

**Assessing the Corporate Social Responsibility of Benso Oil Palm Plantation
in the Mpohor Wassa East District of Western Region**

By

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ABSTRACT

Globalization, increased concern for environmental issues and human rights activism has increased focus on companies' shouldering a greater social responsibility. These issues in combination with high-profile corporate scandals have highlighted the concept of CSR and companies have to take account of how their actions impact on society. The establishment of Benso Oil Palm Plantation (BOPP) deprived the inhabitants in the communities of their farmlands and their means of survival as in some cases some settlements which were affected had to be relocated and this seriously affected their economic well being and general development of these communities. The challenge for the company is to help reduce these social problems in the region and this could be achieved through an effective corporate social investment (CSI) program. The purpose of this thesis was to evaluate to what extent BOPP, an Agro-based Industry situated in the Mpohor –Wassa East District in the Western Region carries out its corporate social responsibility (CSR) activities in the local Communities existing in its catchment area. In order to execute this, a qualitative case study on Benso Oil Palm Plantation was performed. Interviews were conducted with some Management and selected staff of BOPP and focused groups from some of the selected local Communities which exist in its catchment area. The study found out that BOPP was actively involved in undertaking some CSI programs in areas such as promoting Education, Health, Agriculture, Safety and Security, providing Amenities and promoting the preservation of some important Customs and Culture in the local communities. BOPP's overall performance in carrying out its CSR programs was perceived to be good. However BOPP needs to further improve its CSR performance by setting up a CSR Oversight Committee to oversee its CSR programs,

institute Stakeholder dialogue with the local community leaders and also adequately publicize its CSR programs and projects.

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CERTIFICATION

I hereby declare that this submission is my own work towards the Masters Degree and that to the best of my knowledge, contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgment has been made in the text.

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Special thanks also to my dear mum, wife, and the entire family for their love, support and encouragement throughout my studies.

DEDICATION

To my dearest mum, my wife, children and the entire family.

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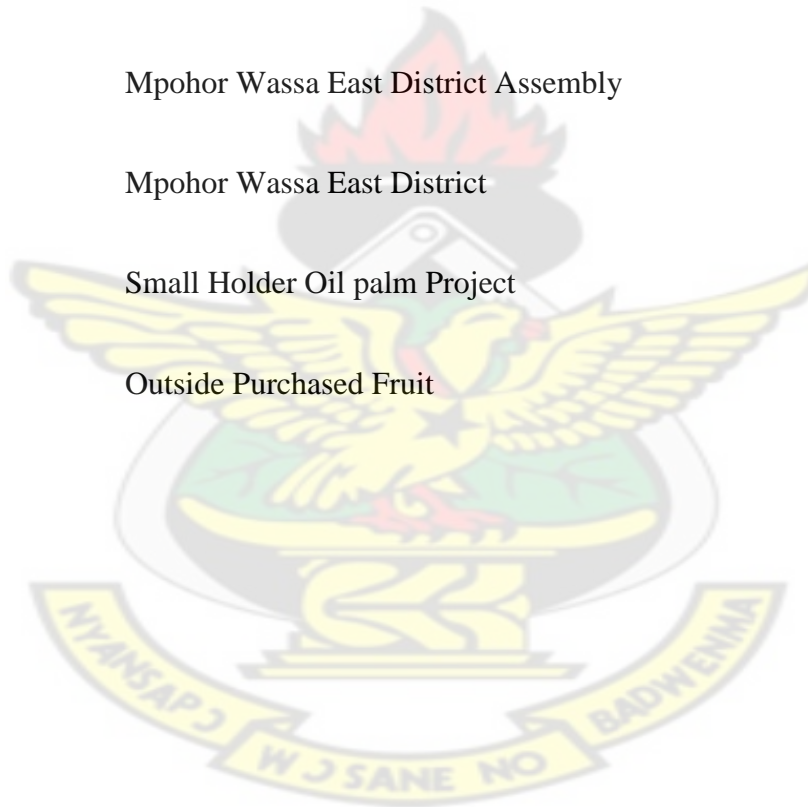
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LIST OF ABBREVIATIONS

BOPP	Benso Oil Palm Plantation Ltd
BABBSSA	Benso, Adum-Banso, BOPP Smallholder Scheme Association
SME	Small and Medium Scale Enterprises
CSR	Corporate Social Responsibility
CSI	Corporate Social Investment
MWEDA	Mpohor Wassa East District Assembly
MWED	Mpohor Wassa East District
SMH	Small Holder Oil palm Project
OPF	Outside Purchased Fruit



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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Study

Businesses have traditionally defined themselves purely as economic entities maximizing returns for their owners. Today, however, business organizations are being called upon to play a broader role in society. The need for companies to redefine themselves as economic and social entities is embodied in the concept of corporate social responsibility whereby companies are increasingly being called upon to be good corporate citizens in the communities in which they conduct their business operations. This important view is strengthened by what is called the 'triple bottom line' - that is, the obligation on companies to care for three distinct dimensions which are:

- i. the financial health of the company and the need to increase stakeholders' wealth,
 - ii. the safety of workers and products,
 - iii. the well being of the natural and social environment in which companies operate
- (Estehuyse, 2002:10).

Frederick, Davis and Post (1988:23) argue that a business is an integral part of the society in which it operates and as such it is vitally important for business managers to be aware of the social environment and to interact with it skillfully and carefully. Business operations occur in a complex social environment and businesses have a social and moral obligation to take care of the society in which they operate. If a business fails to take care of its social environment, its long-term survival may be jeopardized. Seen this way, the sustainability of society and business as related entities becomes increasingly important. Therefore being a

socially responsible company is good for business, because in the long-term it increases shareholder value as well as committing the business's skills, money and resources in solving society's problems. CSR requires organizations to adopt a broader view of its responsibilities that includes not only stockholders, but many other constituencies as well, including employees, suppliers, customers, the local community, local, state, and federal governments, environmental groups, and other special interest groups. Collectively, the various groups affected by the actions of an organization are called "stakeholders"

The way corporate social responsibility programmes are conducted is also changing. There is a shift from a short-term *ad hoc* approach to corporate social investment to a more involved long-term engagement in corporate social investment programmes. As a result, companies are increasingly reviewing their approach to corporate social investment initiatives. Many corporate social investment programmes are now being aligned to core corporate values, and integrated into the overall corporate strategic planning process. Birch (2001:3) supports the above view by arguing that sustainable change in this area can occur only when companies adopt a corporate strategy that puts corporate social responsibility at the heart of corporate culture and conduct, that is, to make it a strategic issue in business organizations.

CSR has grown in importance in recent years, often through public scandals and mismanagement. This has meant increased demands from customers, employees, statutory bodies and the general public for detailed information about whether companies are meeting acceptable standards. Increasingly companies have to take account of how their actions impact on society.

Presently, there is an increasing concern with the social responsibilities of organizations. This is reflected in part by the extent of government action and legislation on such matters as, for instance, employment protection, equal opportunities, company's acts, consumer law, product liability and safeguarding the environment (Mullins, 2005). Based on this the social responsibilities of organizations have turned into a legal requirement.

1.2 Problem Statement

The social capital of a local community has a strong impact on the survival of business since a business derives some of its inputs like human capital from the community. Likewise, society has the expectation that business will take active steps to assist it to solve some of its social problems. In this case, as one of the largest employers in the Mpohor Wassa East District, BOPP draws most of its work force and raw materials from this local community. BOPP's resources, wealth and capabilities are in stark contrast to the socio-economic challenges in the local environment where it operates. Being a big business in the area and one of the largest employers in the district, its contribution to the development of the local community is critical. Indeed, whilst the long-term sustainability and profitability of BOPP is important to the economy of the Mpohor Wassa East District, it is also dependent on, and should be buttressed by, the social integration and development of the local community.

The establishment of BOPP deprived the inhabitants in the communities of their farmlands and their means of survival as in some cases some settlements which were affected had to be relocated and this seriously affected their economic well being. While the poor may not make good customers, a better-educated and healthy population makes good neighbours for

business as potential employees in the future. The challenge for the company is to help reduce these social problems in the region and this could be achieved through an effective corporate social investment (CSI) program.

According to Rockey (1998:6), “Today there is a growing awareness that being seen to be a socially responsible corporate citizen in the community is an important aspect of a company’s public relations and corporate image profile”. The research therefore aims at evaluating to what extent BOPP carries out its corporate social responsibility activities in the local Communities of the Mpohor Wassa-East District.

1.3 Objectives of the Study

The general objective of this thesis is to evaluate to what extent BOPP carries out its corporate social responsibility activities in the local Community of the Mpohor Wassa East District of the Western Region

The Specific objectives

- i. To examine BOPP’s Corporate Social Responsibility policy.
- ii. To investigate what motivates the company to carry out corporate social investment programmes in the local community.
- iii. To find out the types of corporate social responsibility programmes that BOPP conducts within the community.
- iv. To investigate how BOPP’s corporate social responsibility programmes are seen by the local community.

1.4 Research Questions

The purpose of this Thesis was to answer the following questions

- i. What does BOPP's Corporate Social Responsibility Policy contain?
- ii. What motivates the company to carry out corporate social responsibility programmes in the local community?
- iii. What are some of the types of corporate social responsibility programmes that BOPP conducts within the local community?
- iv. How do the local Communities see BOPP's corporate social responsibility programmes?

1.5 Significance of the Study

Firstly, the overriding interest for me in choosing this area of study was to investigate the view that companies need to be seen to be supportive of the social environments, particularly the local communities in which they operate. There is also a growing expectation in Ghana about the need for companies to engage in corporate social responsibility activities in communities where they operate. Hence, there was the need to investigate the extent to which issues of corporate responsibility and governance are becoming integrated into the overall business strategy in general

A local community has a strong impact on the survival of business since business derives some of its inputs like human capital from the community. Likewise, society has the expectation that business will take active steps to assist it to solve some of its social problems. In this case, as one of the largest employers in the Mpohor Wassa East District, BOPP draws most of its work force from this local community. BOPP's resources, wealth

and capabilities are in stark contrast to the socio-economic challenges in the local environment where it operates. Being a big business in the area and one of the largest employers in the district, its contribution to the development of the local community is critical.

The other reason for embarking on this study was the conviction that being seen to be a good corporate citizen in the community is important for business because it builds its reputation as a caring company in the eyes of the people.

