

THE SOCIALLY RESPONSIBLE REAL ESTATE INVESTOR:

THE USE OF CSR IN SUSTAINABLE PROPERTY DEVELOPMENT

ABSTRACT

Although publication of a vast amount of socially responsible investment policies suggests that Corporate Social Responsibility (CSR) has become a common feature in today's global real estate industry, in practice and research, the meaning and implementation of CSR principles remains largely unclear. Therefore, this study examines the use of CSR by comparing real estate investment organizations and practices in the USA, Hong Kong and the Netherlands. Findings indicate that the case companies use formal materiality assessments to determine core business-related CSR issues, aim to formulate CSR goals that are distinctive and measurable, strive to find a CSR management structure that fits the company's characteristics, and use existing CSR and sustainability reporting and certification guidelines as structuring devices for CSR policy setup. A CSR maturity model illustrates different levels of organizational CSR maturity, enables ranking of case companies, and offers practical insights for real estate investment and development.

KEYWORDS

Corporate Social Responsibility, real estate, property investment, property development, sustainable property development, maturity model

INTRODUCTION

Pressing societal and environmental challenges influence real estate investment and development. Due to challenges such as urbanization, gentrification, climate change and resource scarcity, the global call for more responsible and sustainable market behavior has grown (Becker & Murphy, 2000). Within this context, the notion of Corporate Social Responsibility (CSR) has gained global attention in the real estate industry (Roberts, Rapson, & Shiers, 2007). Today, real estate investors voluntarily explore corporate solutions to societal and environmental issues. They setup organizational units to manage CSR programmes and they report on CSR achievements. This has resulted in a vast amount of socially responsible behavior and investment policies and reports, which, in turn, appear to influence the chance for market success, reputation and value of companies (Luo & Bhattacharya, 2006).

However, within the real estate sector, especially within Continental Europe, the concept of CSR remains rather abstract and vague (Jackson & Apostolakou, 2010). Here, the origin of CSR, its meaning and its implementation in business practice are often unclear to practitioners. This stems from the fact that CSR is associated with the Anglo-Saxon model of society, and not with the Rhineland model of society which exists in northwestern Europe (Jackson & Apostolakou, 2010; Kinderman, 2012; Matten & Moon, 2008). Yet, due to the connectedness of social and economic systems, in turn caused by globalization, the real estate sector in Continental Europe is under influence of Anglo-Saxon characteristics such as liberalization, privatization and deregulation – ingredients for CSR to flourish.

This leads to the following research question, central to this study: *How do real estate investors use CSR to develop sustainable properties?* Since it is assumed that CSR originated in Anglo-Saxon countries, the use of CSR by two Anglo-Saxon real estate investors in the USA and Hong Kong is studied. In order to gain insight in the use of CSR within the real estate sector in Continental Europe, a real estate investor based in the Netherlands is studied. The Dutch market

economy is used as an example of a social market economy that has been influenced by Anglo-Saxon characteristics. A qualitative cross-case analysis is performed, studying the strategic and operational use of CSR by the case companies and CSR institutionalization within business practice. Based upon the common characteristics of the Anglo-Saxon and Rhineland practices – as far as represented by the selected cases – a CSR maturity model for real estate investors is developed. The model is used to rank the maturity of the CSR programmes of the three case companies.

The present study is setup as follows. First, background is provided to (a) the concept of CSR and its emergence in two different models of society (i.e., Anglo-Saxon, Rhineland), (b) CSR in the real estate sector, and (c) CSR and the real estate investor, the central market player in this study. Second, the research methodology is described. Next, the CSR practices of the two Anglo-Saxon real estate investors are reported as well as those of the Dutch real estate investor. Then, common CSR characteristics found within all three cases are described. Subsequently, a CSR maturity model is depicted, which enables the ranking of the investors studied in terms of the maturity of their CSR usage. Finally, implications for the real estate industry are stipulated as well as suggestions for future research.

