in Emssanar and in the society.
- *Solidarity* at both individual and collective level must drive our decisions, so that effects can be measured in terms of social and economic development of the environment, thereby encouraging joint search for solutions to contribute to the welfare of the society, the state, the family, our customers and of the entrepreneurship.
- *Social Responsibility*, shows the entrepreneurial search of permanent benefits to stakeholders by the means of sustainable development processes in the social, economic and environmental dimension.

Emssanar provides insurance services to two different typologies of members who may benefit from its offer:

1. *affiliates*, i.e., poor people who receive a subsidy by the State and decide to subscribe a Emssanar health care insurance policy;
2. *associates*, i.e. those affiliates who decide to buy a share in Emssanar. In most of the cases associates are Emssanar's employees who decide to also become a shareholder.

Emssanar competes in the South-West of Colombia with other NPOs offering basically the same services.

Since its start up, Emssanar successfully won a growing number of affiliates and associates over the years.

However, in the years 2001 and 2002 the organization suffered the high competition in the market, which produced negative financial results. This phenomenon also contributed to generate in the management the perception that the survival of the organization mainly relied on the current system of rules, which could be changed by the Colombian Government at any time.

In order to acquire a durable leadership in the health care insurance industry to poor people and a defendable competitive position that relied on critical success factor (e.g., the quality and variety of products/services offered), rather than simply on the license to operate in this sector periodically provided by the national Government, the management recognized the need to start offering other health care related services. As a consequence, new partner organizations were created:

- *Emssanar IPS Ltda*, first aid hospitals;
- *Emssanar pharmacy Ltda*, pharmacy resellers.

Both the first aid hospitals and the pharmacy resellers allowed Emssanar to directly provide health care services to its beneficiaries and also to public and private hospitals, who found Emssanar offer competitive.

Due to the positive results achieved by such new strategic units, in the year 2003, a Foundation has been created to offer aid-programs to favor the socio-economic growth in the South-West of Colombia.

At the beginning, Emssanar Foundation launched educational courses concerning how to improve the level of vulnerability to diseases of poor people. In fact, Emssanar assumed that if poor people are able to enjoy good health, they could find a job and, consequently, they could get enough food to keep their healthy status. This is also a precondition to foster a socio-economic growth in the poor regions where Emssanar operates.

² Somos un Centro de estudios comprometido con la *formación para el trabajo y el desarrollo humano*, que se rige por los *principios de solidaridad, liderazgo, y responsabilidad social*, brindando servicios educativos accesibles, que contribuyan en la formación integral de hombres y mujeres del Sur Occidente Colombiano, con *espíritu emprendedor, crítico y solidario*. Cuenta con un talento humano comprometido, cualificado y una infraestructura acorde a las exigencias del servicio educativo prestado. Su campo de acción se centra en la formación por competencias de conformidad a las exigencias del sector productivo y a la normatividad vigente del sistema educativo Colombiano.

The Foundation also launched a program aimed to periodically visit Emssanar's affiliates to check their healthy condition. During such visits, if Emssanar personnel discover that a beneficiary needed a health treatment, they invite him/her to go to the first aid hospital to receive health care assistance. This is a peculiar service that differentiates Emssanar from its competitors.

The activities carried out by the Foundation provided Emssanar higher visibility in the South-West of Colombia and also improved its ability to attract donors from the national government and foreign non-government institutions.

Emssanar also launched a learning center aimed to foster the transfer of knowledge in managing a firm to affiliates and associates. Some of the courses cover the following subjects: computer and information systems, business management principles and accounting systems.

Furthermore, as the Emssanar pharmacy resellers generated high net incomes, such resources have been also invested to support Emssanar's members (educational and aid-development programs to start or support entrepreneurial activities) to favor the socio-economic development of the areas where Emssanar operate.

More recently Emssanar's management focused its attention to improve productivity and the level of service. In order to reach such a goal, a new information and planning and control system based on the principles of the Balanced Scorecard (Norton and Kaplan, 2001) has been introduced.

