Corporate Commitment to Diplomatic Efforts: A Case Study of Corporate Diplomacy in Germany

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Jacob Martin Teetzmann

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Abstract

This qualitative study on the concept of corporate diplomacy investigates the attitudes towards, views, and the practice of diplomatic characteristics by German transnational corporations as a strategic management function. The research conducted advances past research about corporate diplomacy in different national contexts. The study used semi-structured long interviews to collect data and analyzed the findings using the grounded theory approach by Corbin and Strauss (2015). Even though findings showed a lack of knowledge of the term corporate diplomacy, the overall findings revealed a rather conscious implementation of corporate diplomacy in form of a general corporate social responsibility strategy into the corporate structure of German international operating corporations. Furthermore, results showed that German corporate executives have an understanding of corporate social responsibility as a management strategy, to not only enhance the lives of their employees but also the wider community they are part of. While there is an understanding on the mutuality of country image that derives from corporate and government practices, German corporate executives do not see themselves as active ambassadors of their country. Cultural and structural developments have an effect on corporate behavior, as results of this study show that attributes of Germany's social market economy also affect corporate conduct abroad. Furthermore, German societal expectations affect corporate behavior, in that they influence German corporations to implement good corporate conduct to avoid scrutiny brand damage at home. Interviews revealed a great potential for corporate diplomacy as a strategic management function in German transnational corporations, when there is a greater understanding of the benefits of corporate governance and German corporate executives see the significance of the wider range of common problem-solving, and sustainability.

Keywords: corporate diplomacy, international public relations, public-private diplomatic partnerships, corporate social responsibility, public diplomacy

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Introduction

Corporations play an increasing role in dealing with the global challenges of the 21st century (Bolewski, 2017). Their values and beliefs, mission and purpose, and sustainable and ethical commitments become more important to all stakeholders and represent a corporation's long-term ability for success (Astheimer, 2020; Edelman, 2020). Edelman's (2020) recommendation to corporations moving forward successfully in their ability to advance society is to focus on the opportunity of collaboration with other institutions to find answers for the most challenging questions facing society. The emerging theme, that businesses have to look beyond economic numbers and shareholder interests and explore different approaches to sustain and safeguard their business practices, most prominently represented by the United Nations Global Compact's (2005) ten principles, also finds increasing interest among scholars (Bolewski, 2017; Westermann-Behaylo, Rehbein & Fort, 2015; Schwab, 2008).

A growing number of scholars in the fields of public relations, business management, and public diplomacy are conducting research on the concept of corporate diplomacy (Bolewski, 2017, 2019; Fitzpatrick, White & Bier, 2019; Henisz, 2017; Hoop, 2019; Ingenhoff & Marschlich, 2019; Scherer & Palazzo, 2011; Westermann-Behaylo, Rehbein & Fort, 2015; White, 2015). Corporate diplomacy is still an evolving concept as different fields of study have different understandings and definitions. Scherer and Palazzo (2011) take an approach that originates in the study of corporate social responsibility that highlights corporations' ambitions to resolve social and political issues where nation states lack the ability or will. Westermann-Behaylo et al. (2015) view corporate diplomacy similar to global governance by transnational corporations but add that it should not neglect the study of international relations, diplomacy, and peace studies. A similar broader approach is taken by public relations and public diplomacy scholars who view corporate diplomacy as a strategic relationship management function that includes the communication of ethical values and sustainable business purposes beyond economic performance to increase the economic, social, and political values for all stakeholders (Bolewski, 2017; White, 2015).

With the growing demand by customers, employees, and other stakeholders for sustainable and ethical behavior, transnational corporations are advised to participate in diplomatic practices to secure the long-term success of their companies (Bolewski, 2017). Corporate diplomacy as a concept emerges as a promising strategic relationship management function that can be part of the solution moving forward, as corporations have an increasing self-interest in a stable and prosperous global environment (Heim, 2010). Scholars acknowledge the need for further research on the concept of corporate diplomacy, its tools, and function in different societal and cultural contexts to increase the understanding of the concept and its benefits to transnational corporations (Fitzpatrick, White & Bier, 2019).

With the rise of globalization, many transnational corporations have emerged across the globe and contribute to activities that promote positive change within society (Bies et al., 2007). Scholars increasingly are interested in the question of how the contribution and practice of global governance originating from corporations outside the United States, which have a different cultural background, look like (Aguilera & Jackson, 2010; Bier & White, 2019; Fitzpatrick, 2007; Fitzpatrick, White & Bier, 2019; White & Alkandari, 2019). U.S.-dominated research and development of the concept of corporate diplomacy have led to strong representation of U.S.-centric worldviews (Fitzpatrick, 2007). For example, research shows the notion that executives from U.S. corporations do not distinctly align corporate image and country image, whereas employees working for non-U.S. corporations are more likely to connect their corporations with their home countries (Fitzpatrick, White & Bier, 2019). This distinction might be important when looking at transnational corporations from different countries. Further findings show that corporations are more inclined to participate in government public diplomacy efforts when there is a strong economic connection between governments and business in the country and corporations have a more natural sense to corporate social responsibility (White & Alkandari, 2019).

This study seeks to add to the growing body of knowledge about national differences in the practices of corporate diplomacy. By investigating how German international operating corporations view and practice the concept of corporate diplomacy, the purpose of this study is to provide a German contextual viewpoint. It focuses on how corporate diplomacy is viewed, perceived, and practiced by corporations based outside of the United States. In particular, it examines the role corporate diplomacy plays in German international operating corporations. The aim is to explore the understanding of public-private diplomacy partnerships in the national context of Germany.

Literature Review

Globalization and the rise of powerful transnational corporations change the way publics and societies see the role of governments and private sector organizations with regard to improving social responsibility and overall societal good (Ingenhoff & Marschlich, 2019; White, 2015). Corporate social responsibility (CSR), public diplomacy and public relations literature build the base for conceptualizing the concept of corporate diplomacy and provide background on the role of transnational corporations as actors of public diplomats.

The literature review provides an overview of public diplomacy, international public relations and the growing concept of corporate diplomacy. Studies included in this literature review look at the concept of public diplomacy and its relation to public relations, how international public relations becomes more important for multinational corporations, and in what way the concept of corporate diplomacy as a new form of ethical and sustainable relationship management emerged in the public relations research.

Public Diplomacy and Public Relations

Numerous public relations scholars have examined non-state actors, such as transnational corporations, as participants in the practice of public diplomacy (Fitzpatrick, 2007; Ingenhoff & Marschlich, 2019; Reinhard, 2009; White, 2015; Wang, 2006b). Signitzer and Coombs (1992) were early scholars who correlated the practice of public relations to public diplomacy. A review of literature from 1990 to 2014 by Vanc and Fitzpatrick (2016) showed how the research of public relations has grown and uncovers the potential and need for more scholars to contribute to the research. However, the authors call for more inclusive research on what variety of ways public diplomacy can be applied and how it can advance in other ways (Vanc & Fitzpatrick, 2016). In many ways, public relations share similar characteristics to public diplomacy. Transnational corporations, which have great economic resources with large communications departments, are active in different countries and share similar goals and objectives with a governments foreign service department in their way of communicating with the public. “At a functional level, it can be argued that PR is part of the practice of diplomacy responsible for international communications and media relations as well as cultural diplomacy, which aims to enhance personal relationships between representatives of the host and target countries”

(L’Etang, 2009, p. 608). This shows that public relations and public diplomacy share similar and practical attributes (Vanc & Fitzpatrick, 2016).

Multinational corporations act most effectively when they realize how public relations helps them achieve their long-term success through cultivating mutual beneficial relationships with their environments (Grunig & Dozier, 2003; Public Relations Society of America). That public relations plays a role in this function is outlined by literature that shows how public diplomacy developed from the field of political science into the scholarly work and practice of public relations (Macnamara, 2011). Figure 1 shows how public diplomacy and public relations share similar characteristics.

Shared public diplomacy and public relations characteristics
Recognizes a need to understand the environment (gained through intelligence, monitoring, environmental scanning, etc.)
Viewed as strategic communication
Prioritizes cultivation of relationships
Sees dialogue as a core activity
Deals with diversity of interests and sometimes conflicts
Deals with multiple groups of “political actors”, “social collectives”, “publics”, and “stakeholders” including government and organizations

Figure 1: Shared concepts and principles of public diplomacy and public relations (Macnamara, 2011)

These characteristics illustrate how public relations is related to public diplomacy and suggest the view that public diplomacy no longer exclusively belongs to state behavior but includes the interpersonal and public communication and interaction among corporations and other non-state actors in civil society, as well (Macnamara, 2011). Fitzpatrick (2007) links the public relations theory of relationship management to the concept of public diplomacy, in a way that it provides the ground for scholars and practitioners of public relations and public diplomacy alike, to advance the thought of a common perspective. She proposes a new way of thinking away from the ‘old’ diplomacy of serving only self-interest to a ‘new’ diplomacy of serving both, self-interest and the interests of the other, by “symmetry and mutuality and based on genuine dialogue” (Fitzpatrick, 2007, p. 207), similar to the public relations two-way symmetrical model found in the theory of relationship management. This holistic approach, she concludes, would align the strategic purposes and functions of public diplomacy and public relations practices under one “overarching framework” (p. 208), “recognizing the importance of diplomatic deeds that support communication practices” (p. 209), to advance the practical approach to diplomacy (Fitzpatrick, 2007).

However, it is recognized that public diplomacy and public relations efforts include the goal to change and shape other people’s perceptions, attitudes and orientation toward a subject, people, or a nation (Fitzpatrick, 2007; Gregory, 2011; Scott-Smith, 2011). As multinational corporations become more economically powerful, they can leverage their resources and influence to facilitate relationships between stakeholders across nations in order to advance and support issues of greater societal good (Coombs & Holladay, 2013; Kochhar & Molleda, 2015). The University of Southern California’s Center on Public Diplomacy (CPD) Advisory Board acknowledged in 2017 that “at the heart of public diplomacy is connecting directly with people, not relying just on working with their governments. This expands understanding and fosters cooperation in a bottom-up way that may ultimately help shape policies of those governments” (p. 3). However, this can only be accomplished and is most effective when public diplomacy is proactively shaped, diverse, and comprehensive (USC CPD Advisory Board, 2017).