CSR AND THE REAL ESTATE SECTOR

CSR in different models of society

Before focusing on CSR in the real estate sector, first, a general conceptualization of CSR is provided, as well as an account on the emergence of CSR in different models of society. In an international study on responsible business management, Dahlsrud (2008) examined 37 definitions of CSR. In line with Van Marrewijk (2003), these definitions indicate the following mutual elements. By responsible business management, companies accept responsibility for their impact of business upon society in social, environmental and economic terms, and try to

actively minimize negative impact and maximize positive impact. This voluntary activity goes beyond government law and legislation, and shareholder concern. Rather, the needs and expectations of a broader set of stakeholders are important and assessed through active stakeholder engagement, for example by means of materiality assessment. Typically, companies are transparent about their responsible business management by means of reporting achievements to shareholders, stakeholders and the general public.

CSR emerged in the Anglo-Saxon model of society during the 1980s, almost two decades before CSR took hold in the Rhineland model of society (Kinderman, 2012; Matten & Moon, 2008). To understand this difference, first, both models of society are clarified. Following Cernat (2004), the Anglo-Saxon model is, amongst others, applicable to the USA, UK, Canada, Hong Kong, Australia and New Zealand. It consists of liberal market economies with limited government control, and legislation based upon case law. Next, following Hodges and Woolcock (1993), the Rhineland model is associated, roughly, with north-western European countries including the Netherlands, Belgium, Luxembourg, France, Germany and Switzerland. This model is characterized by social market economies including collective welfare systems, some sort of government control, and legislation based upon civil law. These two ideal type models interpret the relationship between state and market differently. While the Anglo-Saxon model favors market mechanisms over government control, the Rhineland model does so the other way around. Having clarified both ideal models, it can be argued that, for CSR to emerge, there is more to compensate for in liberal market economies compared to social market economies with extensive collective welfare provision (Hall & Soskice, 2001). As such, CSR has emerged in Anglo-Saxon countries first (Matten & Moon, 2008). Due to the connectedness of social and economic systems at the global level, out of concern with government failure, and conform a belief in the efficiency and effectiveness of markets, deregulation and privatization entered Rhineland countries as well, albeit about twenty years later (Kinderman, 2012).

CSR within the real estate sector

CSR has been gaining increased attention in real estate markets all over the world. In the real estate sector, CSR is often associated with concepts such as Responsible Property Investment (RPI), Social Responsible Property Investment (SRPI), Sustainable Property Investment (SPI) and Sustainable Property Development (SPD) (e.g., Brodowicz, 2017; Jones et al., 2009; Kimmet, 2009; Kriese, 2009; Newell, 2009; Pivo, 2008; Squires & Moate, 2012). While these concepts have been extremely useful in their own right, in this study, we adopt the terminology of CSR.

In today's real estate industry, emphasis is on constructing a 'sustainable built environment', including sustainable buildings and (urban and rural) areas (e.g., Reed et al., 2009; Wilkinson et al., 2018; Williams & Dair, 2007). Parallel to the people-planet-profit dimensions of CSR, sustainable property development requires the integration of social, environmental and economic development in a way that is equitable and lasting (Redclift, 2005).

CSR and real estate investors

The central actor in this study is the real estate investor. A real estate investor is typically involved in the purchase, ownership, management, rental and sale of real estate for reasons of profit (Hoesli & MacGregor, 2000). Construction of new property or redevelopment of existing property as part of a real estate investment strategy is considered to be a sub-specialty of real estate investment and is called property development. In this study, the practice of a real estate investor involves both investment management and development management. This implies that the real estate investor, by means of property development, has influence on its own investment product. Taken the latter into account, with regard to the financial performance of investment funds, it may be argued that the real estate investor is intrinsically motivated to develop properties that are sustainable (Keeping & Shiers, 2004).

Following Keeping and Shiers (2004), the real estate investor is extrinsically motivated to consider CSR as well. In the global real estate investment practice, a growing interest in ‘good governance’ is apparent. This is visible in the increasing use of reporting frameworks such as those of the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC). Other guidelines that are often referred to with regard to good governance are the Sustainable Development Goals of the United Nations and the ISO 26000 Guidance on Social Responsibility. With regard to investment management, reporting on Environmental, Social and Governance (ESG) criteria is prominent for assets in ownership. Moreover, participation in the Global Real Estate Sustainability Benchmark (GRESB) has gained popularity. GRESB is an international industry-driven organization that addresses the sustainable performance of real estate assets. Regarding property development, the attainment of building certificates stands out. Examples of certificates include the Building Research Establishment Environmental Assessment Method (BREEAM), Leadership in Energy and Environmental Design (LEED) and the WELL Building Standard.