The above systems allowed the organization to monitor and to reduce the delays in the payment of the health care insurance policies by local municipalities. The fact that municipalities delay the payment of the amount due could depend on two main reasons. First, the most common reason is a mismatch between the information Emssanar is able to timely provide to the local municipality (e.g., the health care services an affiliate benefitted in a given period of time) and the information the municipality holds. Another reason could be the lack of financial resources faced by the municipality. As the costs Emssanar sustains to provide health care services to beneficiaries are almost equal to the incomes generated through insurance policies, it is very important that the terms of payment of collections are kept under control.

Tables 1 and 2 show the growth of the Emssanar Group during the years 2005 to 2007, in terms of affiliates and employees.

Tab. 1 - Emssanar ESS affiliates from 2005 – 2007
(Source: company data)

Organization	Affiliates		
	2005	2006	2007
Emssanar ESS' Affiliates	905.457	995.253	1.072.715
Emssanar ESS's Competitors Affiliates in the Regions	3.491.603	20.322.000 ³	21.080.086
Market share	26%	3.4% ⁴	5%

Tab. 2 - Number of employees from 2005 – 2007
(Source: company data)

Organization	Number of employees		
	2005	2006	2007

³ In 2006, the national government redefined the areas of potential beneficiaries to be served in the Regions by Emssanar ESS.

⁴ See previous note.

Emssanar ESS	353	356	384
Emssanar SF	49	52	68
Emssanar IPS	118	102	115
Emssanar Foundation	52	58	67
Total employees	572	568	634

Table 1 shows the effectiveness of the organization to win new affiliates over the period 2005-2007. One of the main drivers which determined such a growth pattern can be indentified in the ability of the Emssanar to provide a satisfactory health care service. A deeper analysis of the main drivers affecting the performance of Emssanar is reported in the next section. Table 2 offers a picture of the quantitative growth of the organization in terms of employees.

3.d A preliminary cause-and-effect relationships model

Figure 2 shows a first outcome of the group model building section. In particular, the figure portray two images: a picture taken during a first group model building session making explicit the relationships (in Spanish language) between strategic resources, performance drivers and performance indicators and an excerpt in English of the above relationships.