Other literature has connected public diplomacy, public relations, and corporate diplomacy with the study of international relations and peace studies (Garten, 1997; L’Etang, 2009; Stanzel, 2019; Wang, 2006a; Westermann-Behaylo et al., 2015). Westermann-Behaylo et al. (2015) argue that transnational corporations participate in peacebuilding efforts by proactively using their economic capabilities to lower unemployment and social disengagement and therefore reduce the potential for conflict. Through corporate diplomacy, corporations then participate in international relations as non-state actors in conflict resolution, promoting peace and economic and social well-being (Burton, 1990; Gartzke, 2007; Jackson & Nei, 2015). By doing so, transnational corporations legitimize their roles in international relations and open themselves up to collaborative opportunities with other institutions, governments, and NGOs.

Corporate diplomacy as an emerging concept

Public diplomacy in general and corporate diplomacy in particular, help a corporation build trust and commitment among its multinational stakeholders (Kochhar & Molleda, 2015). While the goal of public diplomacy is to improve the communication and relationships between countries and peoples (Wang, 2006b), Bolewski (2019) argues that corporate diplomacy focuses on long-term, positive relationships with all stakeholders to maintain and foster a sustainable environment to operate in, which is also genuinely interested and related to all stakeholders. Corporate diplomacy has been defined as a form of non-governmental and corporate actors' public diplomacy efforts through strategic public relations to maintain a sustainable business environment (Bolewski, 2019; Kochhar & Molleda, 2015; White, 2015). However, literature on the topic concludes that the term corporate diplomacy is not yet fully explored by scholars and lacks a clear definition and analysis (Bolewski, 2019; Macnamara, 2011; White, 2015). Fitzpatrick, White and Bier (2019) call it "an evolving concept with unclear definition and boundaries" (p. 1).

Even though the function of corporate diplomacy is not well-defined and acknowledged by corporations (Fitzpatrick, White & Bier, 2019), it is recognized by increasing interest among scholars (Bolewski, 2017, 2019; Heim, 2010; Ingenhoff & Marschlich, 2019; Kochhar & Molleda, 2015; Macnamara, 2011; Van Dyke & Verčič, 2009; White, 2015). Grupp (2008) attempts to define the term corporate diplomacy by outlining that corporations include collaboration in their activities to further their circle of relationships to other, non-stakeholder actors in society that other times do not necessarily play a role but are important to sustain the well-being of the corporation in a foreign country. Other scholars, for example in the business and management literature, have defined corporate diplomacy as an instrumental concept for corporations to build relationships with key stakeholders to manage and achieve profits, competitive advantages, and the legitimacy to operate all to benefit the corporation (Westermann-Behaylo et al., 2015). Others have connected the functions of public relations and the concept of diplomacy to show that corporate communications departments have power in advancing corporations' goals especially in multicultural contexts (Signitzer & Coombs, 1992). "It can be argued that diplomacy (political, economic, informational, cultural) is part of organizational strategic PR and that skills of diplomacy are important to effective PR" (L'Etang, 2009, p. 608).

The idea that corporations fulfill more than an economic role beyond profits is not new. For example, in Germany corporations traditionally have always served a purpose of greater responsibility toward society as a whole (Hiß, 2009). Garten (1997) recognized that governments and international institutions alone cannot solve future societal issues without the involvement of corporations. Now, with a more globalized world, transnational corporations with hundreds of thousands of employees around the world have an even greater responsibility toward the environment in which they operate, their employees, and society as a whole (Schwab, 2008). Essentially, transnational corporations increasingly become an "political actor" (Bolewski, 2017;

Scherer, Palazzo & Matten, 2014) and a “corporate citizen” in that they are expected to take action and behave socially responsibly to advance society as a whole (Backhaus-Maul et al., 2008; Fifka, 2013; Scherer & Palazzo, 2011; Schwab, 2008; Westermann-Behaylo et al., 2015; White & Alkandari, 2019). An increasing number of public relations scholars are studying the changing role corporations have and take in society in the 21st century, Botan and Trowbidge (2015) note. Corporations can no longer get away with neglecting interests, institutions, ideas, and societal changes that go beyond their own industries (Steger, 2003).

Even though traditional diplomatic activities are still performed by governments and international organizations, the call for transnational corporations to implement corporate diplomats on the executive level is growing in recent years (Henisz, 2017; Bolewski, 2017). Henisz (2017) argues that the lack of acknowledgement for corporate diplomatic functions on the executive level hinders corporations in increasing the value of their companies’ missions by creating value to all stakeholders in society. Bolewski (2017) also argues for a more proactive approach to corporate diplomacy by executive officers to implement the “virtues of diplomacy” such as dialogue, engagement, empathy, and sensitivity (p. 6). Research suggests that corporations are “practicing proactive corporate diplomacy, combine political action, peacemaking and peacebuilding efforts to pursue both private and public benefits in host countries” (Westermann-Behaylo et al., 2015, p.388). Some literature even provides a framework for best practices to increase the effectiveness of corporate diplomats (Henisz, 2017). Henisz (2017) argues that “by elevating corporate diplomacy to the executive level, and applying sophisticated management tools, multinational firms can create value for shareholders and society” (p. xii). His six elements or tools that should guide corporate diplomats include to analyze their stakeholders with due diligence, to integrate their analysis in their business operations, to create more personal relationships with their stakeholders, to adapt to societal changes, to communicate authenticity, and to develop values and purpose for their corporations.

Governments and their public diplomacy practitioners could be a valuable partner for corporations to successfully and effectively implement and achieve these six elements. A closer look at the partnership between corporations and governments in advancing public diplomacy goals, especially in different cultural and national contexts, is needed.

Public-private partnerships - The case for collaboration

Transnational corporations' abilities to plan, forecast and manage international issues, anticipate conflicts and manage crises, to work with and influence partners in the international arena, and their ability to engage in and with multicultural environments make them prone for the role of an actor which governments can benefit from in international relations (Bolewski, 2017). Other positive effects of nongovernmental diplomacy efforts such a corporate diplomacy, for example, on intentional or unintentional peacebuilding and thus greater economic opportunities, further legitimize its practice by corporations in the arena of international relations (Haufler, 2004; Westerman-Behaylo et al., 2015). To master societal challenges such as climate change, mass migration, and conflicts, transnational corporations and governments should look to each other to give people hope that solutions will be found. This need opens up tremendous opportunity for transnational corporations to partner with governments to advance society and thereby safeguard their long-term success and sustainability (Edelman, 2020). Even though governments in the public domain and corporations in the private domain pursue and serve different interests, as governments serve the public interest and corporations primarily their investor interests, both supposedly ought to similarly serve as "good citizens of the societies in which they operate" (Pratt, 2003, p. 453). White (2015) offers a concept on how this collaboration between corporations and governments can look in terms of their mutual public diplomacy efforts:

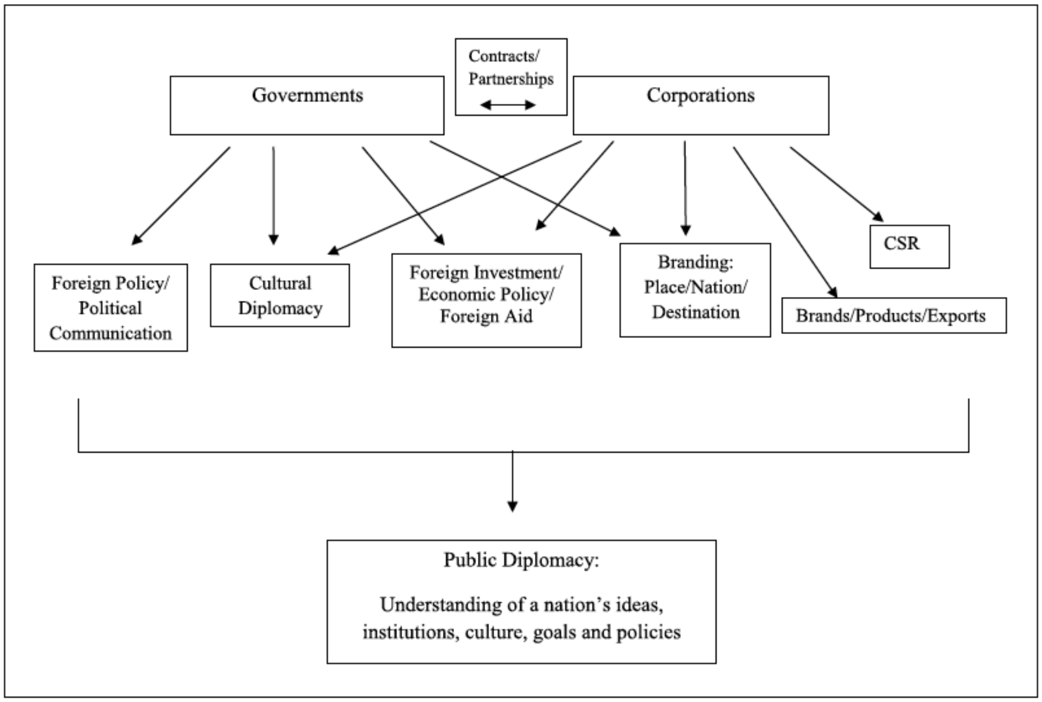

Figure 2: Corporate contributions to public diplomacy (White, 2015).

Furthermore, Börzel and Risse (2005) define public-private partnerships (PPPs) as the "institutionalized cooperative relationships between public actors and private actors beyond the nation-state for governance purposes" (p.4). Bovaird (2004) simply defines it as a "working arrangement based on mutual commitment between a public sector organization with any organization outside of the public sector" (p. 200). This casts the net of organizations that are involved in PPPs more broadly, as it also includes organizations such as NGOs. PPPs have been around since the 1980s and have been contested ever since, yet they remain very present in many countries around the world (Bovaird, 2004). Therefore, it is important to note that public-private partnerships consist of different types of partnerships and can have different meanings in different countries (Bovaird, 2004). For example, some factors to consider when looking at PPPs are who are the partners involved, what type of relationship do they have, what is their economic statue and/or policy objective, and their scopes (Bovaird, 2004).

