Principles, Processes And Practices In Responsible Provision Of Gambling: A Conceptual Discussion

Nerilee Hing

Abstract

This paper develops a definition and conceptual framework of responsible provision of gambling that integrates three central constructs in the corporate social performance literature. It depicts responsible provision of gambling as the congruence between the socially responsible principles, socially responsive processes and socially desirable practices that gambling operators pursue and those expected by their key stakeholders in managing the social impacts of gambling. The framework therefore provides some theoretical underpinnings to clarify the meaning of responsible provision of gambling and to facilitate its implementation in order to inform scholarly research and applied initiatives. Some potential research applications of the framework are discussed.

Key Words: Responsible provision of gambling, corporate social performance, social impacts, gambling operators

Introduction

The expansion of commercial gambling in many jurisdictions has been accompanied by increased concern for its negative social impacts. While ‘traditional’ social concerns about gambling have been categorized as relating to moral opposition, criminal involvement and problem gambling (Eadington, 1996), it is the latter which has received the most vocal attention from the media, community service organizations, public interest advocates, academics and other stakeholders calling for better harm minimization and consumer protection measures in gambling. In response to such criticisms, many gambling providers have now introduced responsible gambling programs and policies to improve their public image, forestall more stringent legislation and protect themselves from litigation. Examples include the responsible gambling programs operating in U.S casinos since the mid-1990s (American Gaming Association, 1996:245) and over 30 voluntary codes of practice in Australia (Hing, Mackellar, and Dickerson, 2001).

However, while responsible provision of gambling increasingly has been discussed, advocated and advanced in recent years, comparatively little attention has been given to theoretical underpinnings that might clarify its meaning and facilitate its implementation. Yet this is an important consideration, given the often-controversial debates over how gambling is managed, marketed and operated and the absence of ideal or universally accepted benchmarks by which gambling operators might conduct their business in a socially responsible manner.

This paper draws on central concepts in the corporate social performance literature to develop a conceptual framework for responsible provision of gambling to clarify what it entails and to facilitate efforts to evaluate and develop responsible gambling initiatives. Theoretically, responsible provision of gambling can be viewed as a subset of
the broader field of corporate social performance, which is concerned with how organizations manage their social impacts. However, both the scholarly literature and applied responsible gambling initiatives appear largely to have overlooked the potential theoretical direction this field can offer. Thus, this paper firstly reviews key developments in the corporate social performance field to establish their relevance for responsible provision of gambling. Three central constructs - corporate social responsibility, corporate social responsiveness and corporate social outcomes - are then incorporated into a definition and framework of responsible provision of gambling. The framework accommodates the need for explanatory value, evaluative criteria and conceptual clarity in empirical research. Some potential research applications of the framework are then discussed.

Central Concepts in the Corporate Social Performance Literature

Litz (1996) notes that contemporary discourse on corporate social responsibility began amidst the affluence of 1950s post-war America, advocating that corporations accept social obligations arising from their prominent and powerful position in society. However, moral contemplation of corporate social responsibility was supplemented in the 1970s by the more action-oriented corporate social responsiveness. Since the 1980s, an expanded framework of corporate social performance has been proposed, integrating concepts of corporate social responsibility, corporate social responsiveness, and corporate social outcomes as the grounding principles, processes and outputs that comprise the study of corporate-society relationships. The following review of theoretical developments is structured according to these three orientations to provide theoretical direction for clarifying the concept of responsible provision of gambling.

Principles of Corporate Social Responsibility

While the rationale for corporate social responsibility had gained some clarity by the mid-1970s, early conceptualizations of its nature typically were ‘amorphous and fuzzy’ (Buchholz, 1991). Definitions such as pursuing the ‘objectives and values of society’ (Bowen, 1953), fulfilling ‘expectations of the public’ (Frederick, 1960), adhering to ‘ethical principles’ (Eells and Walton, 1961), meeting obligations ‘beyond’ economic and legal obligations (McGuire, 1963) and accomplishing ‘social benefits’ (Davis, 1973) provided few normative guidelines for managerial behavior. The operational meaning of corporate social responsibility remained extremely vague (Sethi, 1975), providing little guidance for what should be done beyond ‘something more’ than generating profits (Ackerman and Bauer, 1976). However, from the mid-1970s, efforts to define the concept more precisely aimed to identify the types of social responsibilities a firm might have.