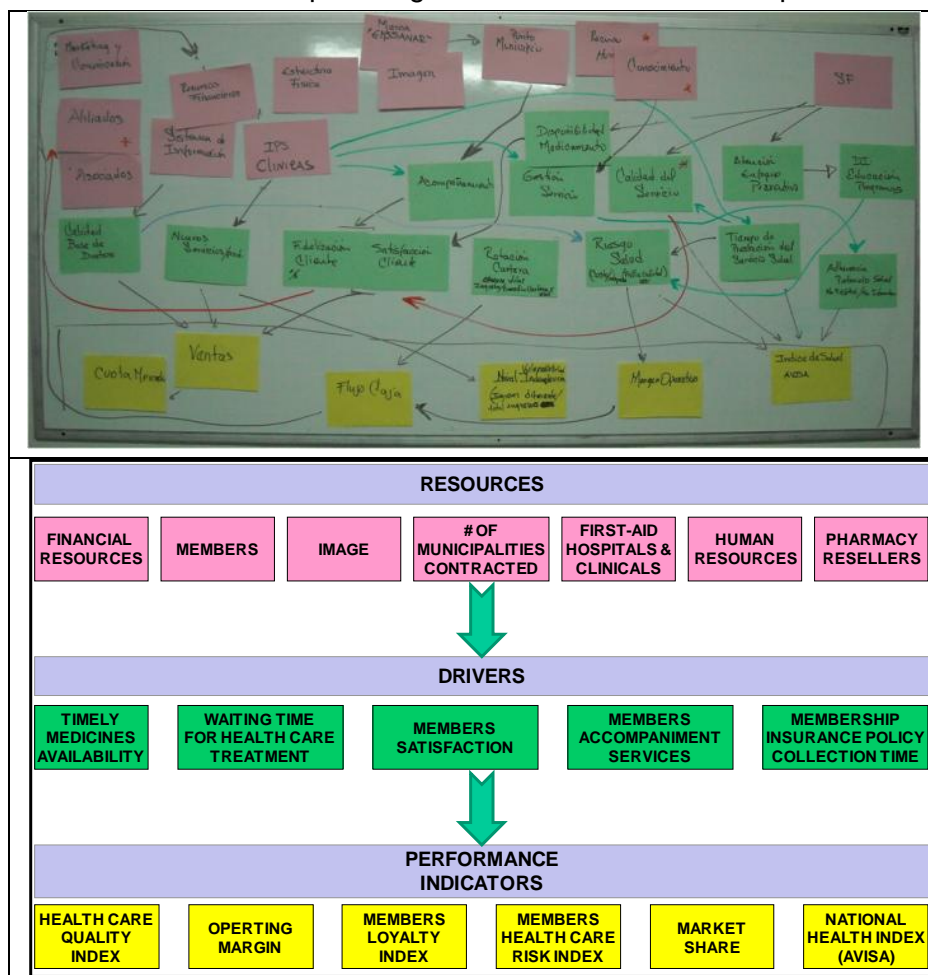
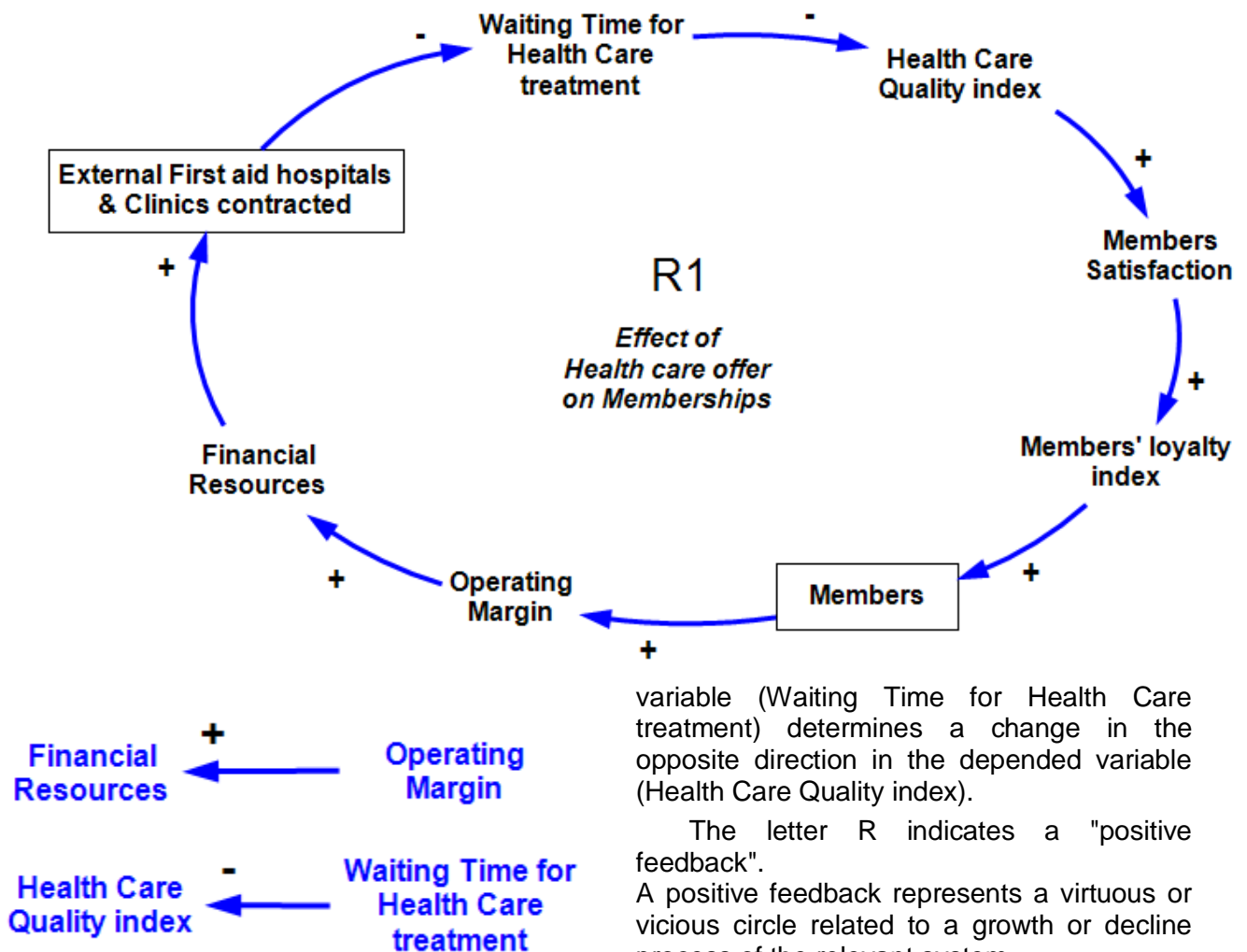