Examples of and purposes for PPPs range from resource management such as private business financing and building a local public hospital in exchange for the long-term facilities management contract (Private interview, May 24, 2020), to policy implementation and service delivery for national interest and security through diplomacy (e.g.: NGOs, financially backed by governments, facilitating cultural exchange programs) (Scott-Smith, 2011; Bovaird, 2004). For such constellations to be meaningful in the future, Wettenhall (2003) points out that all partners involved need to be on equal footing and be aware of their distinctive values, so that the "public service legitimacy, public service ethics and public service motivation" (p. 99) is not compromised by market demands. "Good governance" (Bovaird, 2004, p. 209) needs to be at the forefront of PPPs by all actors involved, or otherwise PPPs run the risk of becoming less relevant and more scrutinized by publics.

Fitzpatrick, White, and Bier (2019) note that there are high barriers for corporation's involvement with governments as corporations always have their economic self-interest in mind and shy away from controversial political topics. If these barriers are lowered and the collaboration serves a shared interest or the overall global societal good, then collaboration becomes more likely (Fitzpatrick, White & Bier, 2019). Bovaird (2004) suggests that there is tentative evidence "that many companies, while continuing to be profit-oriented, are interested in, and even committed to, taking more seriously the 'corporate social responsibility' aspects of their activities" (p. 213). However, for this to increase, Westermann-Behaylo et al. (2015) stress that corporations need to have the right intentions to support the urge to resolve global challenges with their corporate diplomacy efforts, or otherwise they fail to increase societal welfare. The challenges for corporations and their corporate diplomacy efforts are then in what way they react to those challenges when social pressure comes from stakeholders outside their environments and how they legitimize their business practices (Ordeix-Rigo & Duarte, 2009). "As a result, corporate legitimacy and good relationships with stakeholders in a company's host country become a key challenge for the survival of international businesses" (Ingenhoff & Marschlich, 2019, p. 348). Ordeix-Rigo and Duarte (2009) stress the validity of corporate diplomacy for corporations to increase their status as a legitimate player in the international arena that has influence on the welfare of society.

Governments and international institutions in the realm of international relations already give legitimatization for more public-private partnerships to more effectively achieve global governance. The United Nations Global Compact report seeks to strengthen private-public partnerships in order to prevent conflict and help reconstruct post-conflict regions by identifying practical policies to implementation of sustainable business practices (Ballentine & Haufler, 2005). "Moreover, applying the relational approaches of public diplomacy to corporate diplomacy might help in developing concrete efforts that corporate diplomacy could include in order to build [public-private partnerships]" (Ingenhoff & Marschlich, 2019, p. 359).

The complexity of the process on how to manage public-private partnerships becomes evident, as corporations are still private actors with an economic self-interest in the first place. They are not tied to an audience cost with regard to re-elections nor necessarily have to align themselves to nation-states (Westerman-Behaylo et al., 2015). However, even though "public- and private- sector agencies have different goals . . . in reality, both sectors have more similarities than differences" (Pratt, 2003, p. 453). White (2015) further calls for the advancement of research on the concept of "strategic coordination of efforts between governments and non-state actors” (p. 314), especially, on how and if this collaboration takes place in other countries outside of the United States (Fitzpatrick, White & Bier, 2019; White & Alkandari, 2019).

Public-private partnerships in the global context

In the United States, the decline, even though minimal, of the diplomatic network abroad (Bley, 2019) and the ongoing issues between the government of the United States and its diplomatic corps (Burns, 2019a) is further evidence that private sector corporations can and have the opportunity to fill this gap more intensively in the United States. with closer private-public partnerships to strengthen the reputation and nation brand abroad by promoting social responsibility (Wang, 2006a, 2006b). Reinhard (2009) recognized that U.S. corporations should play a greater role in public diplomacy because “it’s in their own self-interest” (p. 195) and creates a “win-win situation for both business and government" (Wang, 2006b, p. 46). Interestingly, Fitzpatrick, White, and Bier (2019) find that especially in the United States, corporate communication officers “expressed little interest in engaging in efforts to promote national culture and values among foreign publics, and they did not perceive an obligation to actively support government efforts in public diplomacy” (p. 1). In part of those findings, to increase the understanding of international public relations and the concept of corporate diplomacy, and to better serve transnational corporations, governments, and academics around the world, scholars call for more research in different national contexts (Sriramesh & Vercic, 2003; White & Alkandari, 2019). Particularly needed are studies that collect data linking environmental variables (political, economic and societal) to international public relations practices (Sriramesh & Vercic, 2003). Further, literature also calls for more studies that show the differences these structural and cultural variables have in more collectivist countries to determine how “collectivism affects the willingness of companies to represent their country of origin when working abroad” (White & Alkandari, 2019, p.8).

In the United Kingdom for example, the governments’ public diplomacy efforts have by choice integrated business interests and perspectives (Lee, 2004), In Japan, new research shows that corporations have it as their secondary mission to promote Japan’s national image and reputation and value partnerships with their government on mutual interests (Bier & White 2019). In Germany, scholars also recognize the changing environment for diplomacy in the 21st century, the emergence of transnational corporations as actors in such, and the challenges of how to interact with them (Stanzel, 2019). Stanzel (2019) argues that the fight against corruption and the desire for stability, among other goals, are shared interests by governments and transnational corporations.

The Sustainable Development Goals (SDGs) implemented by the United Nations call for direct partnerships between transnational corporations and governments (Stanzel, 2019). These developments on the highest institutional level in international relations will have different effects on transnational corporations from different cultural backgrounds. How corporations from different cultural contexts respond to those changes is being researched (Schneider, 2018), and results show in the case of Germany and Sweden how the “stakeholder oriented corporate governance model of Germany produces a different response than the more state dominated Swedish welfare model” (p. 370) even though both countries share the same European cultural and social-market economic background (Weber & Larsson-Olaison, 2017).

Weber and Larsson-Olaison (2017) studied a corporate governance model that builds fundamentally on a more concentrated ownership and block holder control, which is often found in continental European countries and different from the more Anglo-American system with "dispersed ownership and strong shareholder rights" (Aguilera & Jackson, 2010, p. 486). In general, Germans tend to demand greater social consideration and are more likely to scrutinize corporate activity (Fifka, 2013; Weber & Larsson-Olaison, 2017). This cultural aspect is based on legal statues and strong labor influence, known as the system of codetermination (Mitbestimmungsrecht) - for example, labor representation on corporate boards, historically due to a governance model based on controlling (family-based) shareholders (Antal, Oppen, & Sobczak, 2009; Fifka, 2013; Weber & Larsson-Olaison, 2017). Furthermore, Germany's economy, since the 1950s, is built on export-oriented growth models, product quality "made in Germany", good employment and working conditions, and workers' involvement and environmental protections (Antal, Oppen, & Sobczak, 2009). "As a consequence, both corporate governance and CSR are important topics to German corporations" (Weber & Larsson-Olaison, 2017, p. 372) and "such structures should influence corporate diplomacy efforts and practices" (Weber & Larsson-Olaison, 2017, p. 374).

Corporate responsibility in Germany

Historically, German corporations have a long tradition of practicing social responsibilities, yet the modern concept of corporate social responsibility (CSR) is relatively new (Antal, Oppen, & Sobczak, 2009). Germany, as the largest economy in the European Union, with a social-market economy which is set in the constitution (Grundgesetz), is a so-called stakeholder democracy (Fifka, 2013). The term stakeholder democracy encompasses the notion that corporations have a responsibility for the publics well-being, that labor rights are strong, and employees are given the possibility to participate in the decision-making process of a corporation (Fifka, 2013). Especially Article 14 paragraph 2 of the German basic law, which states that "property entails obligations. Its use shall also serve the public good" is a legal indicator on how

German corporations should view and act upon their social responsibility within society. This is important to note, as it implies that the concept of corporate social responsibility (CSR) can be found and is based in the German constitution and therefore legally binding.

Wilfried Bolewski, former German Ambassador and Chief of Protocol to Chancellors Schröder and Merkel, as well as Professor of International Law and Diplomacy, stated that there needs to be a fundamental change in the way this article is to be interpreted and acted upon by German corporations (Personal interview, May 25, 2020), as public opinion and public interpretation about corporate social responsibility changes. In recent months, Germany increasingly experiences a growing debate about the purpose, form and boundaries of corporate ownership and the nationalization of such as well as the fundamental social role of government and private business (Bardt & Hüther, 2020; Reents, 2020). In the Frankfurter Allgemeine Zeitung (FAZ), one of Germany's leading newspapers, Bardt and Hüther (2020) call for a more active role of German corporations in the public sphere that abides by the obligation of social responsibility of corporate ownership. If corporations fail to act responsibly, they argue, "corporations are not recognized as 'good citizens,' or act against basic social values, the institution of corporate ownership loses all legitimacy" (Bardt & Hüther, 2020). Even though they make no mention of the concept of corporate diplomacy, they make the case for the fundamental social responsibility corporate ownership holds and acknowledge and that Germany's social market economy needs to and will adapt to the future global challenges of the 21st century in that regard (Bardt & Hüther, 2020).

These features about cultural differences in corporate behavior from the Anglo-Saxon region makes an interesting case to further study the concept of corporate diplomacy by German transnational corporations. With the following research questions this study seeks to explore the concept of corporate diplomacy by German transnational corporations and extends the growing literature on international public relations and the concept of corporate diplomacy in multicultural contexts. The research adds to the understanding of how corporations view corporate diplomacy as a strategic function of corporate conduct in foreign regions and explores the status of corporate-public partnerships to advance international public relations.

Research Questions

According to the literature review, the concept of corporate diplomacy is not yet widely understood and practiced within the corporate sector. The literature shows a need to explore the role corporate diplomacy plays in multicultural contexts and if and what kind of models of corporate diplomacy exist in different nations. Germany, with its social market economy is known as a stakeholder economy, which, based on legislation, traditionally emphasized social welfare by corporations. How and if voluntary corporate initiatives to public-private partnerships for global governance and corporate diplomacy plays out in the German corporate sector, is subject for further research. Therefore, this study poses the following research questions:

RQ1. How do German corporate executives understand the concept of corporate diplomacy?

RQ2. What is the nature of German corporations' and their leaders' sense of responsibility to promote the country image of Germany?

RQ3. How do cultural and structural developments (political, economic, and societal) affect German corporations' decision about corporate diplomacy as a corporate management (public relations) strategy?