METHODOLOGY

This study aims to provide insight in the use of CSR by real estate investors in property development practice. The nature of this objective supports the choice for the case study as method. According to Yin (2003, p. 13), case studies allow for ‘a detailed contextual analysis of a limited number of conditions and their relationships.’ The case study method is used to collect, analyze and compare empirical data. Critics of the case study method put forward that the study of a few cases offers no possibility to establish validity of findings. That is why, in case study research, triangulation of data is necessary. According to Bryman (2016), triangulation is the use of more than one method or source of data in the study of a social phenomenon, so that findings can be cross-checked. When triangulation is applied, the validity

of findings increases. For this reason, different techniques are applied in this study, including document review, semi-structured interviews and participatory observation.

The cases (i.e., real estate investment companies) are chosen from Anglo-Saxon countries, being the USA and Hong Kong, and from a Rhineland country, being the Netherlands. The choice for Anglo-Saxon real estate investors stems from the assumption that companies that do business according to liberal market principles go in front concerning the application of CSR (Matten & Moon, 2008). The choice for a Rhineland country is legitimate now that real estate investors in countries from this model of society increasingly (will be expected to) implement CSR in their business strategies.

Furthermore, the trade-off between scope and depth is necessary to discuss here. By conducting more case studies, more valid conclusions can be drawn (Kantor & Savitch, 2005). However, depth is chosen over scope. The choice for two Anglo-Saxon cases relates to the objective to gain in-depth knowledge on CSR characteristics. Moreover, by selecting (more than) two cases, it is possible to perform a cross case analysis. In the choice for a single Dutch case, depth is chosen over scope as well. Additional document review concerning peers and shareholders of the Dutch real estate investor is used to validate case study findings.

As far as case selection is concerned, the two Anglo-Saxon cases were chosen from a pragmatic point of view. For selection purposes, it was practical that both companies report their use of CSR according to GRI guidelines for some years now (Del Mar Alonso-Almeida, Llach, & Marimon, 2014). Second, both cases are known for information richness based upon their CSR communication outlets. The Rhineland case is selected pragmatically too. For selection, it was important that the Dutch company participates in the GRESB. This enabled comparison with peers in the Dutch real estate asset management sector.

In this study, data from different cases is collected and analyzed. The comparison of Anglo-Saxon and Dutch cases is difficult because the use of CSR is embedded in different contexts. However, according to Pickvance (2001), cases do not have to be identical for comparative analysis. Cases need to be conceptually similar so that they can be studied with the same analytical case study model. That is why we look into CSR (a) on the strategic level of the case companies, (b) on the operational level (i.e., level of construction projects), and (c) concerning institutionalization within business practice.

Based upon the common characteristics of the Anglo-Saxon and Rhineland practices – as far as represented by the selected cases – a CSR maturity model for real estate investors is developed. Drawing up a maturity model is customary in assessing the extent of CSR. For example, the pyramid of CSR is very well known (Carroll, 2016; Ketola, 2014; Masoud, 2017). This paper does not present findings in the form of a pyramid, but graphically depicts a histogram. The histogram enables a maturity assessment of CSR by real estate investors using two axes: level of CSR maturity and development over time.

The CSR maturity assessment of a real estate investor comprises sensitive information. It is understandable that the companies that were studied in close-up would not like the extent of their maturity to be known publicly. Real estate investors are active in a very competitive environment. ‘Benchmarking’ while using individual company names might violate a boundary against unwanted publicity. Therefore, to protect the privacy of the involved companies, their names are anonymized throughout this study to Anchor Investors, Bright Space Real Estate and Clear Site Properties. All three companies are real estate investors involved in property ownership, asset management and property development. Anchor Investors operates in residential and commercial real estate markets in the USA. Bright Space Real Estate operates in residential, commercial, retail and industrial real estate markets in Hong Kong, mainland

China and Singapore. Clear Site Properties operates in residential real estate markets in the Netherlands.

Since merely a limited number of cases is used for this paper, it is difficult to generalize the results. Statements beyond the cases studied cannot be claimed. Therefore, case results will not be used for generalization purposes. Following Gerring (2004), we give precedence of (internal) case comparability over (external) case representativeness. Hence, based on our cross-case findings, implications for the real estate industry and future research can be described.