According to Rockey (1998:6), “today there is a growing awareness that being seen to be a socially responsible corporate citizen in the community is an important aspect of a company’s public relations and corporate image profile”. Therefore, it was of particular interest to find out the extent to which BOPP, as a business operating in the local community of the Mpohor Wassa East District, is aware that its public image is a function of how it is perceived to be discharging its corporate social responsibility activities in the local community.

For BOPP, investment in the local community makes sound business sense because the company will benefit from creating a happy, stable and healthy society that is conducive to business success. Nowhere is this need greater than in the Mpohor Wassa East District where whole communities are in dire need of basic social amenities like schools, healthcare, job creation opportunities and sports development.

1.6 Scope of the Study

The focus of this thesis was to understand and appreciate the importance of the Corporate Social Responsibility of Organizations and to evaluate to what extent organizations conducted their corporate social investment activities in the local community and also to investigate how the local communities see these CSR programmes. Benso Oil Palm Plantation, an Agro-based Industry situated in the Mpohor –Wassa East District in the Western Region was selected as a Case Study.

1.7 Limitations of the Study

Some of the challenges which were encountered in undertaking this project included the openness and frankness of the management of BOPP and other stakeholders in cooperating and also volunteering information to address the research questions. Others included the frankness with which the people from the community addressed the questions posed to them, and also a key challenge was transportation as the villages are scattered apart and transportation was not so easy and readily available.

1.8 Organisation of the Study

The study was organized into five (5) Chapters. Chapter One is the introductory chapter and covers the background to the study, problem statement, objectives, research questions, scope and limitations of the study.

Chapter Two dealt mainly with the theories that explain the concept of corporate social responsibility. The various theories such as the classical business theory, the systems approach, the social contract theory, the stakeholder approach and the self-interest approach to corporate social responsibility are discussed.

This is followed by an in-depth discussion of the three strategies or models for response to corporate social responsibility activities that a company can adopt.

Chapter Three discusses the research methodology used in the study. A qualitative case-study was used. In-depth personal interviews with several subjects were conducted at the BOPP Plantation located at Adum-Banso as well as with other important stakeholders in the Mpohor Wassa East District. BOPP's company documents and reports on the topic are also analyzed. The chapter ends with a brief discussion of the reliability and quality issues as it pertains to this study and the measures that were taken to ensure this.

In Chapter Four, the results of the research are analyzed and interpreted in line with the objectives outlined in the study. The analysis amongst other things focused on: examining BOPP's CSR Policy, the reasons that motivate BOPP to undertake CSR programmes, some of the CSR activities undertaken, how the local communities see BOPP's performance in terms of its CSR programmes.. This chapter ends with a discussion of the research findings.

Finally, Chapter Five is the conclusion chapter and summarizes the whole thesis. The research findings and recommendations regarding corporate social responsibility issues covered in the study are also made in this last chapter.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 The Concept of CSR

“Every corporation is a citizen – an economic and social force touching many communities.”- The Centre for Corporate Citizenship at Boston College, *USA* (2005)

Business organisations strive to survive by the efficient use of the factors of production and other facilities of the society. This process puts organizations in an interdependent relation with the government, the community at large and the environment. Such interdependence gives rise to a series of broader responsibilities to society in general (Mullins, 2005). Mullins further illustrates that the social responsibilities are both internal and external to the organisations.

As recently as a decade ago, many companies viewed business ethics only in terms of administrative compliance with legal standards and adherence to internal rules and regulations. Today the situation is different. Attention to business ethics is on the rise across the world and many companies realize that in order to succeed, they must earn the respect and confidence of their customers. Like never before, corporations are being asked, encouraged and prodded to improve their business practices to emphasize legal and ethical behavior. Companies, professional firms and individuals alike are being held increasingly accountable for their actions, as demand grows for higher standards of corporate social responsibility.

Presently, there is an increasing concern with the social responsibilities of organisations. This is reflected in part by the extent of government action and legislation on such matters as, for instance, employment protection, equal opportunities, company's acts, consumer law, product liability and safeguarding the environment (Mullins, 2005). Based on this the social responsibilities of organisations have turned into a legal requirement.

2.2 The History of Social Responsibility

From the middle of the 1800-century the industrial revolution became evident in Great Britain and it spread slowly to the mainland Europe and reached Sweden in the late of the 1800-century (Fridholm, 1976). The industrial revolution was mainly brought on by an increase in labour supply, the growth of transport system and technological breakthroughs. In conjunction with this development, specialization within the agricultural sector led to a decrease in employment opportunities. Individuals that used to work within the agricultural sector moved to the larger cities in order to make a living. In many cases the conditions in the factories were terrible. The working environment was dangerous, tedious, with long hours and with few concerns for safety. Child labour was prominent and the urbanization gave rise to poor housing conditions and an increase in crimes (Fridholm, 1976). Around the late 1800-century, voices were raised regarding the responsibilities of companies to create tolerable workplaces and to take on greater social responsibilities (Fridholm, 1976).

The roots of CSR may therefore be traced hundreds of years back to the initial discussions on what social responsibilities companies had. However, the modern era of social responsibility for companies started around 1950s and it is around this time the concept of CSR was coined

in 1953 by Howard R. Bowen. Bowen states that businessmen should adopt their decision-making process so that decisions coincide with the wishes and norms of society. He therefore proposes a broader responsibility than only focusing on making profit (Carroll, 1999). Marrewijk (2003) also points out that CSR to a great part is a new phenomenon as it is developed as a strategic response to new challenges in the corporate environment.

Despite the concept CSR being coined in the 1950s, a small quantity of literature touched upon the subject for the next ten years. During 1960s attempts were made to state and formalize what the concept meant. In the 1970s the amount of literature touching upon the subject of CSR grew substantially. The 1980s gave way to more research and alternative concepts to CSR. More attempts were made to measure and conduct research on CSR in order for the concept to gain more acceptance (Carroll, 1999). During the 1980s, CSR was often criticized for going against the neo-classical thinking that was prevalent at the time (Wood & Logsdon, 1999). Especially the takeover boom and shareholder activism led to a focus on shareholder value, a value that was mainly measured by short-term movements in stock price (Davis, 2003). During the 1990s there was an increased focus on companies to shoulder a greater social, ethical and environmental responsibility (Hutton, 2000). There are several reasons for this and we can see mainly three arguments in the literature and in the articles. Firstly, Smith (2003) points out that the diminution of governmental power has rendered companies much power and ability to influence. This in combination of an increased globalization has left governments with even less possibilities to control and influence companies. Secondly, Smith (2003) states that some employees express a preference for working for socially and ethically responsible companies. This reasoning is supported by Vivader-Cohen (2000), who claims that socially responsibly companies create

employee loyalty. Finally, Smith (2003) discusses that consumer activism is on the rise. This movement is growing stronger due to heightening media reach and information technology. The authors Gillis & Spring (2001) also point out that there is an increase in consumer activism.

These factors, taken together with many others, have affected companies in the direction of assuming a new role and embracing the notion of being socially responsible. This development is characterized by companies listening to their stakeholders as well as their shareholders and while pursuing their goals in an environmentally sustainable manner (Henderson, 2002).

2.3 Definitions of Social Responsibility

A general definition of the concept is described as: “The broad concept, that businesses are more than just profit seeking entities and, therefore, also have an obligation to benefit society. “ - Werther and Chandler, 2006

CSR is a concept that is discussed in different circles such as among academics, Non-governmental organisations, governments and business Consultancies. One of the most prominent CSR researchers, according to Carroll (1999), was Davis and he describes CSR as “... the firm's consideration of, and response to, issues beyond the narrow economic, technical and legal requirements of the firm” (Davis, 1973:312). In his opinion the social responsibility starts where the law ends. All good citizens obey the law and therefore CSR is

about taking one step further. The study agrees with Davis (1973) but believe that the definition does not really state what is included in CSR.

Many theoretics have pointed out that profitability and responsibility are compatible notions and this point has been made explicit in many definitions. The quotation by Drucker (1984:62) states that: “But the proper social responsibility of business is to tame the dragon that is to turn social problem into economic opportunity and economic benefit, into productive capacity, into human competence, into well paid jobs, into wealth.” We believe that this view perceives CSR as a way to achieve long-term profit maximization.

Lately, the numbers of consulting firms with the business idea of helping companies to implement CSR have arisen. Business for Social Responsibility (BSR) is one of many organizations that are advocating greater attention to CSR. They claim to be the world leader in CSR research and consultancy and they define CSR as “achieving commercial success in ways that honour ethical values and respect people, communities, and the natural environment” (www.bsr.org, 2003-12-17). Löhman & Steinholtz (2003) state that CSR is not about writing a policy of ethics, formulating and marketing a social project or donating money to the Red Cross. Instead they proclaim that being responsible today also involves engaging internal and external stakeholders and to comprehend and actively work with companies’ impact on business and society.

The problems regarding CSR have been that the concept is difficult to measure, operationalise and evaluate. Therefore different models have arisen in an attempt to depict

what is included in CSR. One of the most used and quoted models is Carroll's (1991) Pyramid of Corporate Social Responsibility.

