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Corporate Social Responsibility Strategy
Implementation: A Global Overview
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Abstract

Purpose: To establish corporate social responsibility strategy implementation globally.

Methodology: This paper employed literature study, which is descriptive in nature as based on a review of existing literature within (journals, conference reports and websites) in regard to corporate social responsibility among various countries of the world. The researcher surveyed randomly existing research on corporate social responsibility strategy implementation in fifteen (15) countries within five (5) continents of the world with the sole objective to establish corporate social responsibility strategy implementation globally.

Findings: In the global business set up today, clients are more informed about their rights and obligations. Corporate social responsibility strategy has greatly contributed to the success of various corporate institutions including financial institutions in the western world. Corporate social responsibility strategy is considered as an important instrument that pushes the competitive advantages, the creativity and innovation, improves business reputation to the society with the employees, furniture, state institutions and non governmental organization.

Unique contribution to theory, practice and policy: Socially responsible companies can provide a better environment, a better quality of life and a more desirable community, corporate social reponsibility results in less government regulation while social reponsibility benefits long term stock prices as the market deems socially reponsible firms less risk.

Keywords: Strategy, Corporate, Social and Responsibility
1.0 INTRODUCTION

1.1 Background of the Study

Corporate social responsibility was an ethical event of business when originated by (Sheldom, 1924), referring to responsibility of an enterprise to improve the interests of the community while pursuing the famous Berle-Dodd debate from 1930 - 1960 (Yang & Guo, 2014). The term corporate social responsibility refers to the concept of business being accountable for how it manages the impact of the process on stakeholders and the responsibility for producing positive effect on the society. CSR has been defined as continuing commitment by business to behave properly, fairly, and responsibly while contributing to economic development and improving the life of the workers and their families as well as the local community and society at large (Fontaine, 2013).

In the past years corporate social responsibility has become object of attention by academics and professions, gaining great relevance not only in education but also in the corporate world. It is worth noting that corporate social responsibility is a way of managing a company, so it must be integrated into its strategy (Catejon & Lopez, 2016). Strategic corporate social responsibility (CSR) involves the voluntary practices of social and environmental activities to satisfy firm’s stakeholders with the intention of generating profits (Yuen & Lim, 2016). Organization Social aspects are not a new area of concern for the business world. Corporate social simply refers to strategies by which organizations conduct their business in a way that is ethical and society friendly (Rana, 2015).

In today’s business world, corporate social responsibility is a burning issue, now business can be ethical by maintaining the corporate social responsibilities. Corporate social responsibility is the most talking terminology in the recent times among corporate world, commercial community and capitalistic industry, and its practices are being integrated into international business practices and hence are becoming one of the determining factors for market access (Afroj, 2013).

The role of business globally and specifically in the developed economies has evolved over the last few years from classical profit maximization approach to a social responsibility approach, where businesses are not only responsible to its stakeholders but also to all its other stakeholders including the surrounding society (Haldar, 2015). Traditionally, in the United States of America, corporate social responsibility has been defined much more in terms of a philanthropic model. Companies make profits, unhindered except by fulfilling their duty to pay taxes (Mwangi & Mwembe, 2015).
Companies are beginning to recognize the concept of corporate social responsibility as presenting a new business model and opportunity for building innovative forms of competitive advantage. Board of management are instrumental in shaping and overseeing such strategies and active engagement around what it means to be responsible and how responsive enterprise can strengthen the board’s potential as a strategic influence on long–term value creation (Ingley, 2008).

The concept of corporate social responsibility is not new in the banking industry, but, nowadays, it has become a highly topical issue since the crisis has significantly highlighted the need for integration of moral principles in the banking business (Lenka & Jiri, 2014). Corporate social responsibility is gaining more and more importance day by day. Corporate social responsibility is not only drawing the corporate magnates into its circumference, but is also luring educationalists, social activists, reformists, from all over the world to delve deeper into it (Sharma & Kiran, 2013).