FINDINGS

Anglo-Saxon cases

In this section, common characteristics of use of CSR by Anglo-Saxon real estate investors are described – as far as represented by the selected cases. Four main characteristics have been found. First, Anchor Investors and Bright Space Real Estate both conduct materiality assessments to identify issues that are material to their business. Material issues reflect the most significant economic, environmental and social impacts of business upon society. Moreover, they reflect the issues on which stakeholders (e.g., shareholders, government partners, buyers, tenants, suppliers and media) expect a company to manage and report. In 2015, Anchor Investors conducted a first formal materiality assessment. Over time, results of this 2015 assessment have been revalidated. Bright Space Real Estate has been conducting annual materiality assessments since 2013. In their 2017 CSR reports, both Anchor Investors and Bright Space Real Estate elaborate on about 20 material issues applicable to business. Both companies have subdivided these issues into four overarching themes related to (1) the (physical) assets in ownership and properties under development (e.g., energy, materials, water and waste), (2) employees (e.g., employee safety, education and diversity), (3) society (e.g., community engagement and partnerships), and (4) governance (e.g., compliance, anti-

corruption and customer satisfaction). Hence, it stands out that only the first theme is related to the actual built environment and thus the product of real estate investment and development. The other three themes are more about the process of doing business in a responsible manner.

Second, based upon selected material issues, Anchor Investors and Bright Space Real Estate both define (a) CSR goals and (b) strategies to achieve these goals. Both companies have proposed a set of performance indicators to track the achievement of goals set. In their annual CSR reports, goals and strategies are listed and illustrated to the public. Studying CSR report publications over time, objectives and targets have been sharpened. Looking at material issues within theme one as indicated above, interestingly, objectives and targets are set for business as a whole – e.g., cut greenhouse gas emissions on construction sites by 3% in two years. Environmental performance data on energy, materials, water and waste is reported on corporate scale and not specified by construction site or asset in ownership.

Third, concerning institutionalization of CSR principles, Anchor Investors has a sustainability department in place since the mid-2000s under leadership of a director of sustainability and responsible business behavior. The department educates employees on material issues, goals and strategies. This in order to translate the companywide CSR policy into the actual work of portfolio managers, asset managers and property developers. Anchor Investors has a CSR advisory committee in place as well, that reports to the sustainability department. During the early 2010s, Bright Space Real Estate established a formal CSR management structure, steered by senior management, in which several CSR sub committees are involved. The CSR management structures of both real estate investors have been setup to devise and improve corporate responsibility goals and strategies, and track progress on set targets.

Next, Anchor Investors has published an annual CSR report since 2012 based upon GRI guidelines. Bright Space Real Estate has published an annual report since 2011 based upon GRI guidelines as well as ESG guidelines by the local Stock Exchange Group. Both real estate

investors participate in the GRESB. Concerning building certification, Anchor Investors aims to obtain LEED (pre) certification for every development project. Bright Space Real Estate strives to obtain provisional Building Environmental Assessment Method (BEAM) Plus certification for residential and commercial development and LEED (pre) certification for commercial development.

Finally, both Anchor Investors and Bright Space Real Estate translate companywide material issues into specific targets and strategies for individual property development projects and for the management of particular assets. To illustrate this, two property development projects are examined. First, in an American mixed-use waterfront (re)development by Anchor Investors, the company's material issues are translated into context-specific objectives and strategies. These are documented in a sustainability plan for property development. This program is aligned with the sustainability ambitions of the partnering local government. Key focus is on the social aspects of livability, health and well-being, balanced with environmental building requirements confirm LEED. Second, in a residential development by Bright Space Real Estate in Hong Kong, companywide material issues are aligned with material issues of government partners. In this project the theme of green building is adopted as guiding principle. Following frameworks of BEAM and LEED building certification, focus points include energy, microclimate and building configuration.

Rhineland case

In this section, common characteristics of use of CSR by Rhineland real estate investors is described – as far as represented by the selected case. For a start, the CSR reporting of peers and requests of shareholders have contributed to Clear Site Properties studying its responsible and sustainable business practice more in detail since the mid-2010s. Clear Site Properties has been exploring ambitions and the necessity to capture investment and development management in CSR reporting for reasons of good governance. Moreover, the company has

been exploring to what extent it should setup a formal CSR policy and management structure to institutionalize the company's ideas on responsible business practice.