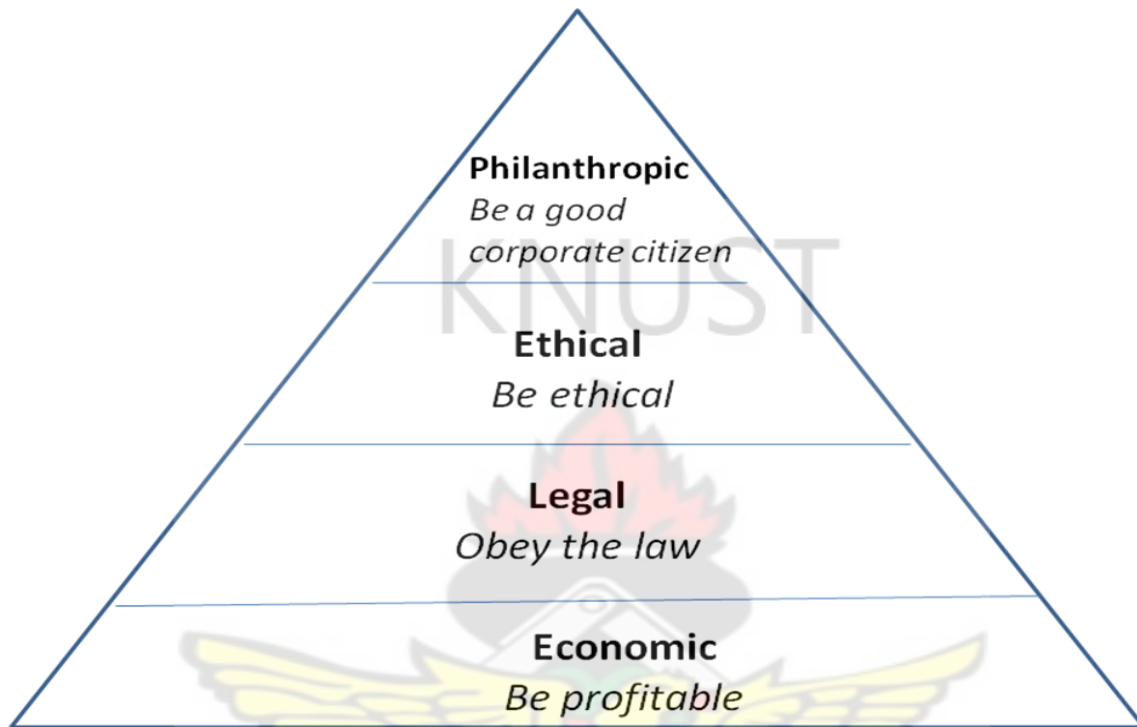


Figure 2.1: The Pyramid of Corporate Social Responsibility (Carroll 1991:47, with modification)

It indicates that CSR constitutes four kinds of social responsibilities; economic, legal, ethical and philanthropic. The pyramid might give the impression that the steps are to be fulfilled one at the time, but the author stresses that the total corporate social responsibility of business entails the simultaneous fulfillment of all the responsibilities.

The economic component is businesses' fundamental responsibility to make profit and to grow and these responsibilities serve as a base for the other parts of the pyramid. Making profit is not enough though; firms are also expected to pursue their economic missions within the framework of the law, i.e. complying with various federal, state and local regulations.

The legal responsibilities reflect a fair way of doing business and imply being a corporate citizen who obeys the law.

Ethical responsibilities embrace those activities and practices that are expected or prohibited by societal members even though they are not codified into law. It embodies those standards and norms that reflect a concern for what different stakeholders regard as fair and expect business to meet, i.e. the obligation to do what is right. Usually changing ethics or values precede and become the driving force behind the establishment of laws or regulations.

The philanthropic responsibilities are voluntary activities, not required by law, and include acts or programs such as promoting human welfare or goodwill. These activities are desired from the society and the purpose is to be seen as a good corporate citizen.

The ethical and philanthropic categories probably represent what people today generally mean when they speak of social responsibility (Carroll, 1991). We have come to realize after going through various definitions that not everybody includes the economic component in their definitions. It can therefore be discussed whether CSR includes the economic component or if that only embraces what the company does for itself. There is also a discussion of whether the legal level should be included or not. Löhman & Steinholtz (2003) point out that some define CSR as something voluntary that goes beyond what is demanded by the law. They see the companies' responsibility towards the owners, customers and employees as something obvious and hence not included in what they call CSR.

Corporate social responsibility (CSR) is:

- i. An obligation, beyond that required by the law and economics, for a firm to pursue long term goals that are good for society

- ii. The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as that of the local community and society at large
- iii. About how a company manages its business process to produce an overall positive impact on society

Corporate social responsibility means:

- i. Conducting business in an ethical way and in the interests of the wider community
- ii. Responding positively to emerging societal priorities and expectations
- iii. A willingness to act ahead of regulatory confrontation
- iv. Balancing shareholder interests against the interests of the wider community
- v. Being a good citizen in the community

(Maignan and Ferrell, 2001; Gilly and Wolfenbarger 1998)

2.4 Is CSR the same as Business Ethics?

A code of conduct is a document describing a company's way of conducting its business. The code often deals with a company's core values, obligation to employees, principles of doing business and its relationship with its stakeholders. (International Federation of Accountants, 2007). A code of conduct can be described as: "Principles, values, standards, or rules of behavior that guide the decisions, procedures and systems of an organization in a way that (a) contributes to the welfare of its key stakeholders, and (b) respects the rights of all constituents affected by its operations." - International Federation of Accountants, 2007.

There is clearly an overlap between CSR and business ethics, both concepts concern values, objectives and decision based on something than the pursuit of profits and socially responsible firms must act ethically. The difference is that ethics concern individual actions which can be assessed as right or wrong by reference to moral principles.

2.5 Arguments For and Against Corporate Social Responsibility

Not all business organizations behave in a socially responsible manner and there are people who would argue that it is not the job of business organizations to be concerned about social issues and problems. There are two schools of thought on this issue and their arguments are discussed in the next two subsections

2.5.1 The Free Market Case against Corporate Social Responsibility

“There is one and only one social responsibility – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud” (Friedman, 1972:165).

Friedman (1972) further argues that if the company’s social responsibility leads to a decreasing profit it is the shareholders’ money that is being spent. Also the customers and employees might be affected negatively due to possible higher prices or lower wages. From Friedman’s perspective, responsibility for employment, environment, consumer welfare and

social matters are not concerns of business people but should be left to the free market system. Instead welfare and social matters are the concern of government regulations, and the responsibility of business people is to follow the free market system which is governed by laws and regulations. By focusing on making profit for the shareholders this will in the long run provide welfare to all the stakeholders (de Wit & Meyer, 2002). This is in line with some of the criticism that Carroll (1989) brings forward regarding CSR. He states that sometimes business is not equipped to handle social activities and that CSR puts the business into fields not related with the business' primary purpose. This can lead them to lose focus on the economic productivity. Moreover it is argued that business already has enough power so they should "stick to the knitting and to what they do best" (Kittson & Campbell, 1996:102).

In summary, the opponents of CSR argue that, the only social responsibility of business is to create shareholder wealth, ensure the efficient use of resources and also ensure non reduction of economic profit to shareholders. They further argue that, pursuit of social goals dilutes businesses' primary purpose, imposes additional costs which reduce competitiveness and places unwelcome responsibilities on businesses rather than on government or individuals.

2.5.2 The Corporate Responsibility View for CSR

Businesses do not have an unquestioned right to operate in society and that those managing business should recognize that they depend on society for inputs. There is a social contract between businesses and society involving mutual obligations that society and business

recognize that they have to each other and this responsibility includes a responsibility for the natural environment. Decisions should be taken in the wider interest and not just the narrow shareholder interest. The argument put up by supporters of CSR is summarized below.

- i. It is the ethical thing to do
- ii. It improves the firm's public image
- iii. It is necessary in order to avoid excessive regulation
- iv. Socially responsible actions can be profitable
- v. Improved social environment will be beneficial to the firm
- vi. It will be attractive to some investors
- vii. It can increase employee motivation
- viii. It helps to correct social problems caused by business
- ix. punishes companies based on their perceived social image and performance

2.6 Factors influencing the adoption of Corporate Social responsibility by Organizations

The various factors that affect or influence the way organizations adopt and implement CSR is discussed below.

2.6.1 Growing investor pressure

Investors are changing the way they assess companies' performance, and are making decisions based on criteria that include ethical concerns. The Social Investment Forum reports that in the US in 1999, there was more than \$2 trillion worth of assets invested in portfolios that used screens linked to the environment and social responsibility. A separate

survey by **Environics International** revealed that more than a quarter of share-owning Americans took into account ethical considerations when buying and selling stocks. (More on socially responsible investment can be found in the 'Banking and investment' section of the site.)

2.6.2 Competitive labour markets

Employees are increasingly looking beyond paychecks and benefits, and seeking out employers whose philosophies and operating practices match their own principles. In order to hire and retain skilled employees, companies are being forced to improve working conditions.

2.6.3 Supplier relations

As stakeholders are becoming increasingly interested in business affairs, many companies are taking steps to ensure that their partners conduct themselves in a socially responsible manner. Some are introducing codes of conduct for their suppliers, to ensure that other companies' policies or practices do not tarnish their reputation.

2.6.4 Ecological Responsibility

Ecology and the increasing destruction of ecosystems and natural resources have warranted a widespread concern from the public, the governments and inter-governmental agencies.

Shell's Brent Spar saga provides a cogent evidence of the weight of the ecological dimension for a firm.

Moreover, business organizations throughout the world are legally required to conduct an Environmental Impact Assessment (EIA) for their new operations or expansion of the existing ones. EIA is a careful and detailed study of the likely environmental consequences of the new development, together with plans to avoid causing damage or to repair damage that cannot be avoided (Allaby, 1986). The EIA takes into account whether resources used are renewable or non-renewable. In this sense, the rights of the future generations to exploit such resources have to be considered.

2.6.5 Business Ethics

The scope of business ethics is very broad, because any action by a firm or one of its employees can be done ethically or unethically (Mullins, 2005). Thus the behaviours of a business towards its customers, suppliers, competitors, employees, the environment, local communities and other stakeholders will certainly reflect the organizational cultures in terms of ethics adopted or neglected.

A valid argument can be raised as to whether businesses should pursue ethics for their own sake or as a means to future growth and long-term survival. In this sense, some researchers consider ethics as a duty, irrespective of the consequences; whereas others opt for a consequentialist view that goodness or badness of an action is only evident in the consequences of that action (Mullins, 2005).

2.6.6 Corporate Governance

The recent corporate scandals in the USA have caused public outcry that business organizations should adopt certain codes of conducts to avoid shareholders' disappointment. Enron and WorldCom, the two giant American companies, have collapsed after a series of deliberate misleading financial accounts.

Richard Green (2003) thoroughly discusses corporate governance, comparing the three relevant, yet divergent, systems of Britain, Germany and the USA. Although each system of corporate governance has its own currency as far as the national context is concerned, but the British system seems a bit detailed, probably as a result of evolving through relatively longer period of time.

In the framework of the British combined code of corporate governance, a firm has to comply or explain: That is, to abide by the code provisions or to justify its aberration.

2.7 Benefits of adopting a Corporate Social Responsibility Policy

Some of the positive outcomes that can arise when businesses adopt a policy of social responsibility include improved financial performance, lower operating costs, enhanced brand image and reputation, increased sales and customer loyalty, greater productivity and quality, more ability to attract and retain employees, access to capital, reduced regulatory oversight, workforce diversity, and product safety and decreased liability

Benefits to the community and the general public include charitable contributions employee volunteer programmes corporate involvement in community education, employment and homelessness programmes and product safety and quality.