Methodology

In the realm of research about corporate diplomacy in an international context, few studies have looked at the views and attitudes of corporate leaders in other cultures to understand the role of corporations in public diplomacy (Bier & White, 2019). As the results of few studies are difficult to generalize, multiple studies investigating the same phenomenon replicated by multiple examples can be useful and are needed to build knowledge about a certain phenomenon (Gray, 2009). Therefore, this study about corporate diplomacy in the German cultural context aimed to build further the body of knowledge on this topic.

A semi-structured interview guide with open-ended questions, which can be found in Appendix A, was developed to investigate the perspectives and attitudes of German corporate executives and communication leaders, thought leaders in Government and public diplomacy, and other organizations that participate in transnational relationships on their strategies to implement diplomatic efforts to their overall corporate and organizational strategy. This dynamic process focused directly on the topic of corporate diplomacy and allowed for themes and information to emerge that provided original and insightful data (Gray, 2009).

Interviews are a qualitative methodological approach that enable researchers to extract rich and meaningful data from people's views, attitudes and opinions (Gray, 2009; McCracken, 1988). The methodological approach of interviews was particularly useful, as the objective of the study was exploratory (Gray, 2009). It enabled the researcher to achieve meaningful qualitative objectives within a manageable methodological context (McCracken, 1988). In particular, semi-structured interviews allowed for more detailed data, as the researcher had the opportunity to ask for more clarity on the meaning of responses (Gray, 2009). The semi-structured interviews were characterized by non-standardized questions and probes that had the ability to change and evolve as the interview process proceeded (Corbin & Strauss, 2015; Gray, 2009). In case new themes emerged, the order of questions could be adjusted, and new questions could be formed, so that a more detailed meaning of the answers could be developed (Corbin & Strauss, 2015; Gray, 2009). To ensure the quality and reliability of data extracted from the interviews, it was important to design credible and consistent interviews with measurable research objectives, to build trust and rapport, to develop clear and unambiguous questions, and to study and analyze the data as it emerged to ensure the point when data saturation was reached (Gray, 2009; McCracken, 1988). As the current study took place in a multicultural setting, it also was important to be aware of and sensitive to cultural differences and perspectives as well as to have established and practiced authenticity, affinity, and accuracy (Vázquez-Montilla et al., 2000). As most interview data were collected in the German language, the researcher's native ability to speak and understand the German language and his understanding of German cultural perspectives by being natively German enhanced the quality of the data.

Data collection

The study used qualitative data collected from six German corporate executives and communication leaders, thought leaders in Government and public diplomacy, and other organizations based in Germany that participate in transnational relationships. The participants were identified by an extensive internet research, through personal contacts, and upon recommendations by participants. A more detailed list of participants' roles, their industries and gender can be found in Appendix B. The data were collected between April and June of 2020, by remote interviews enabled through telecommunication technologies such as Zoom based on a semi-structured interview guide. The interview guide and questions were developed based on the research questions.

For the key informant interviews, the researcher focused on interviewing experts in the field of corporate strategy and corporate strategic communications. Early interview participants were identified through an extensive online search of German corporations' websites and the online networking platform LinkedIn of leading corporate executives and managers as well as the researcher's personal knowledge of qualified candidates. Further participants were identified and recommended by interviewees and invited by email to participate thereafter. In total six senior-level corporate communication and strategy executives were identified (see Appendix B) and interviewed in their work settings. Due to the global pandemic that occurred during the time of this study, it was difficult to reach more participants who had the availability and capacity to be interviewed. The interviews lasted about 45 minutes, were semi-structured, and entailed eight to ten primary questions including secondary probes to each question. All interviews were conducted in German and then translated into English for analysis. The researcher's ability to speak and understand both languages fluently assured data quality and consistency.

The key informant interviews gave the researcher an insight perspective on how corporate strategists and communicators understand the concept of corporate diplomacy as a corporate strategy, identified if German corporations and their leaders have a sense of responsibility to promote the country image of Germany and how cultural and structural developments affect corporate decisions about corporate diplomacy as a strategic management function. Interviews were conducted in compliance with the guidelines set forth by the Institutional Review Board of the University of Tennessee, Knoxville and were handled under scientific and ethical standards. Each participants consent was verbally agreed upon the beginning of each interview. The written consent form can be found in Appendix C. All interviews progressed in a timely and professional manner without interruptions or other significant occurrences.

The method of key informant interviews in this study was very valuable to the research of corporate diplomacy. It allowed the researcher to ask in-depth questions focused directly on the topic of corporate diplomacy and provided insightful and detailed data to answer the research questions (Gray, 2009). The answers received from the interviews entailed richer information to help the meaning-making process of the findings. The use of interviews in this study also allowed the researcher to be closer to the subject researched, which is an advantage when trying to make sense of contextual findings. Being in close conversation with the interviewee in their native language helped to make sense of their behavior and attitudes toward the information they provided. Some limitations of the interviews were the lack of generalizability of the information provided by the interviewees. Interviewees provided information that came from their personal experience, which, if misinterpreted by the interviewer, can be used incorrectly and alter the research outcome. An additional limitation was the work that it took to produce and conduct the interviews. The process was very time consuming and conducting endless interviews was not possible. In case something went wrong, or recordings of the interviews were lost during the process, they would have been very difficult, if not impossible, to reproduce.

Data Analysis

After the sixth interview, the researcher identified similar data was being collected, and analysis of the interviews revealed repetitive answers. It was then that the researcher decided to move on to analyzing the data and its meaning. The goal of data analysis was to make sense of the data in a way that the data are representing the meaning of the participants and to interpret the data to determine common themes and concepts that helped to answer the research questions

(Corbin & Strauss, 2015; McCracken, 1988). By determining concepts and themes, the data can be organized in a way that will reduce the amount of data the researcher is working with (Corbin & Strauss, 2015). The goal was to look at the raw data and conceptualize it. The next step was to develop the data into concepts and themes. Lastly, it was the goal to integrate the concepts around the core category of corporate diplomacy (Corbin & Strauss, 2015).

The interview transcripts were analyzed using the grounded theory approach by Corbin and Strauss (2015). Two core analytical strategies of making comparisons and asking questions were emphasized throughout the analysis (Corbin & Strauss, 2015; Gray, 2009). The analysis started with an initial round of open coding (Corbin & Strauss, 2015) producing 15 double-space pages with descriptive codes and contextual meaning. The interview transcripts were then broken apart and through comparative analysis emerging concepts were created to represent the meaning of the raw data (Corbin & Strauss, 2015; Gray, 2009). After the first round of coding, a second round of axial coding was used to make connections between initially created concepts to create four categories (Gray, 2009). During this process it was necessary to specify categories by their properties and dimensions, keeping in mind the context, actions and interactions as well as the outcomes of connecting those categories to the research questions (Gray, 2009). The goal of this stage of coding was to identify relationships between the categories (Gray, 2009). Lastly, a third round of selective coding took place to help connect the categories and concepts to provide conceptual answers to the research questions (Gray, 2009). Once conceptual saturation was reached (Corbin & Strauss, 2015), meaning that enough data were collected and no new themes had emerged, the researcher moved on to answer and conclude the research questions. In support of the analysis, direct quotes from participants were used to clarify the findings.

Results

After a detailed analysis of the interview transcripts, several categories and themes emerged to help answer how German corporate executives understand the concept of corporate diplomacy, if they feel a sense of responsibility to promote the country image of Germany, and what cultural and structural developments are potentially a factor in implementing corporate diplomacy as a corporate management strategy. After careful analysis and axial coding several categories were identified out of which four themes emerged, as illustrated in Table 1 and Table 2 in Appendix D.

For example, the categories “German standards and regulations,” “Social responsibility as traditional corporate strategy,” and “EU influence” were grouped into the first theme of “Economic Structure”; “Reputation management,” “selective ambassadorship,” and “corporate brand image in Germany” were categorized as a second theme of “Made in Germany”; “Informational exchange,” “globalization and open markets,” and “national discourse around the role of corporations in society” were grouped into a third theme of “pragmatic private-public partnership.” The fourth theme of “growing societal expectations by the German public for corporate responsible and sustainable behavior” consists of the categories “environmental and ethical consideration,” and “hesitant CEO leadership in global governance.”

Economic structure as a foundation for CSR

The first theme that emerged through analysis of interview transcripts reflects corporate executives’ recognition that Germany, with its social market economy known as a stakeholder economy, which is based on legislation and strong labor union influence, traditionally and historically emphasized social welfare by corporations. One participant noted that “historically, social responsibility [is part of our] company culture of more than 100 years.” Further analysis revealed that corporate executives are influenced by and follow principles of the social market economy, as one participant noted "social responsibility is a core aspect of [our] corporations' business practices and attributes such as social standards and benefits, worker rights, find implementation everywhere we operate."

When asked about their constitutional obligation for social responsibility as stated in Article 14 of the German constitution, one participant answered, "corporations use German standards abroad – ecological, social, governance – less [out of] the constitutional obligation, but [based on] the recognition of German standards at home." Another participant added, that those standards are based on German law (Gesetzgebung) and that "investments have to be ecological and socially responsible . . . they have to meet certain criteria." Only one participant was aware of the described social responsibility (Sozialpflichtigkeit) in the constitution and even recognized the need for a "new way of thinking– do good for and by society." The participant added "this Sozialpflichtigkeit is something positive, the society expects something from enterprise and companies, they take them up on this, [corporations] have to meet this obligation, it is a positive constrain. It is not a matter of [whether] I like it, or I do not like it, no, it is a matter of obligation," meaning that German corporations need to think of it in a positive, beneficial way, rather than a negative and harmful way.

One participant noted that Germanys economic system is traditionally based on a family-oriented structure, the so called (Mittelstand), which is "older, not so dynamic [and] traditional shaped by sustainable and responsible business behavior." Thus, giving the notion that responsible business behavior is something that is engraved in Germany's economic structure and is commonly valued by a majority of German society. However, one participant recognized the concern, that "those smaller, family owned businesses, with many also operating internationally, do not necessarily have the resources to implement CSR in their management structure, in comparison to public holding corporations."