For example, Steiner (1975) conceptualized corporate social responsibilities as a continuum, from ‘traditional economic production’ to ‘government dictated’ to a ‘voluntary area’ and lastly to ‘expectations beyond reality’. His definition was amongst the first to explicitly incorporate economic, legal and voluntary domains, as did Frederick’s contention that corporate social obligations may affect corporate operations and profits either positively or negatively and be discharged voluntarily or coercively through government directives (1978/1994). The Committee for Economic Development (1971) recognized three levels of social responsibility - (1) ‘clear-cut basic responsibilities for the efficient execution of the economic function’; (2) ‘responsibility to exercise this economic function with a sensitive awareness of changing social values and priorities’; and (3) ‘newly emerging and still amorphous responsibilities that business should assume to become more broadly involved in actively improving the social environment’. In agreement with Preston and Post (1975), this definition
explicitly acknowledged that, as society’s expectations changed, so would an organization’s social responsibilities.

One conceptualization that proved resilient was proposed by Carroll (1979). He considered the social responsibility of businesses to encompass ‘the economic, legal, ethical and discretionary expectations placed on organizations by society at a given point in time’ (1979). Carroll noted that the ‘first and foremost’ social responsibility of business is economic, to produce goods and services which consumers want at an acceptable level of profit (1979, 1991). However, because society lays down laws and regulations under which business is expected to operate, organizations also have legal responsibilities as part of their social contract (1979, 1991). While certain ethical norms about fairness and justice are embodied in economic and legal responsibilities, Carroll (1979, 1991) maintained that additional ethical behaviors are expected of business, and embody ‘those standards, norms, or expectations that reflect a concern for what consumers, employees, shareholders, and the community regard as fair, just, or in keeping with the respect or protection of stakeholders’ moral rights’ (1991). The fourth domain, discretionary responsibilities, encompasses voluntary corporate actions in response to society’s expectation that businesses be good corporate citizens, and promote human welfare or goodwill by contributing resources to the community to improve quality of life (1991).


These principles of corporate social responsibility appear relevant for gambling operators in managing their social impacts. Their prioritization of economic, legal, ethical and discretionary objectives appears likely to influence how reticent or proactive they are in responsible provision of gambling. For example, gambling operators concerned only with economic ends would likely reject initiatives that threaten the popularity and profitability of their gambling facilities, such as limited advertising and inducements to gamble, or restricted access to cash. In contrast, those prioritizing ethical behavior and good corporate citizenship would more likely embrace such strategies. Further, the literature on corporate social responsibility emphasizes that social obligations are linked to societal values and expectations, and that these change over time. The recent heightened pressure on gambling operators to be more responsible providers of gambling demonstrates that the social responsibility of gambling operators is defined by external stakeholders and that these have not remained static but have evolved to attract unprecedented attention. Additionally, the corporate social responsibility literature emphasizes that meeting social responsibilities requires business to undertake voluntary and ethical actions beyond those dictated by law, regulation and corporate economic concerns. Similarly, gambling providers are unlikely to be considered responsible providers of gambling unless they transcend economic priorities and the usual legal prohibitions on underage gambling and credit betting to also adopt voluntary and ethical practices aimed at harm minimization and consumer protection.

Meeting social responsibilities requires business to undertake voluntary and ethical actions beyond those dictated by law, regulation and corporate economic concerns.
many scholars turned to the more promising concept of corporate social responsiveness to focus attention on processes organizations might use to identify, prioritize and develop appropriate responses to their social obligations.


Ackerman’s (1975) work was particularly influential, describing three characteristic behaviors of a responsive firm - (1) monitoring and assessing environmental conditions; (2) attending to stakeholder demands; and (3) designing plans and policies to respond to changing conditions. This categorization reflected growing acknowledgement that continual adaptation to environmental change was essential to business survival. Applying this ecological concept to the business sector emphasized the importance of environmental monitoring to corporate strategic management. Catalyzed by turbulent social and political changes (Wood, 1991) and recognition that environmental uncertainty was a central problem for organizations (March and Simon, 1958; Thompson, 1967), several influential works encouraged an interest in what Strand (1983) later labeled ‘boundary-spanning activities’ (Wood, 1991).