Lastly Environmental benefits to be accrued include greater material recyclability, better product durability and functionality Greater use of renewable resources Integration of environmental management tools into business plans, including life-cycle.

2.8 Theories of Corporate Social Responsibility

Corporate social responsibility is important because it recognizes that a business organization is a social entity as well as an economic one and its performance will therefore be evaluated in social as well as economic terms. For a long time, the focus of business success has hinged on the financial bottom line. Under the “triple bottom” line concept that has emerged today, business performance is being viewed from a much broader perspective. Frederick, Davis and Post (1988:23) support the argument above when they say that: “Overall business success is measured, not just by a company’s financial performance but also by how well it serves broad social and public interests”. In other words, profit seeking alone is inconsistent with the common good of society and business behaviour has to be balanced between making money and serving one’s fellow man. The gist of the corporate social responsibility debate is that there have to be some unique benefits to society from business activities other than those of fulfilling its primary economic goals.

After this review of corporate social responsibility from a broad perspective, the various theories will now be discussed.

2.8.1 The Classical Economic Theory

Under the classical view of business in society, economists believed that prosperity for all could be achieved through minimum regulation of business activity and that the relationship between business and society best took place through the market. This was the position especially in the early decades of the nineteenth century where economic growth contributing to a rising standard of living was widely accepted as the source of all progress - social as well as economic. At that time, no distinction was made between economic and social goods. In other words corporate existence was justified in reference to a corporation's role in producing goods and services that society needed.

The classical economic approach is what is referred to as 'capitalism'. Free market thinkers such as Adam Smith proposed capitalism by arguing that the pursuit of profit by economic enterprises, with minimal state interference, really does act as 'an invisible hand' guiding human action towards socially beneficial endeavours (Hood, 1996:15). Classical economists like Adam Smith believed that the natural order of things would automatically make wealth circulate between the rich and the poor through the process of consumption of goods and services. He emphasized productivity as he believed that a set of economic activities would contribute to wealth creation. Smith's principal assumption of a free market economy allowed him to argue forcefully for the minimization of state interference in trade (See Wheeler and Silanpää, 1997:50). Perhaps the most famous modern supporter of the classical theory of business is Milton Friedman. Friedman (1962) argued that "business should not and must not deviate from its profit orientation" and that it should be concerned only with its economic performance. In Friedman's view, "indeed exercising any other act of social responsibility is in effect a tax on the wealth of the owners and is therefore akin to a socialist

doctrine”. Friedman (1962:133) even went as far as to contend that, “few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible”. Friedman articulated the view that business is ‘amoral’- its role is to maximize profits for its shareholders and not to use a share of it for public welfare. In Friedman’s opinion, the role of business in society was only to increase profits for its owners. This viewpoint postulates that a business corporation has no responsibility to pursue social goals in society.

According to Anshen (1980:7), under the economic approach, society stipulated that business should operate freely in response to the motivation of profit maximization, subject only to marginal constraints. The function of business in society was to produce goods and services for consumption with the maximization of profit as its goal. However, as the classical pursuit of self interest by business did not materialize in public goods being distributed equitably to the rest of population. By the 1950’s, society began to exert its social will on business to address social problems in new ways it had not done before. Today, there is a widely held belief among business leaders and academics that a business cannot define itself purely in economic terms and ignore the social and ethical implication of its activities in the lives of individuals in the society.

Donaldson (1982:38) agrees and reiterates that, even though productivity is crucial to justify corporate existence, appealing simply to corporate productivity fails to provide a full solution to the answer of corporate existence. This is because such an explanation does not provide a moral perspective for corporate existence. He continues that such an explanation fails to tell us what else the corporation does, or how its process of creating wealth affects society. In his

opinion, to say that an organization produces wealth for society is not sufficient to justify its existence from a moral perspective, since morality covers the entire range of human welfare.

Hood (1996:6) argues that separating profit-seeking business activities from the larger world of political, legal, and social decision-making is impossible because without good schools, infrastructure, peaceful communities, solid families and a prosperous public with money to spend; business cannot thrive. Its economic activities are so intertwined with social responsibilities that the two cannot be separated. In other words, profit maximization alone is a poor guide for evaluating the ethical and social dimensions of business conduct in the modern society.

With the realization of the social responsibilities of business, the 1950's to the 1970's saw business becoming socially responsive due to immense social pressure exerted on it at the time and also partly by the emergence of Keynesian economic principles popular during this period. However, the 1980's and 1990's saw a new surge in capitalist pursuits by business, largely as a result of globalization and privatization of public enterprises, with its resultant widespread social problems, and hence the new move to make businesses more socially accountable. King (2000:10) argues that stakeholder activists today are challenging the neo-classical paradigm within which businesses operate and are calling for a bottom line that includes financial, social and environmental sustainability. Zadek (2002:53) rather than totally refuting Friedman's classical position, proposes a win-win situation by advocating a 'profits-with principles' argument as the best foundation for corporate citizenship. The win-win situation says that business should address new social norms embodied in the idea of corporate citizenship and through this they can also maximize long-term financial performance.

2.8.2 The Social Contract Theory

In terms of the new social contract, society is drawing a distinction between economic and social benefits, or rather in the popular phrase, between “the quantity of life and quality of life”. What the new social contract implies is that business can no longer justify its existence by reference to its economic institutions. Corporate social responsibility is not alien to the normal decision-making process; it merely broadens the context of management decisions to embrace social as well as economic costs. Whereas the classical perspective has viewed the company as an economic organization that derived its legitimacy from its economic performance, the new perspective embraces the company’s political and sociological characteristics. This changed social contract led Bell(1978:15) to conclude that ‘to think of the business corporation simply as an economic instrument is to fail to understand the meaning of social changes of the last half century’ (Bell, cited in Beesley and Evans, 1978: 15).

Perhaps more radical is the view expressed by Dahl that: “every large corporation should be thought of as a social enterprise, that is as an entity whose existence and decisions can be justified in so far as they serve public or social purposes” (Dahl cited in Beesley and Evans 1978:17). As far as Dahl is concerned, this statement is the axiom on which he bases an appeal for corporate social responsibility. This viewpoint emphasizes the fundamental principle that some concept of the collective well-being precedes all else. The significance of the new social contract is that business organizations today are being seen as economic, social and even political entities. According to Cannon (1992:31), there exists an implicit contract between business and the community in which it operates, in that business is expected to create wealth; supply markets; generate employment; innovate and produce a

sufficient surplus to sustain its activities and improve its competitiveness, while contributing to the maintenance of the community in which it operates. While under the classical economic approach, business bore no responsibility for the social welfare in society as a whole (and in local communities in particular), the social contract theory maintains that business and society are interdependent and that society expects business to make its contribution to the well-being of the community. The other reason for greater demand for business responsibility in society is that society's values change over time. People's expectations of business have changed and businesses today are being called upon to take responsibility for creating a better quality of life for people in society.

Carroll (1993) observes that the intense criticism and mistrust of business has led to an increased concern for the social environment and a revision of the social contract between business and society. The "new" social contract between business and society challenges business to embrace a broader perspective of its role in society other than just producing goods and services.

What society is saying is that the goal of profit-seeking alone no longer implies preferred behaviour and that corporations are social institutions and, as such, must live up to society's expectations. As Hood (1996:10) maintains, society has changed the standards expected of corporations, as it has every right to do.

2.8.3 The Systems Theory

The business and its surrounding environment depend on each other for their long-term survival. Frederick, Davis and Post argue (1988:310) that this mutual interdependence between business and society places a responsibility on business to exercise care and social concern to its external environment when conducting its business operations. Many people say that, if business depends on the resources in society in order to function, then it must also actively take part in responding to society's concerns with regard to solving social problems. Seen this way, the sustainability of business and society as two related systems becomes increasingly clear. Understanding the business-society relationship from a systems approach is important, as it provides another perspective on how the concept of social responsibility developed. A business firm does not operate in a social vacuum; business activities take part in a complex social environment. For this reason, Smith and Cronje (1996:48) argue that management of an organization should maintain a balance between the various parts of the organization as well as between the organization and its environment. The complex relationship between business and society requires business to recognize that every action it takes is related to the external world around it; and, in turn, everything that occurs in the external world is related to business. According to systems theory, a system is defined as a set of interrelated elements functioning as a whole (Smith and Cronje, 1996:62). A business system is a sub-set of the larger social system in which it operates. It is not a self-supporting system; rather it is an open system that depends on inputs such as capital, labour, technological innovations and other resources from its external environment in order to operate. Mzimela (1996:14) observes that the open system perspective conceptualizes corporate social responsibility as a response to external environmental conditions. He

believes that in an open system, an organization is not insulated from socio-political and economic forces in society. Therefore, businesses are viewed as having relations with their environment, which develop through the process of interaction. From a systems approach, a business cannot ignore the conditions in its social environment especially if these social problems have an impact on its own long-term survival. It is vital then that business reaches out to the community around it. Frederick et al (1988:335) sum up the advantages of good business-society relationship as follows: “When a business has a good relationship with its community, it makes all the difference in the quality of that community’s life and in the successful operation of the business firm”. The social challenges facing Third world countries such as illiteracy, poverty, unemployment, poor sanitation, inadequate healthcare provision, lack of infrastructure and AIDS cannot be solved by government alone. Business is part of this social system and, as such, needs to be seen to be responding to these social challenges in a proactive and long-term manner. These problems are a threat to the well-being of the whole society including business. Ultimately it is for business’s own good to be socially responsive, because a business cannot ignore the social environment in which it operates and hope to prosper. Certainly people who have a clean environment, education and opportunity make better employees, customers and good neighbours for business than those who are perceived to be poor, illiterate and ignorant. David (1996:6) concludes that, “If the company’s future cannot be reckoned independently of the country’s future, social initiatives must be an essential strategic prerogative for Business Managers”.

Seeing corporate social responsibility from a systems approach enables businesses to recognize that they are part of society and that their future survival also entails developing

the social environment, as they cannot hope to survive in the long-term, if the society they are based in is not prosperous.