In the determination of CSR direction, Clear Site Properties has recognized differences in interest in CSR, and possibilities in the use of CSR, between the development and the investment management department. Employees of the investment management department specifically request a formal CSR statement, policy and reporting activities as shareholders and potential investors frequently enquire about CSR strategies and the sustainability of investment funds and assets. Investment managers indicate they need to have a clear CSR and sustainability story to tell. Development managers, on the contrary, do not emphasize this necessity that much. Development projects are viewed as custom-fit, and therefore a general and sharply outlined CSR direction or policy is difficult to establish. Studying different property development projects by Clear Site Properties, the focus on CSR issues differs. Where the emphasis for one project is on circular building, self-sufficiency for key resources flows (e.g., energy, water and materials), and the use of Building Information Modelling (BIM) technology, the focus for another project is on community involvement, community building, shared mobility concepts and energy storage.

Finally, Clear Site Properties has published a (first) brochure on sustainability for both development and investment management in 2015. For 2016, the frameworks of the United Nations Principles for Responsible Investment, GRI and GRESB are used to report on sustainability achievements of the investment management department only. In the 2017 follow up report, sustainability achievements are reported per individual investment fund. A first formal materiality assessment is performed in 2017, per individual investment fund.

Common characteristics of CSR across cases

Characteristics in use of CSR, seen in all three cases, are now described. First, the determination of company-wide material issues stands out, as well as the translation of material issues to investment management level and property development level. All real estate investors studied use a formal materiality assessment to determine important core business related CSR issues, based upon different disciplines in which the company is involved. Determined material issues form the basis for formulating goals and strategies for business as a whole and for project managers on site. Second, the measurability of goals set is prominent, in the sense that all real estate investors studied aim to formulate CSR goals that are specific and measurable. Quantifiable goal setting is a necessity towards finding and operationalizing solutions. The maturity of goal setting and linking performance indicators differs among the real estate investors studied. Third, with regard to institutionalizing the notion of CSR within business practice, it stands out that all investors studied aim to find a CSR management structure that fits the company. Finally, it is remarkable that several existing CSR and sustainability certification methods, benchmarks and reporting guidelines are used to organize corporate information and data. It provides the real estate investors insight in own behavior, impacts and activities, and appears to function as a structuring device for setting up CSR policy.

Maturity of CSR across cases

Characteristics in use of CSR, seen in all three cases, are identified in the previous section. Subsequently, the maturity of use of CSR by the three real estate investors studied is examined in this section. This is done by means of a maturity model, which builds on the cross-case CSR characteristics found. The model focusses on process maturity – i.e., the extent to which the use of CSR is explicitly defined, managed and tracked by a real estate investor. Maturity is represented as a number of prototype stages where higher stages build on the requirements of lower stages, with 5 representing high maturity and 1 low maturity. The names of the stages are

adapted from a maturity model by Morgan (2012): (1) unaware, (2) exploratory, (3) defined, (4) adoptive and (5) adaptive – see Figure 1.