It is extremely difficult to define corporate social responsibility with precision because the concept is still evolving. The corporate social responsibility newswire service defines it as “The integration of business operation and values whereby the interests of all stakeholders, including customers, employees and investors, and the environment are reflected in a company’s policies and activities”. Corporate social responsibility is about the concern business have, not only making profits or their survival but also for communities they serve (Chiheve, 2013).

Corporate social responsibility is about the relationship of organizations with society as a whole, and the need for organization’s to align their values with societal expectations. Generally, CSR in Africa is thought to be adopted from western business theories although there is evidence to suggest that western CSR theories are not totally applicable in Africa (Dartey-Baah & Ampionsa-Tawiah, 2011).

Corporate social responsibility has become the next modern prototype and a school of thought within the strategic management and the search for sources of competitive advantage. Corporate social responsibility is of the doctrine of comprehensive quality management and a vital point of reference for those who have the decisive impact of national and global performance awards (Wolska, 2013).

1.2 Statement of the Problem

In this competitive era of global business, no company can ignore the public interest. Companies have to realize that they ensure continued existence; their practices will have
to be altered in such a way that they are not only focus on conventional quest of profits but take into account the social environment spectrum (Sarwar & Azam, 2013). In today’s business environment, there is no chance for an organization to be successful simply by doing profit oriented business. Organizations are the existing entities along with their stakeholders therefore; organizations are expected to be responsive on cultural, environmental, and economic issues of the society (Akgoz & Engin, 2016).

Corporate social responsibility has become a source of risk for companies that do not incorporate into their strategy. With the awareness of public authorities, civil society, and internal and external business partners, the new challenges to companies that need to comply with the expectations of their customers who now want them to be environmentally and socially responsible (Boubakary, 2016). The concept of corporate social responsibility became prominent recently due to the creation of social value through CSR. However, little research has been done to analyze the effects of the relationship between CSR and strategic management (Oh, Hong, & Hwang, 2017). Due to a wide scope of corporate social responsibility concept, providing clear challenges for companies is a real challenge (Skrzypczynska, 2014).

1.3 Objective
To establish corporate social responsibility strategy implementation globally

2.0 LITERATURE REVIEW

2.1 Theoretical Framework
2.1.1 Institutional Theory
In accordance with institutional theory, organizations in a same field tend to become homogeneous by adopting common institutional practices and adhering to generally accepted social norms and beliefs. Institutional theory considers generally accepted social norms and/or institutional practice which are indirectly influenced by the organization’s stakeholders (Fernando & Lawrence, 2014). Institutional theory explains how organizations cultures can affect corporate social responsibility of companies. Institutional theory method provide essential guidelines for analyzing organization – environment relationships with an emphasis on the social rules, expectations, norms, and values as the sources of pressure on organization (M bogoh & Ogutu, 2017).

2.1.2 Top Management Commitment
Obtaining a formal commitment of company’s top management is essential in corporate
social responsibility strategy implementation. It is usually expressed in formal document, explicitly designing the objectives and scope of corporate social responsibility, its importance for future development of the company. The top management provides the experts in the CSR team and it is responsible. The employees must realize that the commitment is genuine and that implementation CSR will not end with document to be shelved and forgotten (Danubianu & Teodorescu, 2017).

The company’s top management commitment to corporate social responsibility results in sustainable and comprehensive development. Therefore, the quality of the people and subsequently the community will improve. Improvement by the company’s commitment to corporate social responsibility will ensure improvement in employees’ performance, increase competitiveness, ensure the organizations’ long success, result in growth and development, and will finally make a balance in the social, economic, and environmental sections (Safarzad, Farahnaki, & Farahbashsh, 2017).

Top management open style should let employees have freedom in decision making so as to increase their productivity and quality work. Top management instrumental management styles no longer survive in a world in which focuses on values, workplace democracy and employee empowerment (Yeung, 2011).