Social responsibility as traditional corporate strategy. The majority of participants expressed that they view corporate social responsibility (CSR) as something that is part of German companies' corporate structure and a strategic principle, giving the notion that many practice corporate diplomacy without being aware of the term. Analysis suggests that German corporations' have a responsibility towards the society and their community they operate in, with one participant emphasizing that "It is not enough to be a good human, or a good corporation, instead the whole-of-society is more important in the end." Furthermore, most participants emphasize the traditional role and importance that CSR has and how it is "historically rooted in their DNA." One participant noted the goal of their company culture is "beyond giving people work but helping otherwise" citing one of the founding principles as to "rather lose money, than trust." The participant added, "we do not necessarily have to do it as a corporation, but we set the course to reach our goal to contribute to international understanding, or to better the social circumstances in third countries." This shows that issues such as international understanding, the improvement of life quality and social circumstances, enhance education, giving employees the resources and opportunities and encourage them to do good, as well as the development of the communities where the company is present, are important and include activities outside of economic interest or necessity. Another noted that CSR is part of the company structure, citing a yearly CSR report, adding "this report not only focused on the corporations ecological footprint, that also played a role, but also highlighted the corporations' code of conduct and the compliance to ethical behavior," emphasizing that it is "important to stick to compliance rules and regulations and to evaluate oneself [based on those rules] as this is an important expression of one's social responsibility."

Influence of German standards and regulations on corporate responsibility abroad. Analysis shows how German standards and regulations are also the basis for and influence German corporations' behavior and their view towards social responsibility practices outside of Germany. As German corporations traditionally have implemented high standards of social responsibility at home, due to regulations and laws, it also serves as a strategic principle abroad. "As a German company you have an obligation to German standards abroad" one corporate executive noted adding that it is a question of corporate identity of "who are we as a company" and "what do we want our values to be?" Another noted that there is a "balancing effect that takes place when German corporations come into a foreign market with their high social standards," which leads to better overall social standard for all stakeholders, sometimes not to the delight of other corporations that do not offer those standards. This, however, depends on the host country and culture and has to be distinguished between developed nations and developing nations, as well as whether the issue is employment standards or ecological impact. For example, one participant notes that "in the United States, it is a competitive edge if you can provide German social standards such as health insurance" in regard to employment benefits that serve as a competitive edge to attract talent, and are more profit driven, whereas ecological standards rather serve the greater good and are not profit driven.

More importantly, corporate executives understand their social responsibility as given and view those high standards, which their stakeholders in Germany value, not as a form of regulation but as an obligation to implement abroad. One participant notes "it should be added that you have a stakeholder value approach (Mitbestimmungsrecht) in Germany and a high influence of worker unions and employees on corporate decisions, even though [corporations] are only regulated at home, … you still make sure that the same German standards are also implemented worldwide and that you do not offer them only in Germany and then exploit workers abroad . . . that word quickly spreads around." Meaning that to not implement those high standards and practice social responsibility can quickly become scrutinized at home, which leads to damaging brand reputation and brand image. Not only is there a minimum of EU and German regulations to comply to when investing in foreign markets, there is a growing international perspective, especially on sustainable supply-chain management, environmental protection, worker protection, and human rights. For example, even though suppliers are more difficult to regulate by German corporations, one participant notes, "we try to educate supply chain companies and build capacity so they can meet German customer expectations."

Overall, corporate executives acknowledge an increasing importance for German corporations to socially responsible business practices and emphasize that not only ecological and social aspects are important, but that governance takes a bigger role, as well. One participant raised the question of the importance of how to define CSR. Another added that "corporations have a greater focus on the topic of ESG – environmental, social and governance – which takes center stage, because that is something that shareholders also increasingly demand. It is not only the S, it is also the E and more recently also the G that plays a bigger role," meaning that corporate social responsibility includes the environmental, social and governance footprint of a corporation. "The goal is to show what positive impact something has that I do as a corporation." This notion shows that German corporate executives not only view corporate responsibility, including corporate diplomacy, as something that they are bound to by regulations and laws from home that only serves their employees, but that they view it as an obligation to behave ethical and sustainable to do good for the society they operate in beyond German borders. One participant added "[German] corporations do something on their own, . . . that originates from our belonging to a social market economy, it would be not credible if a German corporation would provide horrible standards abroad, because that [image] will go around, and that's why we make sure that we help out, build schools, or that the employees have a decent place to live." With that, they also acknowledge that voluntary corporate responsibility, diplomatic practices such as maintaining "long-term and sustainable relationships", serves their reputation management, brand image and overall their economic self-interest.

Influence of EU regulations. Interview data also indicate an influence and the effect of regulations and laws implemented by the European Union. One participant noted "[regulations] make it cost and labor intensive and therefore more difficult to implement CSR practices [in the corporate structure]" which results in a certain hesitance of corporations, as they feel disadvantaged to economically compete in foreign markets, as corporations from other regions of the world, with less standards, are not bound by the same rules. However, German corporate executives feel inclined to find other ways to bring their foreign supply-chain partners to recognize the importance in meeting German public expectations, in regard to ethical behavior, for their economic self-interest as one participant notes "as a brand you always have to worry that problems in your supply-chain are picked up, and are picked up by the media, which leads to loss of revenue, so therefore you have to take that into consideration." Another participant noted "German corporations, with Germany being the major economic power in Europe, [and] with missing global leadership by governments, or with crises such as Brexit and the ongoing global pandemic, have to recognize a greater responsibility towards EU and geopolitical issues and need an increased focus on diplomatic aspects by corporations." For example, another participant acknowledged the fact that during last year's elections for the European Unions' parliament, "we saw for the first time that German corporations, openly positioned themselves and actively promoted the election of pro-democratic parties against the far-right" taking a stand "pro international cooperation and against racism."

'Made in Germany' image as a collective good for German corporations

While all participants note that German corporations do not necessarily see themselves as active 'ambassadors' of the country, they do acknowledge the fact that they have a certain responsibility towards the image and perception of German social standards and product quality. While the mention of the label 'Made in Germany' resurfaced throughout the interviews, German corporate executives also expressed a sense of responsibility towards this label as a marketing tool for their corporation's reputation management. This "collective good" as one participant called it, serves and benefits all German corporations, directly or indirectly, regardless of industry belonging. In addition, an indirect sense of responsibility towards a good country image, also stems from a sense of responsibility to uphold a good image out of fear of scrutiny at home, if German public expectations of corporate social responsibility are not met abroad. German corporations also feel a sense of responsibility if common interests with government align and they recognize the benefits of common problem solving to create a more stable environment.

Analysis of the interviews showed that German corporations express an interest to safeguard the image of Germany with its reputation of high-quality product and social standards. "The 'Made in Germany' label, in a way serves as a quality seal to justify charging those high prices of German goods" as one participant put it. German corporate executives acknowledge that acting responsible and safeguarding this image, lies in their economic self-interest and by that they indirectly have a responsibility towards the overall reputation of Germany as a country.

As such, one participant noted "I suspect the 'Made in Germany' image is more a collective good, which is not produced by one but by many corporations together, which individual companies benefit from," meaning that this collective good, and the resulting good country image, which all German corporations use and promote, in return falls back on a good company image. Another participant noted "all German corporations work under the cover of this image [as] a means to promote their own company image." This "rally around the flag" notion highlights the congruent interests in common problem solving of German corporations and their government to uphold Germanys status as an exporter of great quality and standards, as it serves both their common interest of a good country image and their economic self-interest. As one participant descriptively explained that "in that sense it is indistinguishable between the two, government needs corporations for their reputation, government is not producing anything."

CSR abroad to protect brand image at home. Notably, the analysis of the interviews suggested that corporate executives also feel a sense of responsibility towards the image of German social standards abroad and show a self-initiative to implement those without government directive, in order to manage brand reputation at home. This stems from the assessment that "the loss of credibility to not have German standards in other countries can have loss of brand reputation at home" one participant said. As a result, social engagement and responsibility initiatives serve as a way to manage brand reputation. One participant compared this to a form of safety net. "You have to think economically, but it helps to have a social engagement in form of CSR, because if you have tough decisions to make (layoffs, etc.), or face economic hardship, it is easier to maintain a good image if you can show your social engagement." This also results from a fear of scrutiny at home from the German public, that if German standards are not upheld in foreign countries, or corporations are involved in corruptive business practices, or do not act ethically, they consequently impair their reputation, which can lead to economic consequences, as well. One executive mentioned “especially corruption is an important topic … there you have to make sure that you oppose that, not only because we think it’s a bad thing, that alone is not convincing, [but] another reason is your corporate image, your corporate identity, which is always and everywhere affected if you have a problem.” The participant added that “there is also this economic logic, that we make sure we play by the rules of the host country and that we, through our compliance system, make sure we do not cross a line.” Therefore, to implement good social standards and act responsible abroad is a way to secure good brand reputation and avoid scrutiny at home, indirectly reflecting positively on the country image.

Selective Ambassadorship. Thus, German corporate executives do not necessarily see their companies as active ‘ambassadors’ of their country, as one participant viewed themselves as “primarily [an] ambassador of corporate interest, not Germany’s interest.” However, even though generally they feel that way, they also acknowledge circumstances where common interests align and where they find potential for both to be associated with each other. This depends on the region they are active in, the culture they meet abroad and what particular interest they pursue, as one participant said “it depends on what host culture you meet, whether [it is] good to be associated with Germany or not – the more developed [the country], the more success you will have to argue with environmentally friendly standards, etc. because they will be accepted easier.” Most interviews revealed that corporate executives acknowledge that a good company image indirectly reflects on the country image, as they are recognized as a German company abroad, with one participant stating that “in some sort of way [we are an ambassador], if we do a good job, we uphold the reputation of ‘German quality standards’, but it is more an indirect affect and we are not Germany's ambassador abroad." Another participant acknowledged the challenges to "balance between cultures abroad and expectations at home" and emphasized "it is important to show your diverse company culture and internationality," by noting that the best ambassadors for Germany are "our host country nationals in management, that have ties to Germany."

Pragmatic private-public partnership

The third theme demonstrates a close cooperation between German corporations and the German government in form of the Federal Foreign Office, for purposes of informational exchange, common problem solving if mutual interests align and securing German business interests globally. Interview data suggest that German corporations do not view this cooperation as a form of their own corporate governance practices. Rather, they still clearly distinct between the roles of government and corporations when it comes to global governance. Further, analysis of the interview data suggests the term corporate diplomacy is generally positively associated with the idea of cooperation between government and corporations in diplomatic activities. The growing role of corporations in governance on a global stage is recognized and understood by all participants and positively viewed as a great potential for German corporations. However, many view it as something that is not yet actively present or embraced by their corporations due to a lack of diplomatic education in management, missing understanding of the benefits, and high economic pressure. "The understanding and recognition of the potential gains is not clearly given for us or is hidden" one participant noted and added that that the main goal of a corporation is "profitability and not to generate a diplomatic relationship between two countries."