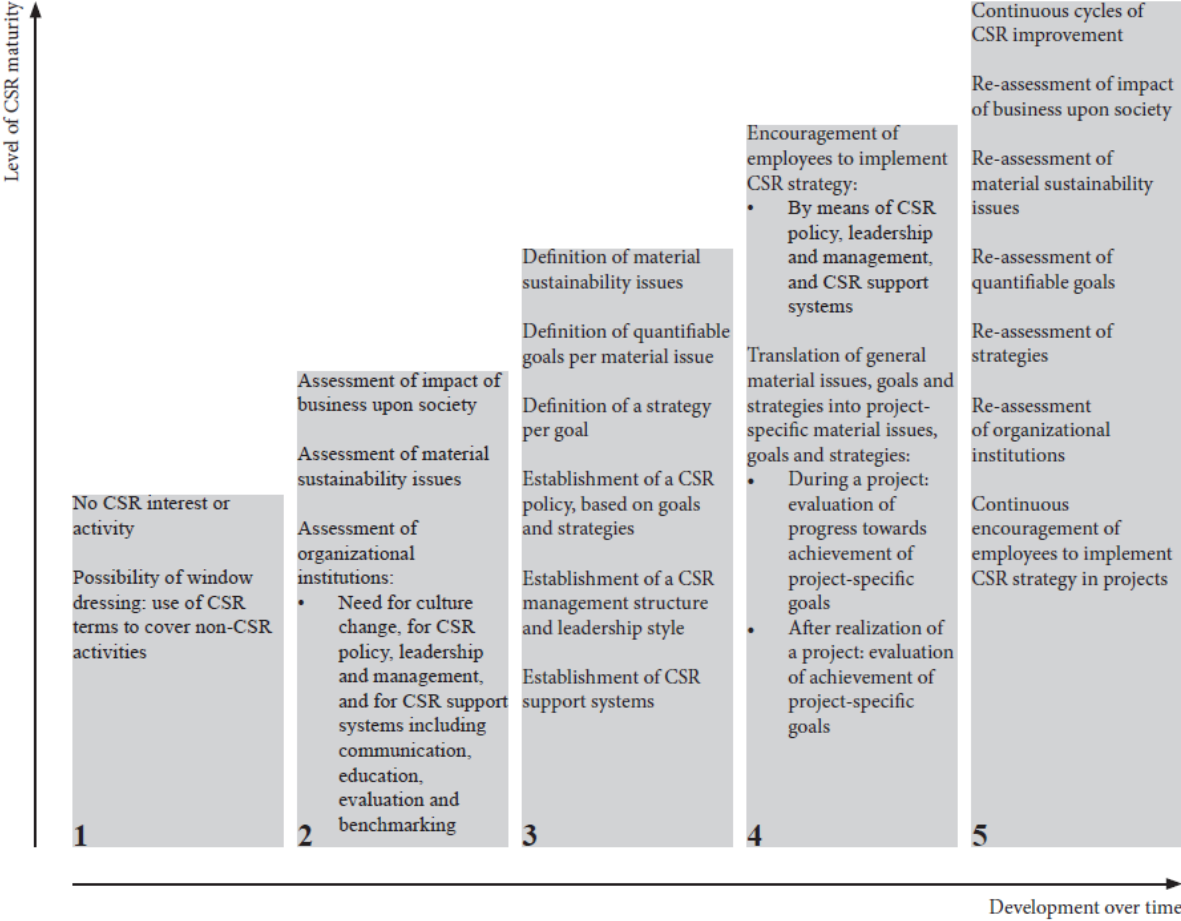


Figure 1 Maturity model for CSR

In stage 1 the company does not know what CSR means and implies. The company does not show real CSR interest, dedication or activity. In stage 2 the company spends time researching and understanding what CSR is and how it may affect business. The company starts to see the possibilities of CSR and how it can be implemented in practice. Ideas of CSR begin flowing. In stage 3 the company is aware of what CSR means and implies for business. A clear CSR direction and strategy including a selection of material issues and measurable goals is defined. Subsequently, the company shares this strategy with employees. In stage 4 the company is in the full process of CSR strategy implementation. Per project (whether related to investment

management or project development) the general CSR strategy is translated into a project-specific CSR strategy. Progress towards the achievement of goals is evaluated and possibly benchmarked, and feedback is collected from employees. Finally, stage 5 is a continuous cycle of improvement and evolution and therefore not an end stage. Note that the company might regress into previous stages if, for example, employee feedback and performance data from projects are not incorporated into future CSR efforts.

Returning to the real estate investors under study, different levels of CSR maturity are noticed. Anchor Investors is aware of what CSR means and implies for business. The company is busy defining a CSR direction and strategy. The first formal materiality assessment has provided guidance for the quantifiable goal setting process. Institutionalization of CSR is guided by the sustainability department and the CSR committee. In the maturity model Anchor Investors is transitioning between step 3 and 4. Second, Bright Space Real Estate's annual materiality assessments provides guidance for continuous improvement of the goal setting process and strategy formation. Annual progress on goal achievement is tracked. Bright Space Real Estate can be positioned in stage 5. Clear Site Properties is still exploring its CSR possibilities and which ambitions to set. For the investment management department, reporting-wise, a start has been made. A first material assessment has been performed, and existing reporting frameworks have been studied to guide CSR reporting. Clear Site Properties can be positioned in between step 2 and 3.

