Organisations' social responsibility

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ABSTRACT
For a long time organisations have acknowledged their responsibility towards the community and the environment in which they operate. Responsibility does not end with the production of goods or the rendering of service of a high quality as required by the community, but extend into the social field. In the Middle Ages, Popes gave generously of their personal fortunes. Social responsibility is a social norm. This norm holds that any social institution, including the smallest family unit and the largest corporation responsible for the behaviour of its members, may be held accountable for their misdeeds. It is implicitly stated that an organisation's responsibility extends far beyond the internal maintenance of its human resources to the external work environment as well. An organization fulfills its social responsibility when it meets economic and legal obligations. A socially responsive organisation acts the way it does because of its desire to satisfy some expressed social need. Social responsiveness is guided by social norms.

Key Words: social norm, labour accountability, fringe benefits, incentives, retention of labour.

1. INTRODUCTION
The social responsibility of an organisation is becoming even more important today. It would also appear that organisations are expected to be involved in real social problems of the community to show that they do not only want to use the community for personal gain, but that they want to give something back to the community to ensure a better dispensation for both parties (Pincus, 1992). Today, however, organisations pursue multiple goals with emphasis on social awareness, social care and social commitment. Social responsibility is at present so important that the sources of an organisation may depend, to a large extent, on the social commitment.

According to Thompson, Strickland and Gamble (2010), the notion that corporate executives should balance the interest of all stakeholders (shareholders, suppliers, communities in which they operate and society at large) is very important for the survival of every organisation. Social responsibility is at present so important that the resources of an organisation may depend to a large extent, on the social commitment.

2. STATEMENT OF THE PROBLEM
Balancing the shareholder's expectations of maximum returns against other priorities is one of the fundamental problems confronting corporate management. The shareholder must receive a good return but the legitimate concerns of other constituencies (customers, employees, communities, suppliers and society at large) also must have the appropriate attention. Managers believe that by giving enlightened consideration to balancing the legitimate claims of all its constituents, a corporation best serves the interest of its shareholders.

3. RESEARCH OBJECTIVES
Why does an organisation become involved in social responsibility programmes? The organisation's objectives in applying social responsibility are:

• to create a good public image;
• to maintain a sound relationship with employees;
• to maintain a good relationship with the community; and
• to create a friendly relationship with commerce and shareholders.
4. RESEARCH QUESTIONS
- If public image is created, how is it maintained by organisations in the long term?
- Who in commerce would spread the spirit of social responsibility to corporate shareholders?

5. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK
5.1 What Social Responsibility and Corporate citizenship Mean
The essence of socially responsible business behaviour is that a company should balance strategic actions to benefit shareholders against the duty to be a good corporate citizen. Managers of companies display a social conscience in operating the business and take into account how management decisions and company actions affect the well-being of employees, local communities, environment and society at large. Acting in a socially responsible manner thus encompasses more than just complying with the laws and regulations of the country in which it operates, participating in community service projects and donating money to charities and other worthy social causes (Robbins and Coulter, 1999). Demonstrating social responsibility also entails undertaking actions that earn trust and respect from all stakeholders. As depicted in Figure 1 below, the menu for demonstrating a social conscience and choosing specific ways to exercise social responsibility include:

Efforts to employ an ethical strategy and observe ethical principles in operating the business — a sincere commitment to observe ethical principles is necessary simply because unethical strategies and conduct are incompatible with the concept of good corporate citizenship and socially responsible business behaviour.

Figure 1: Demonstrating a Social Conscience: The Five Components of Socially Responsible Business Behaviour

Source: Adapted from material in Ronald Paul Hill, Business and Society Review 108 No.3 Sept. 2003, p.348
• Making charitable contributions, donating money and the company time and personnel to community service endeavours and reaching out to make a difference in the lives of the disadvantaged – Some companies fulfill their corporate citizenship and community outreach obligations by spreading their efforts over a multitude of charitable and community activities. Companies frequently reinforce their philanthropic efforts by encouraging employees to support charitable causes and participate in community affairs.

• Actions to protect the environment and to minimise any adverse impact on the environment stemming from the company’s own business activities – Social responsibility applies full environmental protection. Companies have an obligation to be stewards of the environment. This means using the best available science and technology to achieve higher than required environmental standards.