Even though most participants noted that there is still a clear distinction between the roles of government and corporations in regard to diplomacy, as one noted "corporations are not an actor to stabilize a country in regard to democratic structures," all participants recognized the importance of cooperation between their corporation and Germanys foreign service and embassies abroad. All think that it is mutually beneficial to cooperate, with one participant noting that it is “common sense” and another stating “[corporations] have a positive attitude towards the cooperation with government” emphasizing “the importance of the overall purpose for any cooperation is a common purpose of problem solving . . . for reason of security, to secure a stable environment, that’s the basic common interest of business and government, they might see it differently, but they are aiming into the same direction.” Another cited the recent global pandemic and the accompanying crisis of shortage in personal protective equipment as proof for the need and importance of bilateral cooperation and diplomatic partnerships noting “the current global health crisis with COVID-19 shows that it is helpful to have exchange and cooperation in non-crisis times, to benefit now when [the] hard times come.”

Informational private-public exchange. Most corporate executives noted that there is an informational exchange between corporations and the German Federal Foreign Office (Auswärtiges Amt) in form of the German embassies in the particular host country. Even though it is more pragmatic and instrumental, corporate executives say they rely on expertise and information from the Federal Foreign Office as one participant noted “there is an exchange, that is also one of my tasks, to get information from the [German Foreign Office] on certain political developments that are relevant for us, for example the U.S. trade policy, or the Iran nuclear deal, information from diplomatic circles which we can benefit from to internally to assess the political landscape in the country.” The corporate executive added that this exchange is mutually beneficial and has the positive effect in that it serves the goal for common problem solving. The participant notes that “we encourage employees to build relationships with German embassies, to support [them] with information because it is important [to us] to secure company interests.”

Overall, participants acknowledge an increased awareness of mutual benefits of cooperation with the German Federal Office when operating abroad, however, they more so see it as a mean of information gathering and a source of expertise in order to enhance their business practices and not so much as a form of diplomatic partnership for global governance. One corporate executive highlighted this notion by stating "support from the German embassy is very important to us, simply as an accompanying measure and sort of a protective shield to secure German business interests abroad."

Globalization and open markets. Most participants acknowledged the effect and importance globalization, bilateral cooperation and open markets have, not only on the German economy, but on stakeholders around the world. Corporate executives aligned this interest with their governments interest and recognized Germanys economic well-being on their status as an export nation. "We have a common interest to have good business environments [throughout the world]" one participant said. Another added that "[Germanys] government is dependent on open markets; it is important for Germany as an export nation." Again, another added that "international tolerance and connectivity [are important] – German corporations have an interest because it is what their business is based on." Citing the current global pandemic, one participant then also recognized 'the German government is a good crisis manager" and emphasized "it is important to have good bilateral relationships and corporations come to value them and [also] diplomatic characteristics, [in order] for us to maneuver through uncertain times."

Another mentioned technological development that comes along with globalization and bilateral cooperation, such as artificial intelligence, as a topic that is discussed around how this technology can "adhere to, create and maintain social responsibility (Sozialverträglichkeit)." Another aspect is the growing discussion around the nationalization of corporations, as one participant noticed "we realize the growing debate in society that certain goods, such as energy, water, gas, electricity and transportation, sort of those social goods should be provided by the state and should be nationalized and not be provided by private, or international corporations, … because many say it is more sustainable." Thus, most acknowledge the necessity to recognize the potential that corporate diplomacy can bring, in creating a secure and stable environment to operate in.

Growing societal expectation for CSR in Germany

The last theme that emerged through analysis of the interviews are developments that result from changing societal expectations in Germany, which show effects on German corporate executives' behavior to implement corporate diplomacy as a corporate management strategy. That German corporations carry a greater social responsibility, in form of environmental, social and governance, is a growing societal expectation in Germany and is recognized by corporate executives, interview data show.

Analysis of the data show that German corporations want to meet those changing societal expectations by their actions which are guided by specific values and ethical beliefs. A so called certain moral compass (Wertekontext). One participant expressed this by highlighting the importance of a corporation's brand value by questioning "what do you represent other than your product?" Another participant also recognized a changing customer expectation as a reason to "adjust [our] corporate behavior and ecological footprint" as it otherwise comes under scrutiny by society. He stated, "we recognized from the development of the world climate and the discussion around it, that it could be a problem for us going forward, therefore we wanted to be part of the solution, not the problem. Resulting from that, we adjusted our strategy and by adjusting our strategy we adjusted our products. … Another aspect are our customers, they have their own agenda as well, which is affected by societal parameters and expectations from their customers … and that's why you had to react and prepare."

This theme of changing societal expectations in Germany stems from an acknowledgment by most participants, that it is important for their corporation to meet those changing societal expectations. Not only because it will meet German public expectations and helps to protect their corporate image from scrutiny, but also because corporate executives recognize the benefits that come along with implementing corporate responsibility and governance to create a stable environment to operate in. One participant expressed the opinion that geopolitics, climate change and scarcity of natural resource become even more relevant topics in the future where German corporations realize they need to do more. "If I look at the topics of climate change, China, or the questions on the future availability of natural resources, which are discussed differently in the Anglo-American sphere than in Germany, there we missed out the last 60 years, we acted as if it does not affect us, and that's why I think it is much less present in German corporations as it could be and should be. But I think the question what strategic interests are actually present, [and] what role corporations play in that, what role does the military play, what role do political actors play, this is being discussed differently now in German corporations."

Hesitant CEO leadership in global governance. Analysis of the interviews suggests that one reason for the lack of will to corporate governance is a certain fear and hesitance of CEOs to address controversial topics where "you can lose more than you can win", as one participant put it bluntly. "Currently there still is a certain fear present to take a stance, to get involved in societal debates which are not part of your core business and the reluctance [to do so] is still very strong" another participant added. Another added, "there is a fear of getting exposed in a societal debate that can't be controlled." This shows the "communicative calculation" by CEOs and their corporate communications executives to get involved in political and societal debates, which depends on questions such as potential legal consequences, their own expertise on the topic and how much they can control the conversation. "CEOs are more outspoken in areas where it is relevant, where there is expertise, or where it is necessary (e.g., ecological footprint, diversity), but as soon as it becomes controversial, it is difficult," one participant noted. Another participant added that "the topic of diversity is one where we as a corporation can speak up, because it is a key element of our corporate structure, where we say we are diverse, we are tolerant, one big family, … this brings a certain necessity to speak up about topics like diversity." Corporate executives generally noted that on non-political issues such as diversity in the workplace, or human rights, there is a greater willingness to speak out, but acknowledge the challenge to moderate and navigate many interest and political views. One participant noted the benefits of organized events, such as the World Economic Forum, as a "discussion forum that is a controlled environment. There we can be more open and talk about geopolitical responsibility of corporations."

Summary of the findings

Characteristics of Germany's economic structure (social market economy) and corporations' pragmatic approach to private-public partnership (cooperation with the Federal Foreign Office) help to explain German corporate executives understanding of the term corporate diplomacy and what role it takes in their corporate strategy. Attributes of Germany's social market economy functions as a foundation for corporate social responsibility at home and abroad. By adhering to laws and regulations of the social market economy, German corporations already practice a high degree of CSR at home. This reflects on their behavior outside of

Germany, as they view high social standards and sustainable business practices as something that they feel obligated to implement for all stakeholders.

German corporations conduct close cooperation with their government in form of the Federal Foreign Office to exchange information and help each other out if interests align, as they recognize cooperation as mutually beneficial to solve common problems and secure business interests globally. Bilateral cooperation is recognized as beneficial for German corporations as they rely on open markets and the benefits of globalization to export their goods and services. Overall, corporate executives are generally open minded to the concept of corporate diplomacy and have a positive attitude towards the term. Even though all but two participants stated that they never heard of the term, or were not familiar with the terminology and the wording, the analysis of all interview transcripts showed that the common understanding of the function of corporate diplomacy is consciously present in the overall corporate social responsibility strategy of German corporations. There is an underlying understanding for the necessity of the concept, and implementation of characteristics of corporate diplomacy into corporate strategy reveals the need for a more clear, visible, and conscious implementation of the terminology into the corporate structure.

German corporate executives show a sense of responsibility to represent and promote the country image of Germany. The image and reputation of 'Made in Germany', good German product quality and social standards, serve as a collective good and marketing tool that needs to be protected, as it serves the economic wellbeing of German corporations and has a positive effect not only on companies reputations but also on the country image of Germany. To uphold good product quality and compliance to social standards, which are associated with Germany, help German corporations to avoid scrutiny at home and function as a form of reputation management abroad. Even though, German corporations show a sense of responsibility towards the country image if their interests with the German government align to solve common problems and when it serves their economic self-interest, they do not necessarily view themselves as an 'Ambassador' of Germany, but primarily pursue corporate interests.

When it comes to economic, political and societal interests of German corporations, the order of concern that corporations show is consistent with traditional roles of corporations. First comes the economic interest, before the political interests and followed by the societal interests. However, analysis shows that these vary and can overlap. Economic and political interests tend to be rather affected by structural developments and societal interests are more affected by cultural developments.

Economic and political interests are influenced and based on the attributes of Germany's social market economy. German corporate executives consistently stressed that a certain social responsibility is a core aspect of German corporations' business practice due to high social standards and benefits required by German law and regulations. Germany's economic and social structure is traditionally based on a family-oriented business structure, the so called 'Mittelstand', which is older and not so dynamic and already values sustainable and responsible business behavior. Even though, corporate executives did not connect this to a constitutional obligation as it states in article 14 of Germanys 'Grundgesetz', they do note that Germany's social market economy structure, with its traditional stakeholder value approach (Mitbestimmungsrecht), and labor friendly laws and regulations have an influence on corporate structures and practices. In addition, some participants noted that compliance to regulations of the European Union also affect a corporation's corporate social responsibility practices.