2.8.4 The Enlightened Self-Interest Theory

While the other theories of corporate social responsibility exhort business to be socially responsible from a moral viewpoint, with the enlightened self interest approach, businesses are encouraged to be socially responsible because there are certain advantages that can accrue to them if they practice corporate social responsibility. In other words, the self-interest approach argues that there is a business case for behaving in a socially responsible manner and it is to the firm's detriment, if it fails to embrace corporate social responsibility practices. Drucker (1984) recognized the business opportunity created by social involvement and urged business to "convert" its social responsibilities into business opportunities. Drucker (1984:42) made the point clearly: "But the proper 'social responsibility' of business is to tame the dragon, that is, to turn a social problem into economic opportunity and economic benefit; into productive capacity, into human competence, into well paid jobs, and into wealth". David (1996: 5) argues that the enlightened self-interest approach is one that envisages long-term benefits accruing to the company as a result of its contributions to social causes. While benefits of corporate giving have always been seen as remote and difficult to define; progressive companies are realizing that, when a right alignment is found between the long-term company goals and community needs, there can be a very positive and mutually beneficial situation for all concerned (Education Trust Victoria: 2002). The Conference Board of Canada (2002) conducted a corporate social responsibility survey in companies in

the United States and Canada and found that many companies; for reputation reasons and other factors, were either maintaining or increasing their company's support for corporate social investment initiatives. They also found that such initiatives were even seen as more important for companies operating in overseas markets, especially in developing countries. In other words, there is a business case for behaving responsibly and many companies are beginning to see value in their corporate social responsibility activities. Business for Social Responsibility (2002) argues that practices of corporate community involvement long thought of as business 'externalities', are now integral to corporate operations and directly contribute to brand reputation and financial performance. They continue that companies have begun to recognize the business benefits of corporate social responsibility practices through increased access to markets, improved brand image and healthier economies in communities where they do business. Marsden (2000) agrees with these views and adds that companies view engagement with societal needs as vehicles to reap business benefits in areas such as community and market place reputation, better risk management and successful human resource management strategies.

In this new environment of doing business, corporate reputation is regarded as one of the most significant discriminators between companies. With the loss of trust that business has suffered for a long time from the public, smarter companies are realizing that they need to turn this poor image into a positive one by getting involved in corporate social responsibility initiatives. In an environment where customers are discerning and aware of corporate malpractices, thanks to the media and information technology and corporate activists, enlightened companies are realizing that being socially responsible pays off. Where a

company is involved in the community, and awareness of that involvement is high, the image of the company is considerably stronger and the “pot of goodwill” towards that company is larger. The more a company is socially responsible, the higher its corporate reputation.

From a self-interest approach, companies are seeking a win-win situation by finding a reconciliation of their profit-making strategies with the welfare of the society. This new paradigm of corporate social responsibility is enabling companies to play a leadership role in social problem solving while furthering their own self-interest. Smith (1994:108) supports this approach by arguing that companies should be “Janus-faced”- that is, with one face serving the community while the other serves its business interest.

The enlightened self-interest model has grown in the past few years with the emergence of “cause-related marketing”. Cause-related marketing is the activity by which a company with an image, product, or service to market, builds a relationship or partnership with a (social) cause or a number of causes for mutual benefit (Education Trust Victoria, 2002). Corporations are tying their marketing strategies to a social cause in the hope of generating awareness and funding for the social problem and, in the process, promoting their own business image. Sponsorships involving non-profit organizations, where a portion of the purchase price is donated to a non-profit organization have become the fastest growing piece of marketing budget Smith (1994:110).

Perhaps the most fully developed and successful example of a cause related philanthropy project is the Ronald McDonald House Programme. According to Smith (1994:112), this project started 20 years ago in Pennsylvania, USA; the project now includes 154 houses in several countries. These homes are often attached to non-profit hospitals and they house

families who bring severely ill children to urban hospitals for outpatient care. Apart from the important element of meeting healthcare needs for the needy in the communities, the biggest benefits of this project are probably even greater to McDonald's Corporation - about \$7 million in initial funds on average – is raised from customers at McDonald's restaurants run by the franchisees. The community regards McDonald as a caring corporation to the extent that during the Los Angeles riots in 1999, rioters spared McDonald's stores but vandalized the other stores.

Through the self-interest approach, companies see their social involvement initiatives as creating a sustainable competitive advantage necessary to business success in the future. According to Smith (1994:105) enlightened companies are realizing that competing on price and corporate citizenship is smarter than competing on price alone. Thorne and Smith (2000:23) conducted a study in Australia to identify the organizational characteristics of the organizations of the future. They found that the ability to practice corporate social responsibility was regarded as one of the essential core competencies of future organizations. They concluded that an organization that is socially and environmentally responsible will attract the most valuable knowledge workers, thereby gaining a competitive advantage by winning business from other less responsible and less trusting organizations. Corporate social responsibility is widely seen as a key competitive advantage, as many companies have realized that it is in their own self-interest to be socially responsible, if they want to be successful in the long -term. According to Thorne and Smith (2000:24), world-class organizations of the future will gain a competitive advantage by providing a stable social order in that organizational purpose will be more than just increasing profit or market share; it will reflect an ongoing commitment to adding value to employees, customers and the wider

community. Companies that do not engage in corporate social responsibility will find themselves disadvantaged when it comes to competing for scarce resources. Therefore, in the future, corporate social many corporations will be an integral part of running their businesses, if they want to be successful.

2.8.5 The Stakeholder Theory

The business organization of today, especially the modern corporation, is the institutional centrepiece of a complex society. Carroll (1984:59) observes that what was once viewed as a specialized means of providing profit through the manufacture and distribution of goods and services; has become a multipurpose social institution that many individuals and groups depend on for their livelihood and prosperity. Business organizations need to be socially responsive in meeting the myriad expectations and conflicting demands of its stakeholders.

Stakeholder theory postulates that there are various constituencies that have legitimate claims on the modern corporation. These individuals and groups are collectively called Stakeholders. According to Rowe, Mason, Dickel and Snyder (1983:78) a stakeholder is defined as anyone whose actions can affect an organization or who is affected by the organization's actions. Corporations are being called upon to respond to the needs of "stakeholders" other than investors. Carroll (1984: 61) argues that from the point of view of a highly pluralist society, stakeholders might not only include shareholders, employees, customers and competitors, but also other groups such as the community, special-interest groups, and society or the public at large. The local community is a large and visible stakeholder group for any corporation.

The stakeholder model is central in understanding business and society relationships. To look at business from the stakeholder point of view is to bring to light in whose interest businesses should be run. Estehuyse (2002:10) argues that for too long business organizations have been inward looking, concentrating mainly on the interests of their shareholders, customers and employees and paying minimal attention to the other stakeholders. He continues that it is no wonder that companies were regarded as “islands in a sea of marketing relationships” (ibid). Today, the call for companies to be socially responsible to all their stakeholders, including the local community where a business operates, is well recognized. Businesses therefore have to honour the needs, expectations and rights of all stakeholders if they want to prosper in the long-term. Carroll and Buchholtz (2000:64) observe that the stakeholder view was advanced further in 1996 when Britain’s then Labour Party Leader Tony Blair called for an economy characterized by stakeholder capitalism as opposed to traditional shareholder capitalism. Indeed stakeholder and shareholder interests are not mutually exclusive. Roodt (2002:10) argues that the call for stakeholder management is not an argument for rewarding stakeholders at the expense of shareholders, but rather it is a call for companies to strike a mutually beneficial balance amongst stakeholder interests - to seek “stakeholder symmetry”.

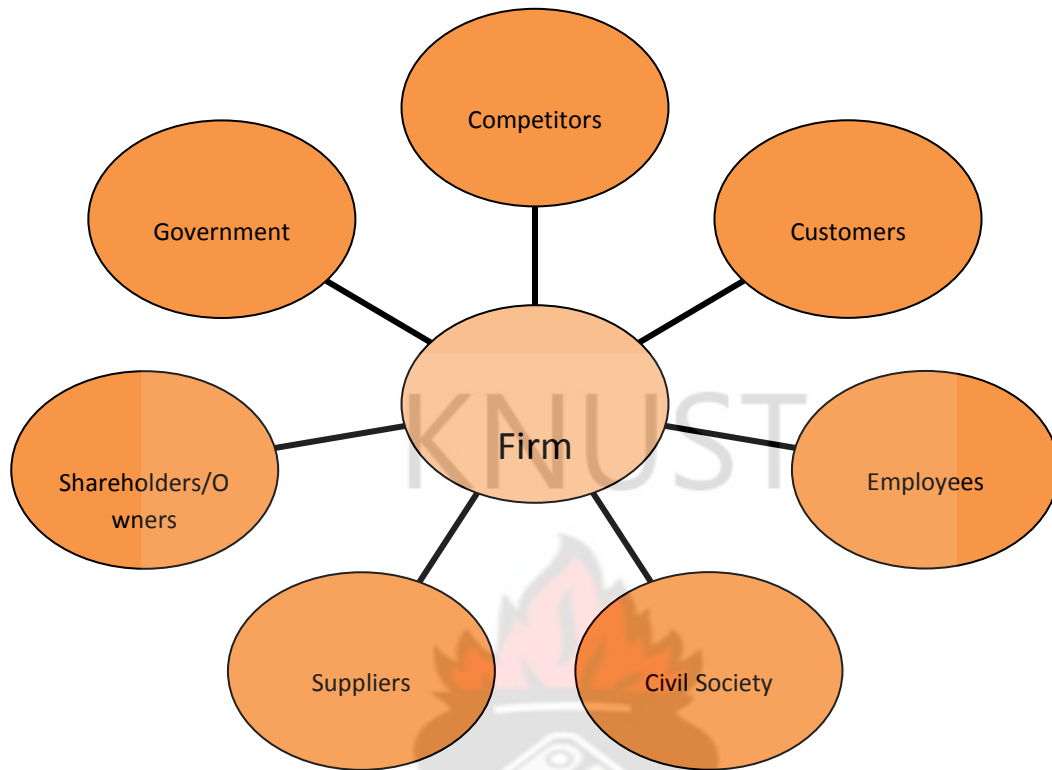


Fig 2.2 The Stakeholder Model

2.8.5.1 Stakeholder Management and Corporate Social Responsibility

Corporate strategy has changed from the point of only viewing the firm's stakeholders as customers, shareholders and employees to a point where the business organization has to be accountable to a broader audience than its traditional stakeholders. From a strategic management perspective, Pearce and Robinson (1997:45) write that in defining or redefining the company's mission, managers must recognize the legitimate rights of the all firm's claimants. Each of these interest groups has justifiable reasons for expecting (and often demanding) that the firms satisfy their claims in a responsible manner. It is also argued that applying a stakeholder approach to the management of a firm recognizes that other interests other than those of shareholders are seriously affected by corporate activity.