Figure 2 – Cause-and-effect relationships between strategic resources, performance drivers and performance indicators

The above framework and the interviews conducted with the business units' managers allowed the author to build and share with the management a causal loop diagram describing the main processes underlying the organization strategy (Forrester 1961; Sterman 2000).

Figures 3 and 4 show the main positive feedback loops (highlighted with the R sign) which are likely to foster the accomplishment of the organization mission and those negative (highlighted with the B sign) which may represent obstacles to the achievement of the desired results.



The arrows indicate the causal relationships. The + signs at the arrowheads indicate that the effect is positively related to the cause: an increase in the 'OPERATING MARGIN' causes the 'FINANCIAL RESOURCES' to rise (and vice versa: a decrease in the 'operating margin' causes 'financial resources' laying to fall down).

The - negative sing polarity indicates that an increase/decrease in an independent

variable (Waiting Time for Health Care treatment) determines a change in the opposite direction in the depended variable (Health Care Quality index).

The letter R indicates a "positive feedback".

A positive feedback represents a virtuous or vicious circle related to a growth or decline process of the relevant system.

The letter B shows a "negative feedback".

A Negative feedback is self-correcting and it tends to counteract changes. It can be related to the case when a lack of strategic asset (e.g., human or financial resources) acts as a limit to growth or they underlie a decision-maker policy aimed to fill a gap between a desired and actual value of a give variable.

Figure 3 – Reinforcing feedback loop (R1) outlining the main growth processes related to an increase in the number of 'first aid hospitals & clinics' contracted by Emssanar

Figure 4 depicts 9 reinforcing feedback loops and 2 balancing loops.

R1, R2, R3, R4 and R5 reported in figure 4 represent the main processes the organization fulfills to achieve its mission. In particular, R1 (see figure 3 here above) and R2 (Financial Resources → **Emssanar First aid hospitals & Clinics** → Waiting Time for Health Care treatment → Health Care Quality index → Members Satisfaction → Members' loyalty index → Members → Operating Margin → Financial Resources) contribute to improve the company

“Heath Care Quality Index” by reducing the “waiting time for health care treatment”. R3 (Financial Resources → **Emssanar Pharmacy resellers** → Timely medicines Availability → Health Care Quality index → Members Satisfaction → Members' loyalty index → Members → Operating Margin → Financial Resources) determines a raise in Health Care Quality index as consequence of the investments in ‘pharmacy resellers’, which are likely to speed up the process to make medicine timely available. A higher Heath Care Quality Index is also likely to positively affect members’ satisfaction, which increases the members’ loyalty index and, consequently, the number of Emssanar’s members. The higher is the number of members, all other things being equal, the higher will be the operating margin and the financial resources to be invested to acquire new strategic resources (such as, first aid hospitals, clinics, pharmacy resellers, human resources, information and planning & control systems).

Similar considerations can be made for the effects of other investment policies the company can implement to favor further growth. On this concern, the reinforcing feedback loops R4 (Financial Resources → Investments in Human Resources → **Health Care Human Resources Capacity** → Health Care Quality index → Members Satisfaction → Members' loyalty index → Members → Operating Margin → Financial Resources) makes explicit the impact human resources investments – through an increase in human resource capacity – can generate on health care quality index. R5 (Financial Resources → **Investments in Information and Planning & Control Systems** → Quality of the Information → Membership insurance policy → Financial Resources) depicts the effects of investments in information and planning & control systems which are likely to improve the quality of the Information thereby reducing collection time and raising financial resources.