2.1.3 Innovation

Sustainable organization growth is one of the key issues faced by firms, and the importance of this factor is increasing. Today, given the environment has been affected as technology improves; firms are making various efforts to reinforce competitiveness through change and innovation (Hong & Hwang, 2017). On the other hand, young people of late want to work at a important job and make a distinction in the world. Information technology and innovation are effective enablers for all sorts of business strategies including corporate social responsibility, so it comes as no surprise that information technology and innovation is useful for implementation of a firm’s corporate social responsibility initiative as well (Salb, Friedman, & Friedman, 2011).

In essence, innovation and corporate social responsibility initiative of an organization can connect with efforts at improving the organization’s own competitiveness. Leadership of organization and individual innovative behaviour of employees can influence corporate social responsibility activities that may be pursued and thus, contribute in defining organization’s own competitiveness (Amos, 2017).
2.1.4 Competitive Advantage

Corporate social responsibility has become a buzz word in the current globalized and civilized world. In the day to day growing competition, in order to attract people and raise their good will, a shift towards social responsibility has become inevitable. To achieve social responsibility, the organizations are trying to have an edge between business and society (Bikshapathi, 2014). A properly implemented corporate social responsibility strategy can bring a long a mixture of competitive advantages, such as enhanced entry to capital and markets, improved sales and profits, reduction in operational costs, better productivity and quality, efficient human resource base, improved brand image and reputation, enhanced customer loyalty, better decision making and risk management process (Islam & Hasan, 2016).

Owing to intense competition for industrial products, markets faced with social contestability based on environmental and health related externalities attributed to product and processes, and economic contestation from competitors. Corporate social responsibility creates competitive advantage for the organization through enhanced firm reputation and customer loyalty in support of stakeholder and social identity theories (Mwangangi, Atikiya, Nzulwa, & Odhiambo, 2017).

2.1.5 Information Technology

The use of information communication technology to enhance the implementation and drivers of corporate social responsibility are boundless as the advancement of technology. With the expansion of vistas through this technology, corporate social responsibility can become the unifying driver for ethical and socially responsible commercial environment (Hasnaoui & Freeman, 2010). The recent history shows that computers have significant effect in society. The benefits from information technology (IT) reach both enterprises and people, when small firms use information technology resources to create unique capabilities, even indirectly improve conditions to meet corporate social responsibility (Malaquias, Malaquias, & Hwang, 2016).

3.0 RESEARCH METHODOLOGY

This paper employed literature study, which is descriptive in nature as based on a review of existing literature within (journals, conference reports and websites) in regard to corporate social responsibility among various countries of the world. The researcher surveyed randomly existing research on corporate social responsibility in fifteen (15) countries within five (5) continents of the world with the sole objective to establish
4.0 DISCUSSIONS & FINDINGS

4.1 EUROPE

Since the creation of the European Union, corporate social responsibility has obtained sharp concentration in Europe. This is confirmed by their sustainable development strategies. The sustainable development strategy in Europe was approved in June, 2001. It stated that Social Cohesion, Environmental Protection, and economic growth must coexist (Forte, 2013).

4.1.1 Poland

It is worth stressing that although implementation of the concept of corporate social responsibility is not obligatory, it has been gaining more and more recognition among decision makers in Poland. Despite the fact that there is no long time tradition of corporate social responsibility in Poland, one may observe both development of existing organizations oriented towards socially responsible activity and emergence of new ones. In Poland, over the last decade involvement of decision-makers and entrepreneurs in socially responsible activities has been growing (Hys & Hawrysz, 2013).

Due to the historical background and the relatively young character of polish market economy, the concept of corporate social responsibility in Poland is still in its development stage. The interest in corporate social responsibility issues increases along the growing standard of living and increasing awareness of Poles as both consumers and the citizens (Skrzypczynska, 2014). It is worth considering why despite a lively debate on corporate social responsibility in Poland as well as on the European, international and global level, in Poland the concept is still underestimated or even ignored (Wolska, 2013).