Managers must integrate the interests and considerations of all key stakeholders in the long term decision making process with regards to the future goals and objectives of the firm. Applying a stakeholder model to the management of a business entails that the company must adopt a corporate strategy that is consistent with the needs and challenges of the external and internal environment where it operates. This is because the external environment has a significant impact on its long term operations and survival. According to Johnson and Scholes (1999:11), corporate strategy is concerned with the overall purpose and scope of organizations to meet the expectations of owners or major stakeholders. In scanning this environment, the company must realize that it cannot meet its own long-term goals, if the environment it operates in is socially and economically disintegrating or unstable. Like all phenomena that pose a threat to its long -term survival, business has to take appropriate action to mitigate some of the social problems in society that may affect its survival. This is where corporate social responsibility comes in and business has to respond to the needs and social challenges in the local communities where it operates.

The importance of the stakeholder theory is that it challenges every business organization to think carefully about the many different constituencies upon which its activities and performance have an impact. Therefore, businesses in Ghana cannot close their eyes to the huge socio-economic challenges facing the country because social responsibility is about free enterprise in partnership with other stakeholders. Business, while addressing stakeholder issues, has to recognize that not all stakeholders, especially indirect stakeholders such as the local community do have a voice as easily as others. As such, companies need to prioritize their needs and act on behalf of these vulnerable stakeholders. The way a business responds

to this challenge will determine its identity in the eyes of the public in terms of the values it wants to embrace, its reasons for existence and the way it wants to be perceived in the wider society. Estehuyse (2002:11) observes that staying in business is in fact an economic imperative as well as a social and moral responsibility. Companies can no longer retreat into “shareholder value” justification (Roddick in Wheeler and Sillanpää 1997: vii). Therefore, the pressures to satisfy institutional investors who demand quick short-term profits have to be balanced with the long-term prosperity of the firm and interests of all key stakeholders. The argument that corporations are solely interested in financial returns and thus only serving their shareholders’ interests is situated in a narrow view of corporations as institutions that have a unitary purpose. Zadek (2001:140), in challenging the view of corporations as unitary entities, argues that, “Corporations are in effect made up of hundreds of communities of interest, and many thousands more, if external as well as internal stakeholders are included”.

Roodt (2002:9) argues that in South Africa, right from the outset, the first King Report on corporate governance recognized the significance of legitimate stakeholder interests as a fundamental concern of corporate governance. Therefore, stakeholder management brings to light the concept of corporate social responsibility, as it challenges every corporation to rethink the way it is governed and whose interests it serves. Estehuyse (2002:10) explains that the stakeholder model and the notion that companies should be good corporate citizens requires the private sector to help in creating “... a compact of shared values and principles”, that is, to give the global economy a human face. In Estehuyse’s opinion, there is an urgent need for social responsibility in the global business order. This view is also stressed by Senge (1990), quoted by Thorne and Smith (2000:26), when he said that “the challenge to

contribute to social development is not just a matter of simple self interest, it is also a matter of seizing a historic opportunity that allows business to fundamentally improve the injustice that exists in the world”.

2.8.5.2 The Stakeholder Corporation

The stakeholder model has been developed further into what is nowadays called a stakeholder corporation. The essential characteristic of a stakeholder corporation is the ability to develop inclusive relationships based on trust with key stakeholders. An inclusive company concentrates on the development of loyal relationships with employees, customers and local communities. These inclusive relationships are increasingly dependent on how a company is perceived to create “added value” beyond its primary commercial activities. Wheeler and Sillanpää (1997: ix) maintain that in the future, “the development of loyal, inclusive stakeholder relationships will become one of the most important determinants of commercial viability and business success”. The inclusive approach is also advocated for in the King II Report (2002:98) which recognizes that stakeholders such as the community in which the company operates need to be considered when developing the strategy of the company. Estehuyse (2002:10) adds that the call for business to form inclusive partnerships with other stakeholders will also be a requirement for measuring business performance if they are to retain society’s long term ‘license to operate’.

According to Wheeler and Sillanpää (1997: xi), a Stakeholder corporation is based on the following assumptions: that enterprises which are run in the interests of a wide range of stakeholders are more likely to behave responsibly, that business can successfully create two

kinds of value: commercial and social, that commercial and social values are mutually reinforcing, leading to greater stakeholder loyalty and corporate resilience, that social and commercial transparency lead to greater organizational identity and efficiency, that inclusive stakeholder enterprise will outperform stakeholder exclusive enterprises with increasing ease in the twenty-first century.

2.8.5.3 Classification of Business Stakeholders

Palmer and Hartley (2002) argue that business organizations should act in a socially responsible manner for two self-evident reasons: one philosophic and the other pragmatic. Philosophically, models of a responsible society require organizations to do their part along with the family and other social institutions (the schools, the religious institutions, etc.). Pragmatically, organizations have to take account of the society's values, otherwise they will be isolated and therefore their long-term survival will be jeopardized.

Against this backdrop, business organizations have to think of their overall stakeholders, which include:

- i. Customers: The most immediate, influential and targeted stakeholder for any organization is the customer or the consumer of its goods or services. There is an obvious controversy as to whether the customer is right in the goods and services they choose to buy from a company. It is true that sometimes customers do not recognize the long-term harmful effects of their choices such as in the case of tobacco, milk products for babies and expensive stereo equipment in the cars when safety equipment are relegated to optional extras (Palmer and Hartley, 2002). However, it is

equally true that there is no ethical basis to judge whether provision of such goods and services is right or wrong.

Galbraith (1977) says the ‘customer is the king’ is no more than a myth. He maintains that the modern organization exercises power to the extent of shaping tastes of consumers to its products. But this power is often buried down to leave nobler causes to surface. He likens this myth with the root cause of colonialism. For colonialism, we saw, was possible only because the myth of higher moral purpose regularly concealed the reality of lower economic interests. And the same is equally true with the moral cause of the business organization.

Mullins (2005) argues that the responsibilities to consumers may be seen as no more than a natural outcome of good business. However, there are broader social responsibilities including:

- a) providing good value for money;
 - b) the safety and durability of products/services;
 - c) standard of after-sale service;
 - d) Long-term satisfaction – serviceability, adequate supply of products/services, and spare parts and replacement parts.
 - e) Fair standards of advertising and trading; and
 - f) Full and unambiguous information to potential consumers.
- ii. Employees: social responsibilities of the firms towards their employees extend beyond the terms and conditions of the contract to include: justice in treatment; democratic functioning of the organization; training in new skills and technologies;

effective personnel and employment relations policies and practices; and provision of social and leisure facilities (Mullins, 2005).

Today, in increasing competitive markets, customers take into consideration the ethics of the employment practices exercised by a firm when evaluating alternative products (Palmer and Hartley, 2002).

- iii. Local Communities: firms often try to be seen as friendly to their neighbourhood. Although this might be considered a genuine concern or just an attempt to buy favour. In both cases, one might argue, the organizations will adopt a proactive tendency to community rather than to wait for long and be reactive.
- iv. Governments: Governments depend on the private businesses to get a sizable portion of revenues through taxation. In addition, governments also depend on the business organizations to take greater roles in society and to achieve several economic and social objectives such as the regional economic development, training and limitations on the sales of tobacco, for instance.
- v. Intermediaries: Possible social responsibilities include: fair standards of trading; honoring terms and conditions of purchase or sale; and settlement dates (i. e. payment of accounts).
- vi. Suppliers: Taking account of the needs of suppliers is certainly a combination of shrewd business sense and good ethical practice (Palmer and Hartley, 2002).
- vii. The Financial Community: A major group within this framework is the shareholders, who expect a fair financial return as payment for risk bearing and the use of their capital. Shareholders also have the right to participate in policy decisions and to

question top management on the affairs of the company (Mullins, 2005). Management of the firms should present full information to the shareholders. In the final analyses, shareholders have to be reassured that the organization is going to achieve its stated objectives (Palmer and Hartley, 2002).

2.9 Strategies of Corporate Response

Numerous approaches have been advanced regarding the appropriate model of corporate response to corporate social responsibility issues in society. It is generally agreed that the more a company has incorporated the concerns from its external environment into its decision-making process, the more that company is deemed to be socially responsible. Based on the research done by King (2000) and O'Brien (2001), corporate response strategies to corporate social responsibility issues can be divided into three categories:

- i. Economic
- ii. Philanthropic,
- iii. Strategic.

Marsden (2000) distinguishes these categories as denial (inactive), reactive and proactive.

2.9.1 The Economic or Inactive Strategy

The economic approach to corporate social responsibility is the view supported by the classical economic theory of free enterprise where a business exists to maximize profits for its owners in a competitive market economy. Social responsibility in this regard is related to maximizing the financial return and is believed to accrue to society through shareholder

dividends, taxes and wages. This response to corporate social responsibility emanates from the premise that the “business of business is business”, where the role of the private sector in society is clear: making money and creating jobs. Those who support this view believe that in the running of a profitable business, employment opportunities are created and the people who are employed are better able to support themselves. O’Brien (2000:24) points out that this view of corporate social responsibility tends to attract union support on the basis that the payment of better wages to employees is regarded as more important than assisting the wider community. According to Rumney (2002), this strategy views corporate social investment as a distraction from the main task of creating value for shareholders. This was the prevailing attitude of business in the 1970s and much of the 1980s but today corporations are under such intense scrutiny from the media and NGOs (Non-Governmental Organisations) about their role in society that it is hard to imagine a corporation that holds this view of its role in society.

A company following the inactive strategy adopts a non-involvement approach to social issues. Marsden (2000:6) calls this strategy the *denial stage* in that it reflects the “Friedman condition”, where a company denies responsibility for or the need to engage with any of the societal issues upon which its operations impact, beyond complying with the law and paying its taxes. It is a strategy of non-involvement, because business conduct is guided by a philosophy that says “the business of business is business”. While no one would argue with the proposition that “the business of business is business”, what is contentious, however, is what constitutes “business” and especially “good business”. Marsden (2000:2) dismisses Friedman’s position by arguing that such a scenario is perfectly reasonable in a well-ordered,

strong governance context, where whole-system needs such as law and order, social justice and conservation, and market failure issues such as monopoly and externalities are relatively well controlled. In such a context, corporate citizenship is mainly about running a business well, obeying the law, and paying taxes. However, this is not the context within which most business corporations operate.