CONCLUSIONS AND IMPLICATIONS

In this study, the implementation of CSR principles by three real estate investment companies is studied. The focus was on three levels of analysis: the strategic and operational use of CSR and CSR institutionalization within business practice. Central to this study was the following research question: *How do real estate investors use CSR to develop sustainable properties?* The answer to this question is given in the form of three main conclusions.

First, a number of common characteristics are found in the use of CSR by real estate investors. We found that the case companies (a) use formal materiality assessments to determine core business-related CSR issues, (b) aim to formulate CSR goals that are distinctive and measurable, (c) strive to find a CSR management structure that fits the company's characteristics, and (d) use existing CSR and sustainability reporting and certification guidelines as structuring devices for CSR policy setup.

Second, it became apparent that only part of the materiality issues determined by the case companies relate to the actual built environment. Since the cases represent real estate investors, one may be inclined to think that almost all materiality issues would relate to properties, those being the end product of business activity. This assumption proves to be inaccurate. Yet, we argue that for real estate investors, to a large extent, sustainability is realized through the environmental friendliness of the properties they develop. Therefore, to impact the degree of sustainability of properties, materiality issues relating to the built environment (e.g., energy, materials, water and waste) need to be well-represented in CSR policy.

Third, we were able to create a maturity model of CSR which shows (a) where an organization stands in terms of CSR development and (b) the steps that can be taken by an organization to achieve a more mature state of CSR. In this respect, the maturity model can be used by real estate investors in practice both as a tool of self-assessment and as a stimulus to a further development of CSR. The CSR maturity model illustrates that the cases rooted within the Anglo Saxon model of society are more developed as compared to the case rooted in the Rhineland model. This finding is in line with Matten and Moon (2008) claiming CSR ideas and principles took hold in Anglo Saxon countries before Rhineland countries.

Following these conclusions, we respectively identify an opportunity and two threats, which specifically refer to CSR within the real estate sector. As far as the opportunity is concerned, it is promising that the cases point out that real estate investors are highly interested in obtaining

sustainability certificates like BREEAM and LEED. On the one hand, receiving such certificates is commercially attractive. On the other hand, we argue that certificates, as well as reporting frameworks like the GRI, stimulate real estate investors' thinking about the bigger picture – acting socially responsible. In other words, certificates and reporting frameworks function as a catalyst for CSR thinking. Hence, we have reason to believe that the attractiveness of certificates and reporting frameworks stimulates the emergence of a broader CSR policy within the real estate industry.

As far as the threats are concerned, in the Dutch case, we observed a difference between reception of CSR policies by business management and development management divisions. CSR was positively received by (strategic) business management. However, 'on the ground', development managers lacked enthusiasm. This is due to the diversity of activities (e.g., sales, lease, asset management and construction) in which the real estate investor is involved. Such a gap may disrupt the implementation of the general CSR policies in practice. A second threat relates to the origins of CSR. In the Dutch case, the main impetus for CSR was an external push: the companies' shareholders asked for the introduction of CSR policy. Yet, we argue that if an intrinsic motivation for CSR lacks, it will not fully be supported. Under these circumstances, there may be reporting activities according to guidelines, but it will likely have little effect on the sustainability of the company's products. This enlarges the danger of CSR being nothing more than an empty shell.

Finally, we do not aim to use the case results for generalization purposes. Instead, a proposition is generated, stimulating further research. The maturity model holds several maturity stages of use of CSR. We suggest that the maturity of use of CSR relates to the extent to which the impact of business practice upon society is optimized. This implies a continuous process of measuring the impact of business upon society, selecting material sustainability issues, setting quantifiable sustainability goals, formulating strategies to achieve these goals and implementing these

strategies into business practice. With this, implicitly, it is suggested that the use of CSR by real estate investors contributes to the development of sustainable properties. However, up till now, there is no clear evidence to support this suggestion. That is why, based on our study, we generate the following proposition: The more mature the use of CSR by real estate investors, the more sustainable the output of the real estate investors (i.e., the property portfolio) is. Testing of this proposition is relevant now that, in essence, the delivery of a sustainable built environment is a key task for the real estate industry. Thus, CSR in the real estate sector is as much about responsible business management as it is about sustainable properties. Here lies a challenging task for further research and practice.

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FIGURES

Figure 1: Maturity model.