Ackerman’s (1975) categorization also foreshadowed later scholarly attention to stakeholder management, defined as ‘the process by which managers reconcile their own objectives with the claims and expectations being made on them by various stakeholder groups’ (Carroll, 1991). Numerous scholars have focused on processes firms use to manage stakeholder relationships (Clarkson, 1988, 1991, 1995; Gray, 1989; Carroll, 1991; Waddock and Mahon, 1991; Waddock and Post, 1995). For example, Carroll (1991) identified five components in the process - identifying stakeholders, their stakes, the opportunities and challenges presented, corporate social responsibilities to them, and strategies, actions and decisions to best deal with these responsibilities. In contrast, Clarkson (1995) advocated a seven-step approach - developing (1) an inventory of stakeholders cross-referenced with issues and concerns; (2) an inventory of social issues and concerns cross-referenced with stakeholders; (3) a comprehensive statement of the firm’s responsibilities to each stakeholder; (4) an action plan for managing these responsibilities; (5) a statement of stakeholder responsibilities to the firm; (6) codes of conduct for relevant stakeholder groups; and (7) a monitoring system for evaluation and feedback.

Ackerman’s (1975) third characteristic behavior of a responsive firm, designing plans and policies to respond to changing conditions, drew attention to organizational mechanisms aimed at responding to environmental change and stakeholder demands and expectations. These include structural changes such as new departments, committees or specialists to assist the firm in dealing with social issues, and intangible mechanisms such as formal policies, organizational development activities, changes in personnel practices and reward structures to modify management goals and values (Strand, 1983). In short, these were mechanisms to manage issues which environmental and stakeholder monitoring identified as important to a firm’s continuing survival and prosperity.

Thus, the corporate social responsiveness literature helped focus attention on processes of interaction, emphasizing anticipatory behavior, direct participation in the public policy process, and internal change in corporate structure and practices, rather than ad hoc reactions to external developments (Preston, 1990). The goal was to change the way firms make decisions, not simply the decisions themselves (Preston, 1990).
The corporate social responsiveness literature appears relevant to gambling operators in managing their social obligations by highlighting the importance of anticipatory mechanisms, stakeholder involvement, and internal change in organizational practices so that external changes with potential to affect their future prosperity can be continually identified, evaluated and acted upon. That is, gambling operators are unlikely to meet stakeholder expectations in responsible provision of gambling if they establish and pursue their organizational policies in ignorance of external pressures and stakeholder demands and if they have limited mechanisms to identify these. Such an approach risks considerable social backlash and public criticism. Further, awareness of environmental trends and collaboration with stakeholders would assist gambling operators to develop the most appropriate response mechanisms in responsible provision of gambling. Such boundary spanning activities could, for example, provide expert input on ways to minimize harm or protect consumers in gambling.

Outcomes of Corporate Social Behavior

While early proponents of corporate social responsiveness (Ackerman, 1975; Sethi, 1975, 1979; Ackerman and Bauer, 1976) considered it a ‘genuine replacement’ for corporate social responsibility (Frederick, 1978/1994; Wartick and Cochran, 1985), its shortcomings in managing, researching and explaining corporate-society relationships were later identified (Frederick, 1978/1994; Carroll, 1979; Wartick and Cochran, 1985; Wood, 1991). Along with principles of social responsibility and processes of social responsiveness, outcomes of the social behavior of firms also needed consideration in managing social obligations.

Early debate over principles of corporate social responsibility largely arose from the juxtaposition of two key philosophies - the fundamentalist view of business and the social contract view. While the former focused on economic benefits as the only required outcome of business (Wood, 1991), the latter contended that the impacts of business, and therefore its responsibilities, were inevitably broader. Thus, corporate social impacts, and ways to manage and respond to these, remained at the core of efforts to meet these broader responsibilities. After all, it was actual corporate behavior and its subsequent social consequences, which initially had sparked attention to corporate-society relationships. However, inherent difficulties in isolating the social impacts of business (Post, 1978/1990; Tuzzolino and Armandi, 1981; Strand, 1983; Jones, 1983) led to an expanded framework of corporate social outcomes to also include corporate social policies and programs (Wartick and Cochran, 1985; Wood, 1991a). That is, when underpinned by socially responsible principles and processes, corporate social policies and programs provide the dominant mechanisms for firms to manage their social impacts to the satisfaction of their stakeholders (Wood, 1991a).