Anshen (1980:42) dismisses the economic approach by arguing that, “The concept of profit maximization is obsolete. It cannot reasonably be defended by describing its internal logic. The attack on the concept does not challenge its logic, but rather its relevance for a society that is drafting a new franchise for business and its institutions”.

The Education Trust Victoria (2002), challenges the economic approach by arguing that it provides too narrow a definition in valuing a bottom line that does not take into consideration all the factors that contribute to business success or failure. The economic approach is seen as based on conventional economics that focuses on cash flow, forgetting the fact that every economic activity has an impact beyond the making of money. Indeed money is only part of the whole economy. Therefore, to say that a business has only to fulfill its economic role to be considered socially responsible would be to miss the whole point of the relevance of business in modern society. There are very few businesses in the world today that operate on this premise. Hood (1996:8) argues that profit maximization is a poor guide for evaluating the ethical and social dimensions of business performance and responsible managers should consider embracing societal concerns in their business strategies.

2.9.2 The Philanthropic or Reactive Strategy

The philanthropic level of corporate social responsibility is characterized by community involvement activities that are *ad hoc* in nature, short term and paternalistic in their implementation (O'Brien 2000:24). This is where a business involves itself in society at the level of charity in response to a feeling of social concern. Businesses engaging in corporate social responsibility at this level only base their social involvement as an ethical way to conduct business without necessarily integrating such activities into their long-term corporate strategy. With this strategy, the company is aware of the problems in its social environment but it does not wish to be engaged with them. However, because the company desires to be regarded as a “good” or ‘progressive’ company, the company will engage in strategies associated with this model such as sponsorship, donations, employee volunteer programmes and cause-related marketing. Many corporations adhere to this model of corporate social responsibility. O'Brien (2000:2) argues that business people operating at this level base their involvement entirely on personal interest concerns, emotionalism, and ‘do-gooding’. Waddock and Boyle (1995: 126) agree with O'Brien's view and add that in exchange for a good public image and employee loyalty, the company offers benefits to the community in the form of grants, matching gifts programmes and sponsorship of community events. In Waddock and Boyle's opinion, even though such efforts might be considered programmatic, they do not offer a systemic approach to corporate social responsibility because such activities are not tied to the core values of the firm.

Marsden (2000) on the other hand, calls the philanthropic level of corporate community involvement the reactive engagement stage, in that a company is persuaded (often by threats to its reputation from an NGO action) to move out of denial and accept a wider corporate

social responsibility towards societal issues. The philanthropic response is also seen as paternalistic in its approach, in that there is no real consultation and engagement with the communities concerned, because the business starts with the premise, 'I know what is needed'. Nevertheless, a great deal of money has been raised this way to aid social causes.

King (2000) observes that the philanthropic approach to corporate social responsibility does not present a 'real' shift in business practice, since the corporate activities involved cannot be adhered to during a fiscal crisis. What is needed is a corporate culture change that builds corporate social responsibility into the heart of business practice and conduct. This is lacking at the philanthropic level, because the company engages in an exchange relationship with the community, without its activities having an impact on its long-term corporate goals and strategic planning process.

2.9.3 The Strategic Involvement Level or Interactive Strategy

Strategic corporate social responsibility means different things to different people. According to Hood (1996: 30), strategic corporate responsibility is more than simply giving away money; it refers to companies making a conscious investment in worthy social causes from which they expect to receive a return in the future. In other words there is a strong 'strategic' link between the charitable giving and the corporation's bottom line. This definition of strategic corporate social responsibility connotes that such activities are strategic because they give a return to the business involved. In other words, the fact that the business derives some tangible bottom line benefits makes these activities strategic. Gillis and Spring (2001) also see strategic corporate social responsibility as something that occurs when a company

aligns its corporate giving with its business interests in areas that take advantage of their core competencies and support their business objectives.

This study differs from Gillis and Spring's (2001) definition of strategic corporate social responsibility by arguing that aligning business interest *per se* with corporate social responsibility activities does not make these activities strategic. For a company to be said to be conducting corporate social responsibility from a *strategic* level, its social investment activities must be connected to its strategic planning process and aligned to its core values, culture and conduct (see Waddock and Boyle, 1995; O'Brien, 2000; Birch, 2001; and Hess et al 2002). Put differently, corporate social responsibility is said to be strategic when a company incorporates community involvement activities into its strategic planning process and operations. This requires that a company incorporate external environmental concerns found in society into its strategic concerns.

The company then searches for appropriate responses to these concerns instead of merely regarding them as constraints on commercial activity. This involves a constant information flow and process of validation between business and community. The implication of all this is that strategic corporate social responsibility is a long-term engagement in corporate social investment initiatives and must therefore be incorporated into the strategic planning process of a company.

From the discussion above, it is arguable that different companies find themselves at different levels of engagement in corporate social responsibility. It is assumed here that companies are moving towards greater accountability and thus towards a strategic level of engagement with their various stakeholders with regard to corporate social responsibility

activities. The three strategies discussed above are not mutually exclusive and it is possible that a company may adopt different strategic practices in responding to different areas of concern. However, the more a company adopts strategic corporate social responsibility as spelt out above, the more socially responsible it is deemed to be.

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CHAPTER THREE

3.0 METHODOLOGY

3.1 Introduction

The methodology for the study covers the research design, target population, the sample and sampling technique, types of data and data collection methods, method of data analysis and the organizational profile.

3.2 The Study Area

Brief about BOPP

BOPP was incorporated on January 22, 1976 jointly by Unilever Plc and the Government of Ghana (GOG) as a private company limited by shares to produce Crude Palm Oil (CPO) and palm kernel in Ghana. The company was converted into a public limited liability with 50 million authorised shares of which 34.8 million shares were issued. In March 2011, Unilever divested its shares in BOPP to Wilmar Africa Limited a Subsidiary of Wilmar-International. The company occupies about 4500 hectare of land and is located between two towns, namely Adum Bansa and Benso, in the Mpohor Wassa East District and Tarkwa-Nsuaem Municipality of the Western Region. The core business of BOPP is the Cultivation of Oil Palm Trees and Processing of Oil Palm fruits to produce Crude Palm Oil and Palm Kernel. BOPP processes about 100,000 Metric Tonnes of palm fruit to produce 20000 Metric Tonnes of Crude Palm Oil annually. BOPP has a permanent workforce of about Three Hundred and Seventy (370) and a contract working staff of about two thousand and Two hundred people.

(Source: Bopp Factory Passport 2011)

Brief about Mpohor Wassa East District

Mpohor Wassa East District is located at the South-Eastern end of the Western Region. It is bound to the North East and South East by the Twifo Hemang Lower Denkyira and Komenda Edina Eguafo Abrem Districts, all in the Central Region respectively. The district is again bounded on the West and North West by the Tarkwa Nsueam Municipality and Prestea Huni-Valley District. In the south, it is bounded by Sekondi-Takoradi Metropolis, Shama District and Ahanta West District.

The district was carved out from Wassa Fiase Mpohor District in 1988 and occupies an area of 1880 square km (464,553 ha), of which 344 square km (85,000 ha) are used as cultivable land. The district capital is Daboase, which is 6.7 km off the Cape Coast – Takoradi main road.

(Source: Ministry of Food and Agriculture, Ghana 2011(mofa.gov.gh))

Climate

The district falls within the tropical climate zone. The mean annual rainfall is 1500mm and ranges from 1300 to 2000mm, with an average annual temperature of 30°C.

Source: Ministry of Food and Agriculture, Ghana 2011(mofa.gov.gh)

Relief and Drainage

The district lies within the low-lying areas of the country with most parts below 150 metres above sea level. The landscape is generally undulating with an average height of about 70 metres. The highest elevation ranges between 150 and 200 metres above sea level. The drainage pattern is largely dendritic and there are medium and small rivers and streams

distributed through-out the district. Most of them originate from the Akwapim Ranges and flow southwards towards the coast. The main rivers are the Pra, Subri, Butre, Brempong, Suhyen, Abetumaso, Hwini and Tipae.

Vegetation

The vegetation is mainly tropical rainforest interspersed with shrubs. There are two large forest reserves namely: Subri River Forest Reserve which occupies 375 square kilometers and the Pra Suhyen Forest Reserve with 204 square kilometers. There are two small ones namely the Ben West Block Forest Reserve and Ben East Forest Reserve. These forests are the semblance of virgin forest in the district. This has led to intensive lumbering activities. (Source: MOFA Ghana, 2011(mofa.gov.gh))

Demographic Characteristics

According to the 2000 population census population of the district in 1970 was 27,573 and 55,801 in 1984. The total population in 2000 was 122,595 and estimated to be 163,512 in 2009 with an inter-censal growth rate of 3.2 percent, which is the same as the regional growth rate.

Males form 52.5 percent of the total population (85,844) as against 47.5 percent (77,668) for females due to the mining and agricultural activities in the district.

Agricultural Activities

Subsistence and large-scale agriculture employs 71.5% of the workforce according to the 2000 population and housing census. The major staple food crops produced in the district include cassava, plantain, maize, cocoyam and vegetables. The output per yield is

substantially low in the district due to traditional methods of farming with an average farm size of one acre per farmer.

About 98 percent of the farmers rely on traditional methods of farming using slash and burn, simple farm tools such as hoe, cutlass and relying on natural climate conditions for cropping. The use of tractors and other heavy machinery is limited to the oil palm plantation companies. (Source: MOFA Ghana, 2011(mofa.gov.gh))

Cash Crops

The predominant cash crops are cocoa, oil palm and coffee in some cases. Cocoa is usually cultivated in small to medium sized plantations, mostly by settler farmers while oil palm is cultivated on a large-scale by Benso Oil Palm Plantations (BOPP), NORPALM and Ayiem Oil Mills. The Ghana Rubber Estates Ltd (GREL) is promoting and encouraging the cultivation of rubber in the district and a number of out-grower farmers have cultivated rubber on medium and small scale plantations in various parts of the district. The West-West Agro-processing Company which is located in Ayiem is involved in vegetable processing.