4.1.2 Czech

There is an increase of the companies’ engaging in the concept of social responsibility in the Czech Republic. However, the engagement is still at lower level when compared with other countries of Western Europe. Organizations that were not familiar with the corporate social responsibility concept were implementing a small extended of activities, and these activities were less sophisticated, in some cases, even in the frame that is required by the legislation in Czech Republic (Kucerova, Skypalova, & Blaskova, 2015). Knowledge of business practice in Czech indicates the fact acceptance of moral principles in business is not integrated into management decisions of companies. It
cannot be accepted that self-regulatory instruments of such as corporate social responsibility will be effective (Lenka & Jiri, 2014).

4.1.3 Finland

Corporate social responsibility in the early days of finish industrial history was viewed narrowly as the company’s relationship with the community immediately surrounding it. It is similar to other companies in Europe (e.g. United Kingdom) and in the United States; the corporate social responsibility was a corporate issue in Finland 40 or 50 years ago. This newly revival thinking about social responsibility is viewed as an issue traced back from Finland’s history of industrial development (Panapanaan, Linnanen, Karvonen, & Phan, 2003).

4.1.4 Ireland

There are a number of trends in terms of a unique Irish approach to corporate social responsibility, firstly Ireland is not a naturally philanthropic society, while individually do not engage in personal or adoptive corporate social responsibility. Secondly, professional comprehensive corporate social responsibility is typically a reaction to a business threat as opposed to a proactive investment in doing well in Ireland. However, that is not to say that corporate social responsibility is not practiced in Ireland. Corporate social responsibility has been practiced in Ireland by organizations large and small throughout Ireland for many years (Burke, 2015).

4.2 ASIA

4.2.1 India

In India, the concept of corporate social responsibility is governed by clause 135 of the companies Act, 2013 which was approved by all the houses of the parliament, and received the assent of the head of state of India on 29th August 2013. The Act encourages companies to spent at least 2% of their average net profit in the previous three years on corporate social responsibility activities (Bikshapathi, 2014).

Corporate social responsibility in India has traditionally been seen as a philanthropic activity by companies. While, in keeping with the Indian tradition, it was an activity that was performed but not deliberated. As a result, there is limited documentation on specific activities related to this CSR concept in India. CSR investments should lead to impactful changes in daily life such example being a Sanjay Group of companies in India which has invested in rural development centres that include Hospitals, sports complex, vocational training centre, and adult literacy mission (Nagaraj & Shalini, 2016).
Ethics and corporate social responsibility are recognized as important concerns in decision making in all aspects of our life. It is contributing to accelerate the process of overall development of a nation. India being the second most populous country in the world and have the largest number of people in need of basic necessities call for more intensive efforts as part of such initiatives in the health care space in the nation (Singh & Singh, 2013).

4.2.2 China

The concept of corporate social responsibility has since seen five stages of evolution as ethical oriented stage, differentiation and prosperity stage, ‘chrysalis’ stage, and ethical sustainable development stage in the West from 1953. Corporate social responsibility research started in China in the late-1980s. In China, the concept of corporate social responsibility was acquired from, and influenced by the results of the Western research, but with Chinese characteristics as well (Yang & Guo, 2014). In recent years, Chinese private companies have companies have improved a lot in corporate social responsibility (CSR) performance especially in the philanthropic area (Huang & Zhao, 2016).

In reference to the case of corporate social responsibility in China, this topical issue takes the stand that the role of non-state actors is still relatively submissive to the states role in terms of promotion and adoption of corporate social responsibility policies. Although, corporate social responsibility should originate from businesses, with input from multi-stakeholders such as, civil society and public, the Chinese government is still the main agent of change in shaping corporate social responsibility outcomes (Tan-Mullins & Hofman, 2014).