In responsible provision of gambling, the importance of developing and implementing appropriate policies and programs is heightened for gambling operators due to inherent difficulties in identifying and measuring the incidence and severity of gambling-related problems, particularly those accruing from specific gambling venues. Thus, the social performance of gambling operators is more likely judged by stakeholders according to the existence and perceived adequacy of more visible policies and programs, than by a less recognizable increase or decrease in their social impacts. Thus, the quality and effective implementation of responsible gambling policies and programs would seem an important consideration for gambling operators if they are to be considered responsible providers of gambling.

A Conceptually Based Definition of Responsible Provision of Gambling

The preceding review of key concepts in corporate social performance emphasizes that managing social obligations requires corporate attention to related principles, processes and outcomes. The normative overtones of the literature suggest that if a
firm's management of social concerns is motivated by socially responsible principles, incorporates socially responsive processes, and involves socially desirable outcomes, then its social obligations will be discharged. Further, socially responsible principles, processes and outcomes primarily are defined by society at large, or in the case of a particular social concern, by key stakeholders. That is, corporate social performance is a subjective construct dependent on its interpretation by an organization's constituencies.

In consideration of these central concepts that underpin corporate social performance, a related definition of responsible provision of gambling can now be identified as:

'...the conduct of gambling in a manner that meets key stakeholder expectations for socially responsible principles, socially responsive processes and socially desirable outcomes in managing the corporate social impacts of gambling.'

This definition clarifies the aim of responsible provision of gambling as managing the gambling operator's social impacts and acknowledges that achieving this aim requires corporate attention to related principles, processes and outcomes. Further, the definition emphasizes that whether this aim is achieved or not, and therefore the organization's corporate social performance in responsible provision of gambling, is judged by the firm's key stakeholders.

The above definition forms the basis for developing a conceptual framework of responsible provision of gambling. However, before undertaking this task, prominent general models of corporate social performance are reviewed to assess their utility in empirical research into managing the social impacts of gambling.

Prominent Models of Corporate Social Performance

Four multi-dimensional models of corporate social performance incorporating some or all of the three central constructs of principles, processes and outcomes have dominated the literature. However, three of these (Carroll, 1979; Wartick and Cochran, 1985; Wood, 1991a) are of limited empirical utility because they do not provide normative guidelines or depict corporate social performance as explicitly related to stakeholder expectations. While they have potentially strong descriptive powers, they do not have explanatory or evaluative powers, and so are unsuitable frameworks to structure empirical research into responsible provision of gambling.

The only multi-dimensional model incorporating evaluative criteria by which to assess or improve a firm's social performance (Zenisek, 1979) conceptualizes it as the degree of fit between 1) societal expectations and what a firm's managers consider to be legitimate societal demands, and 2) societal expectations and a firm's actions. Key strengths of Zenisek's (1979) model are its integration of previous conceptual developments, its evaluative emphasis and its potential for empirical and practical application. His model integrated principles of corporate social responsibility with outcomes of corporate behavior and provided a basis for evaluating corporate social behavior in terms of meeting expectations of 'prime beneficiary groups' (Blau and Scott, 1962) or what are now more commonly termed stakeholders. Further, if managerial attitudes, organizational behaviors and societal expectations are measured and compared, the model can evaluate a firm's corporate social behavior, assess the degree of fit between societal expectations and organizational practice, and identify areas of change required for attitudinal and behavioral congruence. Zenisek's (1979) model is shown in Figure 1.
However, a shortcoming of Zenisek’s (1979) model is that it includes only two of the three key facets of corporate social performance, ignoring the role of socially responsive processes in how organizations manage their social impacts. Further, it does not make explicit any possible sub-elements of these facets that might facilitate empirical research. Taking into account conceptual developments in corporate social performance and the perceived strengths and weaknesses of corporate social performance models, the ensuing section now develops a conceptual framework of responsible provision of gambling.