The balancing feedback loops B1 (Members → Health Care treatments → Waiting Time for Health Care treatment → Health Care Quality index → Members Satisfaction → Members' loyalty index → Members) and B2 (Members → Health Care treatments → Operating Margin → Financial Resources → Emssanar First aid hospitals & Clinics → Waiting Time for Health Care treatment → Health Care Quality index → Members Satisfaction → Members' loyalty index → Members) portrayed in figure 4 represent two limits to the growth processes underlined in the above reported reinforcing loops (R1 to R9). The first limit refers to the fact that as the number of members increase, the number of health care treatments tends to rise as well. As a consequence, the waiting time can boost thereby reducing the health care quality index, members' satisfaction and the number of members (see feedback loop B1 in figure 3). The second limit refers to the impact of a company members raise in the number of health care treatments, which in turn negatively affect operating margin and, consequently, the amount of financial resources to be invested to fuel company growth (see feedback loop B2 in figure 3).

The reinforcing feedback loops R6, R7 and R8 in figure 4 differ from the other positive cause-and-effect relationships as they can be referred to social initiatives that are also likely to facilitate the achievement of Emssanar mission. In particular, R6 (Financial Resources → Investments in Human Resources → **Members Accompaniment services** → Prevention index → Members Health Care risk index → Health care treatments → Operating Margin → Financial Resources) highlights the effect of the members' accompaniment services on the prevention index, which is twofold: on a side, a higher number of beneficiaries' doctor visits is likely to reduce the members' health care risk index, which has a positive effect on the society and, in particular, on the national health index (AVISA). On the other side, a lower member's health care risk index generates a decrease in the number of health care treatments per beneficiary and, consequently produces an improvement in the operative performance of the organization (operating margin).

R7 (Financial Resources → **Investments in health care educational courses oriented to Associates** → Members Health care risk index → Health care treatments → Operating Margin → Financial Resources) and R8 (Financial Resources → **Training & aid-programs to start new businesses oriented to Associates** → Associates individual socio-economic development → Associates loyalty index → Associates → Financial Resources) aim to improve the knowledge of Emssanar's members on the individual healthy on a side and the socio-economic development of Emssanar's associates on the other side.

In particular, R7 refers to investments in health care educational courses which are likely to improve Emssanar's members healthy, their ability to find a job and, hence, to improve their socio-economic independency. As these investments improve members healthy, Emssanar can record benefits at the operational level, as members' health care risk index tends to go down.

R8 aims to make explicit the effects related to investments in associates aid programs which are likely to produce a double effect; they favor associates socio-economic development on one hand and, as they have a positive impact in associates' satisfaction and in the number of associates, they generate additional financial resources to be invested in social initiatives on the other hand.

The growing trend in members satisfaction can improve Emssanar image which allows the company to explore new geographic areas and win new members (see R9 in figure 3: Members Satisfaction → **Emssanar Image** → Number of Municipalities Contracted → New Members → Members → Operating Margin → Financial Resources → External First aid hospitals & Clinics contracted → Waiting Time for Health Care treatment → Health Care Quality index → Members Satisfaction).

As one can observe from the above commented growth processes, the corporate social responsibility strategy is embodied in the main organization strategy. As a consequence, through such an approach, Emssanar not only can meet members' expectation in fulfilling

organizations goals, but also it is able to trigger social initiatives that are coherent with its mission and pursuing a long term sustainable growth pattern.

4. Conclusions and further researches

The purpose of this paper has been twofold. First, to analyze and clarify the concept of Corporate Social Responsibility (CSR) by adopting a system perspective. Second, to understand how a CSR strategy can be effectively introduced in a non-profit organization. To this aim, an analysis of the feedback relationships underlying a CSR strategy in a Colombian non-profit organization has been provided.

In particular, this paper tries to demonstrate how a CSR strategy could fail if short term myopic logic is adopted. On the contrary, by making explicit the feedback loops structure underlying a CSR strategy, it is possible to better understand the mechanisms that foster a sustainable and long term organization growth and those processes that could prevent the attainment of desired outcomes.

Further empirical researches are also necessary to experiment the contribution of the feedback perspective in exploring how to implement a CSR strategy, in both profit and non-profit organizations. The development of System Dynamics models could also contribute to better support decision-makers in designing and assessing the long term sustainability of alternative CSR strategies.

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