4.2.3 Malaysia

Since the early 2000s, the conversation of corporate social responsibility in Malaysia has been moving on a head rapidly. Whereas, commentators tended to understand corporate social responsibility in the 1990s as exclusively dealing with supply chain issues, the last few years have seen changing expectations on company performance when it comes to social environmental issues (Aaijaz & Ibrahim, 2012). Corporate social responsibility in Malaysia has gradually gained momentum. Improved awareness of social responsibility and sustainable development on the part of stakeholders is encouraging Malaysian organizations to improve their alignment with global management practices (Isa, 2012). Malaysia has demonstrated an increasingly awareness of corporate social responsibility in the recent years, where more of non-governmental organizations and professional accounting bodies such as Federation of Malaysia Consumer Association, Consumer

4.2.4 Bangladesh

The concept and practice of corporate social responsibility is comparatively new strategy in formal sense for the corporate sector of Bangladesh (Afroj, 2013). Under the developing countries corporate social responsibility application in the reasonable criteria like Bangladesh which is applied in various purposes. Common corporate social responsibility practices in Bangladesh by different banks are centered on mainly poverty alleviation, health care, education charity activities, women empowerment, patronizing sports, youth development and music (Islam & Hasan, 2016). Corporate social responsibility is now not a matter of the developed countries only but it is getting increased attention in developing countries like Bangladesh also. A powerful perception has evolved in recent years among the business managers in Bangladesh that they require to manage their organizations in a socially responsible way for economic viability and long term sustainability in the competitive market (Rana, 2015).

4.3 NORTH AMERICA

4.3.1 United States

Corporate social responsibility plays an important role in a firm’s life in the United States of America today. It is not sufficient for companies to make a profit. United states of America citizens expect companies to generate a profit and conduct themselves in an ethical and socially responsible manner. The United States of America Sentencing Commission Guidelines help organizations facilitate this expectation which is vital for corporate growth and maintaining of a competitive advantage (Forte, 2013). In countries like Mexico, where both, legal and civil regulation mechanism are weaker and social awareness is considerably lower, such as ‘soft’ strategies, may become important, at least as a complement to other strategies (Weyzig, 2007).

4.3.2 Trinidad and Tobago

Corporate social responsibility is developing in Trinidad and Tobago.Embedding corporate social responsibility issues in the strategy and operations of companies is considered to be the most effective approach in addressing the challenges associated with corporate social responsibility practice in Trinidad and Tobago and the wider region.
Accordingly, Trinidad and Tobago’s corporate sector can be considered as one of the leaders in corporate social responsibility and promotion in CARICOM (Ron & Surendra, 2010).

4.3.3 Mexico

In Mexico corporate social responsibility is still in an early phase. Traditionally, enterprise managers associate corporate social responsibility with corporate philanthropy, not related to the core-business of a company, and do not seek engagement with civil society. The traditional perspective of Mexican civil society is centered on legal compliance and characterized by a hostile attitude towards the private sector. The new corporate social responsibility perspective, which defines the social responsibility of the enterprise in terms of responsibilities towards all enterprise stakeholders has found its way from Europe to Mexico (Weyzig, 2007).

4.4 SOUTH AMERICA

4.4.1 Bolivia

Corporate social responsibility has been studied extensively in developed countries. However, most of the world’s consumers live in developing countries, the study of corporate social responsibility in developing countries in general, and in Bolivia in particular, is still very limited. Five Bolivian corporate social responsibility experts concur that firms implement corporate social responsibility in Bolivia, but only partially in the sense that they focus on environmental dimensions and tend to overlook at social dimensions of ethical conducts such as responsible labour practices (Torrico, Franch, & Tavera, 2018).

4.5 LATIN AMERICA

In Latin America, corporate social responsibility movement became more active in the late 1990s, when the market required more ethics and transparency in business. Large corporations started to hire professionals dedicated exclusively to corporate social responsibility. A Latin American network started to be established, as a consequence of a culture of responsibility and social good. Recently, leading business schools in Latin America have developed a corporate social responsibility programme sponsored by AVINA Foundation, having the Harvard Business School partner (Arruda, 2009).

4.6 AFRICA

In Africa, corporate social responsibility activities consist mostly of those activities that
add to infrastructure or the economic development of the community through job creation, taxation and so on. Topical issues for corporate social responsibility in Africa include: health (HIV/AIDS and Malaria), sanitation, sports, and education (Amponsah-Tawiah & Dartey-Baah, 2011).