Developing A Conceptual Framework Of Responsible Provision Of Gambling

For optimum use within the limits of empirical research, a conceptual framework of responsible provision of gambling needs to have explanatory value, evaluative criteria and conceptual clarity. These considerations are discussed below before the framework is presented.

Addressing the Need for Explanatory and Evaluative Value

As noted earlier, the social impacts of gambling generally defy precise measurement and therefore are an inappropriate basis for evaluating or explaining the corporate social responsibility of gambling operators. For example, measuring problem gambling, a primary concern in responsible provision of gambling, is compounded by difficulties of defining the concept, of developing a valid instrument to measure its prevalence, and of measuring its effects. Additionally, it may take many years for problem gambling to manifest and for remedial corporate actions to influence gambling behavior. Further, it is extremely difficult to identify one gambling operator’s impacts in a community amongst the myriad actions of other gambling operators and wider societal influences.

Alternatively, the corporate social performance of gambling operators might be explained and evaluated according to their implementation of effective responsible gambling practices. However, ideal practices are unclear in gambling (Productivity
Commission, 1999). That is, while certain practices such as product warnings, truth in advertising or self-exclusion from gambling venues may reduce impacts such as problem gambling, there is no proof that they do. Thus, measuring a firm’s corporate social performance by its adherence to ideal practices in responsible provision of gambling is not a valid approach.

Thus, in the absence of more precise indicators, a suitable measure of an organization’s social performance in responsible provision of gambling is adherence to the expectations of key stakeholders. This view is premised on the arguments of many scholars who contend that a firm’s social responsibilities are defined by societal expectations and that corporate social performance can be judged by comparing exhibited corporate behaviors and attitudes with societal norms (for example, Bowen, 1953; Eells, 1960; Frederick, 1960; Preston and Post, 1975; Carroll, 1979; Zenisek, 1979). More specifically, it emphasizes the importance of stakeholders in determining what social responsibilities a firm has and how it should meet them (Freeman, 1984; Freeman and Liedtka, 1991; Clarkson, 1995). This approach recognizes that, when a judgment about corporate social performance is made, it is ultimately made by a key stakeholder (Freeman, 1984), or a dominant coalition of stakeholders (Cyert and March, 1963), outside the firm (Waddock and Mahon, 1991). That is, social performance usually is judged according to the congruence between stakeholder expectations and organizational behavior. This view also is consistent with predominant theories in the field of issues management, which propose that expectational gaps amongst key stakeholders, including business organizations, are critical to the emergence of social issues, with failure to close these gaps prolonging an issue’s lifecycle (Eyestone, 1978; Starling, 1980; Mahon, 1989; Carroll, 1993). Further, this approach recognizes the importance of stakeholder perceptions to a firm’s survival and prosperity. Thus, examining the congruence between the behavior of gambling operators and the expectations of their key stakeholders appears a valid approach to assessing their social performance in responsible provision of gambling.

In summary, lack of explanatory and evaluative criteria in most prominent models of corporate social performance (Carroll, 1979; Wartick and Cochran, 1985; Wood, 1991a) can be overcome by adopting stakeholder expectations as the benchmark against which the social performance of gambling operators can be judged, a perspective promoted by Zenisek (1979). The discussion now turns to a second concern in developing the framework – the need for conceptual clarity.

**Addressing the Need for Conceptual Clarity**

As noted above, stakeholders may rely on an organization’s adherence to socially responsible principles in judging its social performance. Wood (1991a) depicted these as an institutional principle of legitimacy, an organizational principle of public responsibility, and an individual principle of managerial discretion. Wood argued these represent underlying motives for a firm’s corporate social behavior. However, given that congruence with stakeholder expectations appears the most appropriate criterion for evaluating the social performance of gambling operators in responsible provision of gambling, it is questionable whether these principles have relevance for stakeholders outside the firm. An earlier conceptualization of corporate social responsibility as encompassing economic, legal, ethical and discretionary domains (Carroll, 1979; Wartick and Cochran, 1985) has more relevance to both stakeholders and gambling operators. For example, some stakeholders, such as shareholders and investors, may expect gambling operators to adhere only to economic principles in managing their social impacts.