• Actions to create a work environment that enhances the quality of life for employees and makes the company a great place to work – Numerous companies go beyond providing the ordinary kinds of compensation and exert extra efforts to enhance the quality of life for their employees, both at work and at home. This can include varied and engaging job assignments, career development programmes and mentoring rapid career advancement, decision-making authority etc.

• Actions to build a workforce that is diverse with respect to gender, race and other aspects that different people bring to the work-place. Most large companies in the United States have established workforce diversity programmes and some go the extra mile to ensure that their workplaces are attractive to ethnic minorities and inclusive of all groups and perspectives. Reputation for workforce diversity makes recruitment of employees easier.

5.2 The Involvement of Organisations in Social Responsibility: Arguments for and against Social Responsibility

Why does an organisation become involved in social responsibility programmes? Roy Pascoe (1998) says that social responsibility is just as important to an organisation as the achievement of good profitability. In addition to this, he says that there are several reasons why an organisation should show its social responsibility namely:

5.2.1 Relationship with employees
A good relationship, with employees is established if an organisation supports the education, culture and welfare organisation serving these employees. By supporting the organisation that serves its employees, an organisation may ensure improved employee morale because their living standards are raised and this may result in increased productivity. The promotion of these relationships is inherent in human resources management process, such as equal employment opportunity programmes, health and safety programmes and the provision of incentives and fringe benefits.

5.2.2 Relationship with the community
Skinner and Von Essen (1995 p.2258) state that an organisation cannot build a relationship with the community on the basis of promises and propaganda. A good relationship with the community is the product of responsibility, policy and conduct on the part of an organisation. Raymond Ackerman (1997) quotes, "Chairman" Pick n’ Pay who says that if we help the community, it will respond by helping us".

5.2.3 Relationship with consumers, commerce and shareholders
By making contributions to social causes, an organisation fosters good relationships with consumers, commerce and shareholders. Pincus (1192 p 31), reports as follows, "Pick n’ Pay" which won the Food
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Marketing Institute International Hall of Fame Award for Social Responsibility in 1984, was founded on consumerism with a strong base of social responsibility. He says that, after all, consumers, commerce and shareholders are the groups who provide the financial resources that enable organisations to become involved in social responsibility programmes.

5.2.4 Public Image
Companies seem to enhance their public image to get increased sales, better employees, access to financing and other benefits. Because, the public considers social goals important, business can create a favourable public image by pursuing social goals.

5.2.5 Better Environment
Environment can help solve difficult social problems, helping create a better quality of life and a more desirable community in which to attract and keep skilled employees (Mabey, Salaman and Story, 1998).

5.2.6 Possession of Resources
Sutcliffe and Callins (1994) state that business firms have the financial resources, technical expertise and managerial talent to support public and charitable projects that need assistance.

5.2.7 Superiority of Prevention over Cures
Social problems must be addressed one at a time. Business should act before these problems become serious and costly to correct, taking managers’ energies away from accomplishing their goals of producing goods and services (Newton, Leckie and Pettman, 1979).

5.2.8 Dilution of purpose
The pursuit of social goals dilutes business’s primary purpose i.e. economic productivity. Society may suffer if both economic and social goals are poorly accomplished.

5.2.9 Costs
Many socially responsible actions do not cover their costs. Someone has to pay those costs. Business must absorb the costs or pass them on to the consumers through higher prices.

5.2.10 Too Much power
Business is already one of the most powerful sectors of our society. If it pursues social goals, it will have even more power. Society has given business enough power.

5.2.11 Lack of Accountability
Political representatives pursue social goals and are held accountable for their actions. Such is not the case with business leaders. There are no direct lines of social accountability from the business sector to the public.

6. RESEARCH METHODOLOGY
Methodology is defined in two major ways. In one form, the methodology is identical to a research model employed by a researcher in a particular project including basic knowledge related to the subject and research
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methods and the framework employed in a particular context (Lathor, 1992). In this sense, every investigation has a distinct approach and every researcher employs his/her approach which might vary from study to study. Another definition relates to the nature of approach to a theoretical and more abstract context and perceives it in conjunction with distinctive one-dimensional and mutually exclusive theoretical principles (Westhuizen and Ahrahams, 2002).