Corporates societal interests are more influenced by cultural developments, such as changing societal expectations by the German public towards more environmentally friendly and socially ethical business practices. Corporate executives express a growing knowledge, acceptance and recognition of the need to act responsible and ethical, because changing societal expectations and the potential fall out to not meet those expectations can have great consequences on the brand image and reputation. Participants also noted that to value social responsibility and to be viewed as environmentally concerned, is a competitive edge to attract talent. Overall, participants recognized climate change, scarcity of natural resources and geopolitical instability, as topics that will become more relevant in the future. They detect a changing debate on how they, as corporations, have a growing role in addressing those developments to secure a stable and secure global environment, based on international tolerance and connectivity, as globalization and the reliance on stable exports is key to their and Germany's interest.

Discussion

As the global pandemic, that is occurring at the time of this writing, exposes the fragility of a globalized world, it also highlights the importance of bilateral cooperation, partnerships and diplomacy among governments and international corporations for the safety and well-being of societies around the globe. As one interview participant noted, that "the future of business is as much social and societal as it is economic", shows how important it is to understand international corporations' attitude and behavior towards corporate responsibility, not only in regard to the environment, but also to society and governance. Thus, this study focuses on the views, perceptions of and attitudes towards corporate diplomacy by German corporate executives and adds another contextual viewpoint to the growing literature on national differences in the practices of corporate diplomacy.

The findings of the study reflect the notion in previous literature, that the term corporate diplomacy is not commonly used or even heard of (Fitzpatrick, White & Bier, 2019). However, the analysis shows that German corporate executives have a general understanding of the need for and the importance of social responsibility by their corporations. Even though, most have not heard of the term before, many show a conscious understanding of the function of corporate diplomacy, which sometimes even reflects in their described corporate strategy. Therefore, the overall finding of this study revealed, that there is implementation of a general corporate diplomacy strategy into the corporate structure of German international operating corporations, even though there is still an unfamiliarity with the term.

The analysis of the interviews further revealed a long standing and traditional practice of social responsibility by German corporations towards employees, influenced by Germany's economic system, which is based on attributes of a social market economy, that is grounded in the country's constitution. Interview data suggests, that German corporations also try to implement and provide the same social standards and benefits abroad, not only to their international employees but also to the extended community they are part of, in order to enhance the life of those who are not directly a stakeholder. This reflects some of the understanding that literature on the concept of corporate diplomacy describes as the communication of ethical values and sustainable business purposes beyond economic performance to increase the economic, social and political values for all stakeholders (Bolewski, 2017; White, 2015). The findings are less supportive of the understanding that corporate diplomacy is practiced as a mean to solve geopolitical issues where nation states lack the ability (Scherer & Palazzo, 2011), as well as that international corporations act as a governance body to resolve international relations, diplomacy or conflict issues in place of nation states (Westerman-Behaylo, 2015).

On the idea of private-public diplomatic partnerships, German corporate executives generally expressed an openness and viewed it as a great potential moving forward in addressing global issues. As they acknowledged the mutual benefits of common problem solving, interview data revealed private-public diplomatic partnerships more as an exchange of information and expertise to enhance business practices abroad, rather than a diplomatic partnership for global governance. Analysis showed a lack of diplomatic education in management and a missing understanding of its benefits, even though cooperation between government and corporations are seen positively. The findings show an overlap of activities in support of White's (2015) described characteristics of cooperation in Figure 2, as German corporations show an involvement in the areas of foreign aid, nation branding and cultural diplomacy. Data shows less support for Börzel and Risse's (2005) interpretation, that corporations and government cooperate for governance purposes, but aligns more with the loose interpretation by Bovaird (2004), that describes it as a working relationship that functions well if it serves common interests and finds mutual commitment.

German corporations have a sense of responsibility towards the reputation and the image of Germany. As a German corporation they feel that they are also representing their country, though they do not see themselves proactively as an 'ambassador', rather acknowledge the indirect affect their behavior has on the country image of Germany, interview data show. Their awareness of German public expectations and their accompanying strategy to avoid scrutiny at home, results in an aspiration to behave ethical and responsible abroad. This, in return, reflects on the country image of Germany and promotes the image of high quality and standards. This supports findings from other literature, that suggests that employees working for non-U.S. corporations are more likely to connect their corporation with their home country (Fitzpatrick, White & Bier, 2019). Furthermore, German corporations suggested positive attitude towards shaping the country image of Germany, can be connected to and supports characteristics of public diplomacy and international public relations, in that they share the goal to influence perception and orientation about their country and corporation (Gregory, 2011; Scott-Smith, 2011).

In light of cultural and structural developments that influence German corporations' decisions about the use of corporate diplomacy, interview findings indicate that Germanys social market economy and economic structure have an influence and effect on the attitude to implement socially responsible business practices when operating abroad. This aligns with literature that already acknowledges a traditional sense of greater responsibility towards society by German corporations (Hiß, 2009). The fundamentally willingness of German corporate executives to partner with their government, and the already practiced cooperation support the literature that finds that corporations are more inclined to participate in government public diplomacy efforts when there is a strong economic connection between governments and business in the country and corporations have a more natural sense to corporate social responsibility (White & Alkandari, 2019). Furthermore, the findings reemphasized support for literature that already recognizes the influence of greater societal expectation of corporate social responsibility by the German public, the effect of strong labor laws and unions on corporate behavior, as well as the role of an export-oriented economy, product quality "made in Germany", good employment and working conditions, and environmental protections (Antal, Oppen, & Sobczak, 2009; Fifka, 2013; Weber & Larsson-Olaison, 2017). The suggestion of the data, that regulations and boundaries of being part of the European Union play a role in the decision making of corporate executives to implement corporate diplomacy does not find much support in previous literature. There is also less support in literature for the findings that German CEOs are very hesitant of being outspoken about geopolitical issues and do not show the leadership role, they could take on.

Overall, based on the results of this study, the findings suggest that characteristics of corporate diplomacy are already implemented in the strategic management of German international corporations. This implicates that Germany’s social market economy, as an overall economic structure, is an important and significant aspect in the development of corporate diplomacy by international corporations. Characteristics and attributes of the social market economy, as constitutionalized in Germany, serve as a good approach to implement corporate social responsibility and lets German international operating corporations be better positioned for a sustainable future where governance by corporations becomes more important. Moving forward, German corporations aim should be to embrace and harmonize the need to engage politically and diplomatically. To only engage economically and ecologically is not enough, the wider range of problem solving, and sustainability is needed. To pursue this aim, German corporations’ leadership should not only pursue material resources, but should look to the most valuable, existential and constituent resource of value-oriented capacity to innovate and adapt.

Limitations

As this study was conducted during a time where a global pandemic upended most ‘normal’ life for people, businesses and governments, the willingness and openness of potential participants to be available for this study was low. Therefore, this study could only analyze a small number of responses. A greater number of interviewees, from more international operating

German corporations, might influence the outcome and direction of the findings, would give a more robust significance and might discover more themes. As the global health crisis also impacted the way interviews were conducted, moving them away from in person interviews to fully online, the quality of interviews and their content might have been negatively affected and influenced, as interviews in person create a more personal connection between the interviewer and interviewee. This might have prevented significant details to come to light or altered the responses due to a different environment.

Future research

As Burns (2019b) put it: “Diplomacy may be one of the world’s oldest professions, but it’s also one of the most misunderstood.” Future research on the topic of corporate diplomacy in an international, non-U.S. context, should focus on further diverse and multinational origins. As Sriramesh (2003) and Verčič (2003) pointed out, research in public relations and public diplomacy should focus on multiculturalism and transnational studies to enhance the scholarship and practice concurrently.

Future research on the practice and understanding of corporate diplomacy in Germany should focus on the application and influence of diplomatic characteristics by German corporations that are part of the German ‘Mittelstand’, which are mostly family-owned, have a rich tradition of corporate social responsibility, historically value sustainability and overwhelmingly operate abroad. Simultaneously, those studies can be extended to the role of German associations, such as The Federation of German Industries (BDI). While comparative research has happened in other countries, such as Kuwait (White & Alkandari, 2019), The United States (Fitzpatrick, White & Bier, 2019), or Japan (Bier & White, 2019), we have not had any studies focusing on European countries such as France, Italy or Spain. Therefore, it will be interesting to study similarities and difference between Germany and other European countries.

Lastly, more research needs to be conducted on the role German and European Union laws and regulations play in influencing German corporate executives to implement socially responsible business practices in the larger context of corporate diplomacy. As Germanys government plans to implement more regulations on the conduct of sustainable supply-chain practices by German corporations (Koch, Specht & Stratmann, 2020), it will be interesting to study how German international corporations view such measure and how they think this would affect their overall business strategy and attitude towards corporate diplomacy.

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Appendices

Appendix A

Interview Guide

In your view, how does Germany's economic system (social market economy) affect German corporations to focus on sustainable and socially responsible business practices?

Let us talk a little bit more about corporate social responsibility (CSR). Can you give me some examples of CSR your company does in countries outside of Germany?

Thinking further, do you think or feel like German companies have a sense of responsibility to promote the country image of Germany abroad?

Moving on, what understanding does your organization have of public diplomacy and the use of it?

Do you see any mutual benefits of diplomatic collaboration between corporations and governments?

In your view, can you describe some of the obstacles German corporations face when engaging in diplomatic efforts, PPPs, or CSR?

What are some structural and mental barriers in using diplomatic practices for corporations and how can they be overcome?

Do you see any cultural or societal variables in Germany that might affect the way German corporations use diplomatic practices?

Lastly, please tell me about your understanding and perception of the term 'corporate diplomacy' and its use as a strategic practice in your corporation.

Finally, can you describe your attitude towards the term 'corporate diplomacy' and the use of it?

Any other observations, suggestions, or comments about corporate diplomacy that you would like to add?

Appendix B

List of Participants

Participants	Profession	Industry	Gender
Participant 1	Corporate Communication Executive	Consulting	Male
Participant 2	Chief Financial Officer	Facility Management	Male
Participant 3	Former German Ambassador and Adviser to Chancellor Merkel & Schröder	Government	Male
Participant 4	Chief Executive Officer	Research	Male
Participant 5	Director & CEO	Foreign Relations / Diplomacy	Male
Participant 6	Head of Department International Relations	Technology & Services	Male

Appendix C

Consent for Research Participation

Research Study Title: CORPORATE COMMITMENT TO DIPLOMATIC EFFORTS: A CASE STUDY OF CORPORATE DIPLOMACY IN GERMANY

Researcher(s): *Jacob Teetzmann*, University of Tennessee, Knoxville

Dr. Candace White, University of Tennessee, Knoxville

Why am I being asked to be in this research study?