Regulatory agencies may be concerned primarily with legal compliance. Consumer
Consumer rights organizations, public interest bodies and welfare organizations are more likely to expect gambling operators to embrace ethical principles. While Carroll (1979) and Wartick and Cochran (1985) depicted social responsiveness as reactive, defensive, accommodative or proactive, Wood (1991) argued these were categories, not processes, of responsiveness.

Drawing on Ackerman's (1975) work, Wood (1991) depicted corporate social responsiveness as comprising environmental assessment, stakeholder management and issues management, reflecting the need for organizations to handle information, people and groups, and social issues and events, respectively (Wood, 1991). However, given the generally broader application of the term 'issues management' than the restricted meaning intended by Wood (1991), the last dimension may be better conceptualized as organizational response mechanisms. Thus, the conceptual framework depicts social responsiveness mechanisms of environmental assessment, stakeholder management and organizational response mechanisms as informative in studying responsible provision of gambling, being the means by which gambling operators translate their corporate social principles into organizational practices aimed at managing the social impacts of gambling. Further, in the absence of ideal processes of responsiveness in responsible provision of gambling, the appropriateness of these is depicted as their congruence with key stakeholder expectations.

For the third key element included in the research framework, corporate social outcomes, the framework will not propose measuring the social impacts of gambling operators for reasons already discussed. Instead, and consistent with the view that stakeholders judge an organization's social performance on actions it takes to address a social issue, corporate social outcomes are depicted in the framework as comprising social policies and programs to manage the social impacts of gambling. However, these are not compared to any ideal policies and programs, but to stakeholder expectations of the nature, content and implementation of these.

Figure 2 depicts the conceptual framework of responsible provision of gambling, incorporating the three core elements of corporate social principles, corporate social responsiveness and corporate social outcomes, along with their sub-elements as identified above.
Potential Applications of the Conceptual Framework of Responsible Provision of Gambling

Potential research applications of Figure 2 are now discussed for three types of empirical studies. These are included for illustrative purposes only, rather than representing all possible applications.

Explaining the Emergence of Responsible Provision of Gambling as a Social Issue

Central to Figure 2 are the evaluative criteria allowing the degree of congruence to be identified between organizational performance and stakeholder expectations. The issues management literature refers to such incongruence as an ‘expectational gap’ between actual corporate performance and that desired by important stakeholders (Wartick and Mahon, 1994). That is, expectational gaps represent inconsistencies amongst societal or stakeholder views of what is, and what ought to be, corporate behavior (Jacoby, 1971; Ackerman, 1973; Post, 1978). Further, the existence of expectational gaps underlies various models of an issue lifecycle that depict issues as moving over time through stages relating to stakeholder attention (Eyestone, 1978; Starling, 1980; Mahon, 1989; Carroll, 1993). In all stages, an expectational gap must be
An expectational gap must be present for a corporate social issue to exist. Three types of change have been proposed as opening and expanding expectational gaps, thus initiating and progressing an issue through its lifecycle - a change in corporate performance while stakeholder expectations remain the same; a change in stakeholder expectations while corporate performance remains the same; or a change in both, but in divergent ways or at different rates (Wartick and Mahon, 1994).

Thus, the framework in Figure 2 could structure an historical investigation of the emergence of responsible provision of gambling as a social issue through tracking the appearance, widening or narrowing of expectational gaps between the principles, processes and outcomes in responsible provision of gambling by gambling operators and those expected by their key stakeholders, such as governments and pressure groups. For example, changing government stances could be tracked through identifying principles underpinning government policies on gambling, their processes for stakeholder input into policy via public inquiries, and their outcomes in terms of legislation and regulations. Changing pressure group stances could be tracked through historical documents presenting their key arguments for gambling reform, their input into gambling policy and their actions in pressuring governments and gambling operators. The changing stances of governments and pressure groups could then be compared to the actions of gambling operators and the principles that appear to underpin their actions in responsible provision of gambling. These actions might include those that advance responsible provision of gambling, such as codes of practice, responsible gambling programs and assistance for problem gambling support services, or actions that impede responsible conduct of gambling, such as irresponsible advertising, unethical inducements to gamble or illegal practices.