4.6.1 Cameroon

Corporate social responsibility view is fairly new in Cameroon. That is why a majority of the large companies do not have either corporate social responsibility policies in place or a team that deals with corporate social responsibility issues, while very few companies have been identified in Cameroon as having such corporate social responsibility policies in place (Ernestine & Ollong, 2016). In Cameroon, the debate on corporate social responsibility is now ever present in the speeches of those from the business community as well as public authorities, rather than by the academic researchers (Boubakary, 2016).

4.6.2 Ghana

The socialist orientation in Ghana of her first president Dr. Kwame Nkruma gave the impression perhaps rightly or wrongly that state owned enterprises were to solve social problems corporate social responsibility in Ghana are spearheaded by large multinational companies. The corporate concept in Ghana has tended to focus on the external environment to neglect the internal environment from where employees operate. The CSR concept has become synonymous to the mining industry where there appear to be more environmental and human rights concerns (Amponsah-Tawiah & Dartey-Baah, 2011).

Corporate social responsibility has greatly contributed to the success of various corporate institutions including financial institutions in the western world. The concept of corporate social responsibility is widely recognized as being of significant strategic value to organizations that seems not the case in Ghana, where the focus of most firms is on achieving profit without taking into consideration of the needs of stakeholders (Boafo & Kokuma, 2016).

4.6.3 Kenya

In Kenya, corporate social responsibility is a concept that as much as it has been practiced by majority of corporate firms, it is yet to be embraced by other industries including construction industry (Mwangi & Mwembe, 2015). The changing attitudes of consumers on environment, ecology, social responsibility, and change of consumption habits is forcing organizations to include corporate social responsibility in their practice
in Kenya. While the adoption of corporate social responsibility policies is therefore, no longer a matter of voluntary practices on the part of business in Kenya (Owino, 2014).

Organizations in Kenya and commercial banks in particular are increasingly being held accountable for corporate issues such as fair trade, environmental concerns and local or regional socio-economic matters. Implementing corporate social responsibility requires a bank perspective to be re-oriental so that new relationships can be formed, new rules defined and new strategies developed (Mbogoh & Ogutu, 2017).

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

In the global business set up today, clients are more informed about their rights and obligations. Clients would want equal opportunity employment, fair remuneration for workers, better methods of waste disposal, fair treatment at work places, and response to problems of community arround. The roles of business has therefore grown from purely economic to the wider social roles which any business has to address.

Corporate social responsibility is considered as an important instrument that pushes the competitive advantages, the creativity and innovation, improves business reputation to the society with the employees, furniture, state institutions and non governmental organization. CSR represents the idea of an ethical organization, that has social obligations and that can take reponsibilities as individuals can do. Corporate social responsibility is beyond the legal requirements and includes continuous comittment of organizations to the measures that improve welfare of the country in addition to meeting their interests.

Sustainable growth can be basis of achievement for firms. Corporate social responsibility is a key tool to sustainable growth. Corporate social responsibility practices are core practices that help communities and the country as a whole to develop both financially and otherwise. Socially responsible companies can provide a better environment, a better quality of life and a more desirable community, corporate social repsonsbility results in less government regulation while social responsibility benefits long term stock prices as the market deems socially responsible firms less risk. Dedication to corporate social responsibility enhances community relations and contribute to favourable public image.
5.2 Recommendations

Corporate social responsibility demands that business manage the economic, social and environmental impacts of their operations to maximize the benefits and minimize the downsides. Therefore, companies should practice corporate social responsibility to assist the community in order to advance both economically and socially in the global economy. There is also the need for governments to become more proactive in delivering a credible and incentive–appealing national strategy on corporate social responsibility to companies and society in light of resource constraints.

Organizations interested in implementing corporate social responsibility strategy should, therefore, be cognizant of the diversity of skills of their leaders and may need to encourage different and new styles in order to be successful. Social involvement would create excessive costs for business. Organizations interested in profit maximization believe it is a waste of time and money to invest in some forms of social service, some type of social responsibility, such as community service, may engaged in only by those organizations having slack resources.

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