We are asking you to be in this research study because you have a leading role within a German corporation that operates internationally.

What is this research study about?

The purpose of the research study is to find out how German corporations use diplomatic tools when operating internationally. This study is being conducted by researchers at the University of Tennessee, Knoxville, USA

How long will I be in the research study?

The interview will last no more than one hour.

What will happen if I say "Yes, I want to be in this research study"?

If you agree to be in this study, we will ask you to participate in one video call interview that will last no more than 1 hour. The interview will be recorded for the sole purpose of transcription. You will be asked to answer open-ended questions about your experiences in corporate social responsibility, diplomacy, and/or private-public partnerships. You can talk as much or as little as you want, and you can skip questions if you do not wish to answer them.

What happens if I say "No, I do not want to be in this research study"?

What happens if I say "Yes" but change my mind later?

Your participation in this study is voluntary. You can change your mind, or decide not to continue with the interview at any time. After data are de-identified and the code key is destroyed, it will not be possible to delete your data.

Are there any possible risks to me?

It is possible that someone could find out you were in this study or see your study information, but we believe this risk is small because of the procedures we use to protect your information. These procedures are described later in this form. There are no risks for participating in this study greater than those encountered in everyday life.

Are there any benefits to being in this research study?

Your participation in this study will help researchers learn more about the concept of corporate diplomacy and how it may differ among countries. We hope this study will contribute to the aggregate knowledge about diplomacy that will be beneficial to corporations in the future.

Who can see or use the information collected for this research study?

We will protect the confidentiality of your information by safely storing the digital recorded data and research records on a password protected personal computer. If information from this study is published or presented at scientific meetings, your name and other personal information will not be used.

We will make every effort to prevent anyone who is not on the research team from knowing that you gave us information or what information came from you. Although it is unlikely, there are times when others may need to see the information we collect about you, which may include employees of the University of Tennessee, Knoxville who oversee research to make sure it is conducted properly.

What will happen to my information after this study is over?

Your participation in this study will be keep confidential by the researchers. We will remove your name and other identifiers from the data after it is collected. Responses will be reported in the aggregate your information will not be used in other studies nor shared with other researchers. You will not be paid for participating in this study, and it will not cost you anything to be in the study.

Who can answer my questions about this research study?

If you have questions or concerns about this study, or have experienced a research related problem or injury, contact the researchers, Jacob Teetzmann, jteetzma@vols.utk.edu, 423.494.3673, or Dr. Candace White, white@utk.edu, 865.974.5112.

For questions or concerns about your rights or to speak with someone other than the research team about the study, please contact:

Institutional Review Board

The University of Tennessee, Knoxville

1534 White Avenue

Blount Hall, Room 408

Knoxville, TN 37996-1529

Phone: 865-974-7697

Email: utkirb@utk.edu

STATEMENT OF CONSENT

I have read this form and the research study has been explained to me and a copy has been sent to me by email. I have been given the chance to ask questions and my questions have been answered. If I have more questions, I have been told who to contact. By continuing with the interview, I am agreeing to be in this study and certifying that I am over 18 years old. Do you agree to participate in the study?

Appendix D

Table 1
Axial Categories.

Category	Definition	Example
German standards and regulations	By law required to implement certain social standards and benefits for employees at home, which influences implementation of those same standards abroad for foreign employees and stakeholders	"Corporations use German standards abroad – ecological, social, governance – less [out of] the constitutional obligation, but [based on] the recognition of German standards at home."
Social responsibility as traditional corporate strategy	Social responsibility as a traditional corporate function and structure that has been part of corporations' values for a long time.	"Social responsibility is a core aspect of [our] corporations' business practices and attributes such as social standards and benefits, worker rights, find implementation everywhere we operate."
EU influence	Germany being part of the European Union and bound by its regulations and laws has an effect on CSR practice of German corporations	"[Regulations] make it cost and labor intensive and therefore more difficult to implement CSR practices [in the corporate structure]"
Reputation management	Implementation of high-quality standards and ethical practices abroad to safeguard Germanys reputation and image of good product quality, good social standards, and as a reliable partner for cooperation.	"Especially corruption is an important topic … there you have to make sure that you oppose that, not only because we think it's a bad thing, that alone is not convincing, [but] another reason is your corporate image, your corporate identity, which is always and everywhere affected if you have a problem."
Selective ambassadorship	German corporations do not see themselves as active ambassadors of Germany but do acknowledge an interest to represent Germany if and when common interests align and when they see economic benefits.	"In some sort of way [we are an ambassador], if we do a good job, we uphold the reputation of 'German quality standards', but it is more an indirect affect and we are not Germany's ambassador abroad."

Corporate brand image in Germany	CSR abroad as a means to protect brand image at home.	"The loss of credibility to not have German standards in other countries can have loss of brand reputation at home"
Informational exchange	Private/public cooperation on information gathering and exchange for mutual benefits and to secure German business interests abroad.	"There is an exchange, that is also one of my tasks, to get information from the [German Foreign Office] on certain political developments that are relevant for us, for example the U.S. trade policy, or the Iran nuclear deal, information from diplomatic circles which we can benefit from to internally to assess the political landscape in the country." "Support from the German embassy is very important to us, simply as an accompanying measure and sort of a protective shield to secure German business interests abroad."
Globalization and open markets	Germany as an export nation and German corporations as the actors rely on the benefits of open markets, bilateral cooperation and a stable and secure environment to operate in.	"We have a common interest to have good business environments [throughout the world]" "[Germanys] government is dependent on open markets; it is important for Germany as an export nation."
National discourse around the role of corporations in society	Growing discussion in Germany around the role of social goods and their nationalization to better assure their sustainability.	"We realize the growing debate in society that certain goods, such as energy, water, gas, electricity and transportation, sort of those social goods should be provided by the state and should be nationalized and not be provided by private, or international corporations, …

		because many say it is more sustainable.”
Environmental and ethical consideration	Recognition of the growing effects of a changing global climate and its environmental ramifications which lead to changing demands and expectations by the German society to implement environmentally friendly and ethical business practices.	“We recognized from the development of the world climate and the discussion around it, that it could be a problem for us going forward, therefore we wanted to be part of the solution, not the problem. Resulting from that, we adjusted our strategy and by adjusting our strategy we adjusted our products.”
Hesitant CEO leadership in global governance	German CEOs are still hesitant to speak out on controversial topics and political issues in Germany and especially abroad.	“CEOs are more outspoken in areas where it is relevant, where there is expertise, or where it is necessary (e.g., ecological footprint, diversity), but as soon as it becomes controversial, it is difficult.”

Table 2
Themes

Theme	Definition	Example
Economic Structure	Social Market Economy as a foundation for corporate social responsibility at home and abroad. By adhering to laws and regulations of the social market economy, German corporations already practice a high degree of CSR at home. This reflects on their behavior outside of Germany.	“[German] corporations do something on their own, . . . that originates from our belonging to a social market economy, it would be not credible if a German corporation would provide horrible standards abroad, because that [image] will go around, and that’s why we make sure that we help out, build schools, or that the employees have a decent place to live.”
Made in Germany	The image and reputation of ‘Made in Germany’, good German product quality and social standards, serve as a collective good and marketing tool that needs to	“I suspect the ‘Made in Germany’ image is more a collective good, which is not produced by one but by many corporations together, which

	be protected, as it serves the economic wellbeing of German corporations and has a positive effect on the country image.	individual companies benefit from." "All German corporations work under the cover of this image [as] a means to promote their own company image."
Pragmatic private-public partnership	German corporations cooperate with their government as a mean to exchange information and help each other out if interests align, as they recognize cooperation as mutually beneficial to solve common problems and secure business interests. Bilateral cooperation is recognized as beneficial for German corporations as they rely on open markets and the benefits of globalization to export their goods and services.	"The importance of the overall purpose for any cooperation is a common purpose of problem solving . . . for reason of security, to secure a stable environment, that's the basic common interest of business and government, they might see it differently, but they are aiming into the same direction." "We encourage employees to build relationships with German embassies, to support [them] with information because it is important [to us] to secure company interests."
Growing societal expectations by the German public for corporate responsible and sustainable behavior	German corporations recognize a growing shift in societal expectations by the German society towards corporate governance and responsibility. Public scrutiny and brand damage at home and the recognition of the benefits of a stable environment to operate in lead to more focus on CSR.	"If I look at the topics of climate change, China, or the questions on the future availability of natural resources, which are discussed differently in the Anglo-American sphere than in Germany, there we missed out the last 60 years, we acted as if it does not affect us, and that's why I think it is much less present in German corporations as it could be and should be. But I think the question what strategic interests are actually present, [and] what role corporations play in that, what role does the military play, what role do

		political actors play, this is being discussed differently now in German corporations.”

Vita

Jacob Martin Teetzmann is a graduate student within the School of Advertising and Public Relations in the College of Communication and Information at the University of Tennessee, Knoxville. He obtained his Bachelor of Arts in North American Studies from the Freie Universität Berlin at the John F. Kennedy Institute of North American Studies in Berlin, Germany, where he grew up, lived and worked before he began his studies in the United States. During his studies in Berlin, Jacob successfully completed two professional internships, one at ZDF German Television in Washington, D.C. and one at Lufthansa Group in the corporate communications department in Berlin, Germany. After completing his Bachelor of Arts, he joined a public relations and marketing agency, Pretzlaw Communications GmbH, in Berlin, Germany for one year, before beginning his Master of Science in Communication and Information at the University of Tennessee, Knoxville. There he held a Research and Teaching Assistantship in the School of Advertising and Public Relations for two years, received the Edward J. Meeman fellowship Scholarship in International Communications in the Fall of 2018, completed a Public Relations internship at Moxley Carmichael in the Summer of 2019 and worked as the Communications Manager for the UT EcoCAR Team during the 2019-2020 academic year. After graduation, Jacob continues to live and reside in East Tennessee.