Here, an approach offers the research principles which are related closely to a distinct paradigm translated clearly and accurately down to guidelines on acceptable research practices. The approach is determined not by research model but rather by principles of research entailed in a paradigm. The approaches that result from this definition are the qualitative and the quantitative approaches. As this study applies qualitative approach, it is discussed below:

7. QUALITATIVE APPROACH
The study which is under review is a qualitative or case study one. Denzin and Lincoln (1994) define qualitative research as a multi-method in focus, involving an interpretive and naturalistic approach to its subject matter. Creswell (1994) defines qualitative research as an inquiry process of understanding, based on distinct methodological traditions of inquiry that explore a social or human problem. Qualitative research is invariably conducted in the field. For this reason, it is sometimes referred to as field research (Dooley, 1992). Guba and Lindcol (1992) say that qualitative research is sometimes referred to as case study research.

This means that the qualitative researchers study things in their natural settings attempting to make sense of or interpret phenomena in terms of the meanings people bring them. Qualitative research involves the use and collection of a variety of empirical materials – case study, personal experience, introspective, life story, interview, observational, historical, interactional and usual texts that describe routine and problematic moments and meaning in individuals’ lives.

8. SOURCES OF DATA AND SAMPLING METHOD
The study employed two sources of data collection and these are primary and secondary sources. Secondary sources included relevant academic journals, text books and publications by employment agencies. The primary sources involved the use of well-structured questionnaires administered on 240 randomly selected respondents from civil service, manufacturing companies and Harare City Council. By the nature of their working conditions, application of social responsibility for the good of the workforce in the sectors referred above is a necessity. The data collected were analysed with the aid of qualitative methods which include the use of tables and frequency distribution. The respondents expressed need for assistance in the form of fees for children, adequate retirement packages and accommodation.

9. DISCUSSION
Social responsibility of an organisation is becoming even more important today. It would also appear that organisations are expected to become involved in real social problems of the community within which they function. Therefore, organisations are becoming increasingly involved in the community to show that they do not only want to use the community for personal gain, but that they want to give something back to the community to ensure dispensation for both parties.

Today however, organisations pursue multiple goals with emphasis on social awareness, social care and social commitment. Social responsibility is at present so important that the success of an organisation may depend to a large extent on its social commitment.

9.1 Importance of Social Responsibility
Cronje et al. (1990 p 389) maintain that the social responsibility of business is increasingly coming to the fore. Nowadays, the public expects an organisation to become closely involved in the real social problems
of the community within which it operates. One of the tasks of management is to initiate programmes to bring the corporate sense of social responsibility to the attention of the external public. Management should also keep a watchful eye on any activities that might be construed by external groups as irresponsible because these may give rise to resentment.

Robbins and Coulter (1999 p 146) state that it is a business firm’s obligation (beyond that required by law and economics) to pursue long-term goals that are good for the society. A business fulfills social obligation when it meets economic and legal responsibilities. Following an approach of social obligation, a firm pursues social goals only to the extent that the community contributes to its economic goals. Social responsibility adds an ethical imperativeness to do those things that make society better and not to do those that could make it worse. A socially responsible organisation goes beyond what it must do by law or chooses to do any thing because it makes economic sense to doing what it can to help improve society because that is the right or ethical thing to do. Social responsibility requires business to determine what is right or wrong and to make ethical decisions and engage ethical business activities. A socially responsible organisation does what is right because it has an obligation to act that way. A company that meets pollution control standards established by the government or does not discriminate against employees over the age of forty in promotion decisions, is meeting its social obligation. When it provides on site child-care facilities for employees, it is being socially responsible (Robbins & Coulter, 1999).

9.2 Conclusion
The conclusion to be drawn from all that is that long-term profitability cannot be attained if an organisation does not act in a socially responsible way. Social responsibility adds on ethical imperatives to those things that make society better and not to do those things that could make it worse. A socially responsible organization acts the way it does because of its desire to satisfy some expressed social need in the form of decent accommodation and welfare assistance, especially during the retirement period. Social responsibility is not confined solely to matters affecting the external environment. The internal environment and the well-being of workers and their working conditions are no less important. Cronje et al (1999) are of the opinion that the support of such services by an organisation fosters good moral and allows for higher standard of living for its staff which can also lead to higher productivity. When it becomes known that an organisation has the welfare of its employees at heart, this creates a spirit of good will and commitment and the organisation then, does not need to scrape the labour market barrel to get and keep good workers.

10. REFERENCES


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