Assessing the Corporate Social Performance of Gambling Operators in Responsible Provision of Gambling

The elements in Figure 2 could be operationalized to assess the contemporary performance of gambling operators in responsible provision of gambling. For example, an adaptation of Aupperle’s (1982) corporate social orientation instrument to apply to gambling could investigate the priority given by gambling operators and their stakeholders to economic, legal, ethical and discretionary principles in gambling operations. Similarly, the existence and nature of various processes, policies and programs to enhance corporate social responsiveness and socially responsible outcomes in responsible provision of gambling could also be quantitatively identified. Qualitative research would then be valuable in supplementing these findings with more in-depth data. Comparison between the principles, processes and outcomes adopted by gambling operators and those expected by their stakeholders would then provide a comprehensive assessment of the former’s social performance in responsible provision of gambling. Such an approach has been taken to assess the corporate social performance of registered clubs in New South Wales Australia (Hing, 2000; 2001), which are major providers of machine gambling.

Providing Direction for Policies and Programs in Responsible Provision of Gambling

Given that corporate social performance is a subjective construct judged primarily by external stakeholders, a first step in developing responsible gambling policies and programs is to identify principles, processes and outcomes advocated by influential stakeholder groups. These might include welfare, community and social service agencies, employees, investors, gamblers, problem gamblers, governments and special interest groups. Such consultation may well reveal a myriad of principles supported in
responsible conduct of gambling, such as harm minimization, consumer protection, legal compliance, fair trading, accountability and integrity. While the task of reconciling these with the usual corporate objectives of profit maximization remains difficult, identifying the principles advocated by stakeholders is a first step in developing policies and programs that are genuinely socially responsible. Further, once these goals or ends are clarified, the task of developing processes, policies and programs to achieve them is facilitated.

Identifying the social responsiveness processes advocated by stakeholders also is necessary in developing policies and programs in responsible provision of gambling. In fact, this stakeholder consultation can form part of the gambling operator’s social responsiveness processes. As discussed earlier, stakeholder input is valuable in assessing environmental conditions, in assisting the organization to manage the often-diverse pressures stakeholders exert on the organization and in providing inputs to the response mechanisms adopted. For example, this might occur via stakeholder inclusion on advisory committees or more informal liaison with gambling operators. Such ongoing input appears desirable, given the changing nature of corporate social performance as interpreted by an organization’s key constituencies.

Finally, identifying stakeholder expectations of responsible gambling policies and programs, that is corporate social outcomes, can assist in ensuring they are judged as socially responsible. Because gambling operators are typically not experts in areas such as harm minimization, consumer protection and fair-trading, stakeholder input can help to translate such principles into workable and effective strategies for gambling operators. These strategies might include cautionary signage about problem gambling, more comprehensive product information, limits on access to cash for gambling, self-exclusion schemes and advertising guidelines.

**Conclusion**

This paper has drawn on central concepts in the corporate social performance literature to develop a conceptual framework of responsible provision of gambling. In doing so, it has attempted to provide some theoretical underpinnings that might inform related scholarly research and applied initiatives. The framework interprets responsible provision of gambling as a subset of the broader field of corporate social performance, which is concerned with how organizations manage their social impacts. It depicts responsible provision of gambling as the congruence between the socially responsible principles, socially responsive processes and socially desirable outcomes that gambling operators pursue and those expected by their key stakeholders in managing the social impacts of gambling. The research potential of the framework was demonstrated by identifying its possible application in explaining the emergence of responsible provision of gambling as a social issue, in assessing the performance of gambling operators in responsible provision of gambling, and in developing responsible gambling policies and programs. However, additional empirical uses and refinement of the framework might represent avenues for further research. Certainly, one inherent difficulty that needs to be overcome lies in identifying relevant stakeholders and their expectations, especially when divergent views might be held both within and amongst various stakeholder groups.

There is the additional challenge of deciding which stakeholders’ expectation should receive priority if there are competing claims. As such, the framework presented in this paper may require modification on a case specific basis to take into account such variations. Nevertheless, it is hoped that it provides some broad directions for future research and contributes to clarifying some fundamental concepts in responsible provision of gambling.
References


Principles, Processes And Practices In Responsible Provision Of Gambling: A Conceptual Discussion