Staple Food Crops

The main staple food crops widely cultivated in the district are maize, rice, cowpea, cassava, cocoyam, sweet potatoes, yam and plantain. Local vegetables such as pepper, garden -eggs, okro and tomatoes and other exotic types like cabbage are grown on a comparatively smaller scale

Livestock production forms an important agricultural activity in the district though not on a large scale as compared to crop production. It involves predominantly sheep and goat, pigs

(mainly improved breeds) fowls (local and improved breeds) and few cattle. (MOFA Ghana, 2011(mofa.gov.gh))

Major markets

Important market centres in the district are located in Daboase, Mpohor, Sekyere Krobo, Senchem, Ateiku, Krofofrom, Adum Bansa, Edwinase, New Subri, Atobiasie, Ebukrom and Apeasuman. Very few of these market centres have well- developed structures.

Major Agricultural Enterprises

Large and medium scale Agricultural enterprises operating in the district include Benso Oil Palm Plantation (BOPP) in Adum Bansa, Norpalm Ghana Limited in Mpohor, Golden Star Wassa Oil Palm Plantation in Ateiku, Ayiem Oil Mills in Ayiem and West- West Agro-processing factory in Ayiem. Out-grower farmer's schemes have been established by the large scale agricultural enterprises for farmers in various areas. Through these schemes farmers are assisted with special packages including inputs, credit and capacity building. The Ghana Rubber Estates Limited (GREL) has also established a similar scheme for out-grower farmers involved in rubber cultivation.

A number of micro- enterprises for agro-processing that are located in various parts of the districts include processing facilities for oil palm in Adum Bansa, Mpeasem, Ateiku, Aboaboso, Atobiase and Ayiem and facilities for cassava processing in Kwabaa, Awiadaso, Akotosu, Adiembra and Abroadzewurum.

(Source: Ministry of Food and Agriculture, Republic of Ghana 2011(mofa.gov.gh))

3.3 Research Design

In order to execute this study, a qualitative Case study on Benso Oil Palm Plantation was performed. This was executed because the nature of the purpose was for explanatory and the intention was to gain a deeper knowledge about the concept of CSR and how it was being carried out by BOPP. Interviews were conducted with four (4) selected Management Staff of BOPP namely the General Manager, Estate Manager, Human Relations Manager, Resident Medical Advisor and two (2) unionized worker's leaders of BOPP and six (6) focus groups which were drawn from the six selected communities which lie within BOPP's catchment area. One (1) focus group comprising of chief, Elders, Assemblymen, Unit committee members and leaders of the various youth groups was drawn each community and interviewed

Table3.1. List of Persons and Groups Interviewed.

	RESPONDENTS (INDIVIDUALS/ COMMUNITY	COMPOSITION	POPULATION OF THE COMMUNITY
1.	Adum-Banso	Chief and five(5)Elders(5) Two(2) Assemblymen, Twelve(12) Unit Committee/town management commitment Nine(9) youth group leaders	Focus group discussion was used
2.	Benso	Regent and six(6)Elders of Benso, Assemblyman, Ten (10)Unit Committee members, Three(3) youth group leaders	Focus group discussion was used
3.	Dominase	Chief and four(4)Elders, Assemblyman, Eight(8) Unit Committee/town management committee	Focus group discussion was used using the semi

			structured questions
4.	Manso	Chief and three(3) Elders, Assemblyman, Six (6) Unit Committee/town management committee and two(2) youth group leaders	Focus group discussion was used using the semi structured questions
5.	K-3	Assemblyman, Three(3) unit committee members and three(3) youth group Leaders	Focus group discussion was used using the semi structured questions
6.	K-9	Assemblyman, Three(3) unit committee members, Six(6) family heads	Focus group discussion was used using the semi structured questions
	Persons interviewed at BOPP		
7.	BOPP	i. General Manager ii. Human Relations Manager iii. Resident Medical Advisor iv. Immediate past and present Unionized Worker's leaders	Individual semi structured interview was used

Source: Field survey 2012

In total, One hundred and seven (107) persons were contacted during interviews for both the individual and focus group interactions, six (6) within BOPP and One hundred and one (101) from outside of BOPP.

3.4 Research Strategy: Case Study Selection

A research strategy is a general plan of how a researcher will go about answering the research question(s) set for the study (Saunders, Lewis and Thornhill, 1997: 74). Robson (1993) identifies the three common research strategies as: experiment, survey and case study. The nature of the present research suggested that an embedded, single-case study design was most appropriate as the intention of case study research is generally to gain an “in-depth” understanding of the phenomena concerned in a “real-life” setting. Stake (1995:16) supports the views above by observing that the aim of such a study is to “appreciate the uniqueness and complexity of the case, its embeddedness and interaction with its contexts”. The context of this case was unique and dynamic, hence the case study aimed to investigate and report on the complex dynamic interaction of events, people and other factors in how BOPP conducts its corporate social investment programmes (Cohen, Manion and Morrison, 2000:181)

Case study research has been criticized by some researchers as not being rigorous enough. Much of this ‘bad press’ regarding case study methods typically stems from their poor definition as a research strategy. However, leading writers on the case study typology such as Yin (1989 and 1994) and Stake (1995) among others have sought to define rigorous case study methods and their role as an appropriate empirical strategy for addressing research questions. This research draws primarily from Yin’s work. Yin (1994:13) defines a case study as:

“An empirical enquiry that investigates a contemporary phenomenon within its real life context especially when the boundaries between the phenomenon and its context are not evident”.

Corporate social responsibility is a *contemporary* socio-economic phenomenon involving many companies and the level at which it is carried out differs from one company to another. The socio-economic *context* in which BOPP operates is very important, as it affects the dynamics of how the company performs its CSR activities. One would expect that because of either its own corporate values or the challenges that exist in the socio-economic environment, the company has had to approach corporate social responsibility programmes in its own unique way. Therefore, in adopting Yin's definition of case studies, it is important to describe in detail the company's corporate social responsibility activities as well as the context in which they take place. Also because as a business, BOPP's operations are part of the environment within which it operates, there appears to be no *boundary* between the company and the local community of the MWEDA where it is located.

In choosing a case study strategy over other empirical methods, Yin (1989) suggests that the decision be rationally made against three conditions:

- iv. the *type* of research question(s) being posed;
- v. the extent of *control* a researcher has over actual behavioural events;
- vi. the degree of focus on a *contemporary* as opposed to historical events.

Case studies are suitable to answering "*how*" and "*why*" research questions such as those found in the present study. This study seeks to find out *how* BOPP conducts its corporate social investment programmes and *how* these activities are aligned to their corporate strategic planning process.

The study also tries to find out *why* they engage in CSR activities the way they do. For these reasons, a case study strategy appears to be the most appropriate research strategy to use. In fact, the use of case studies in management research has become increasingly widespread because of the necessity for access, understanding and firsthand experience of organizational change processes (Gummesson, 1991). Yin (1989, 1993) concludes that an appropriate niche for case study methods is in research situations that deal with contemporary events in which the behaviour of the people or systems at the centre of the research problem cannot be manipulated.

Case studies can also be differentiated according to their purposes. Yin (1993) distinguishes case studies as exploratory, descriptive or explanatory.

This is an evaluative -exploratory study. The purpose of this research is to understand and evaluate how BOPP conducts its Corporate Social Responsibility Programmes.

3.5 Choice of Company

Case Study research is not sampling research, which means that the main obligation for the one conducting the case study is to understand this single case. The first criteria when selecting an appropriate case is to maximize what can be learnt (Stake, 1995). Due to the fact that a case study on a single company has been chosen, it has been considered imperative to conduct face-to-face interviews and visit the company in question (BOPP) in order to receive as much information as possible. Hence, the decision was to focus on a company in which the researcher works (BOPP).

Stake (1995) argues that it is of outmost importance to choose a case where admittance is facilitated, where prospective information can be identified and where the individuals studied

are willing to share information. Therefore, the choice fell on Benso Oil Palm Plantation limited based on several reasons.

First, the personal connections to the company will enable a more easy access to the different stakeholders of the organization. However, the relationship will by no means be bias due to personal connections which would occur. Secondly, the communities within the company's catchment area are closer to the firm which would make it possible to visit them on several occasions and lastly, because BOPP is considered to be one of the most important organizations in Ghana with respect to the Oil palm industry as well as well as one of the leading Agro-industries in Ghana.

3.6 Target Population

The population which constitutes the total number of elements in the area of study from which the sample was drawn was made of the six (6) Communities in the MWED with a total population of about Six thousand and Four hundred and Thirty-one people or inhabitants lying in the catchment area of BOPP and the Staff of BOPP.

Table 3.2 Population of the Selected Communities

COMMUNITY	POPULATION
Adum-Banso	2852
Benso	1645
Dominase	880
Manso	709
K-3	155

K-9	190
-----	-----

Source: MWEDA Planning Office records 2012

3.7 Sample and Sampling procedure

The sample covered four (4) selected Management Staff of BOPP namely the General Manager, Estate Manager, Human Relations Manager, Resident Medical Advisor and two (2) unionized worker's leaders of BOPP and six (6) focus groups which were drawn from the six selected communities which lie within BOPP's catchment area. One (1) focus group was drawn each community and interviewed.

In contrast to quantitative analysis, where the researcher studies a smaller group to produce accurate generalizations about a larger group, a qualitative researchers' concern is to find cases that can clarify and deepen understanding (Neuman 2006, p. 219). In this regard, Flick (1998, p. 41) justifies non-probability sampling for qualitative studies to satisfy the relevance to the research topic rather than representing the whole population.

Considering the population of the Selected communities in catchment area of BOPP (*refer to Table 3.2.*), Collecting data by interviewing individuals was going to be time consuming and expensive, even for relatively small amounts of data. Hence, it was highly unlikely that a complete population would have been investigated and considering the limited time required for completion of the project work it was not going to be feasible to interview individuals. The sample selection was of purposive nature, meaning that the author used his own judgment to select individuals that are suitable as respondents in order to reach the intended

objective and to answer the research questions. It was, therefore imperative to take a sample and usually a small sample representative of the entire population hence Focus Group interviews were conducted.

Focus groups are facilitated discussions with a small group (5-15 individuals and composed of representative members of a group whose beliefs, practices or opinions are sought) that can allow you to see an issue from community members' perspectives. Focus groups useful for rapid exploration of views of topic, eliciting dominant as well as diverse or unusual arguments/perceptions relating to a topic, avoiding direct questioning by 'expert' interviewer, allowing mutual exploration of shared experiences and allowing joint opinion formation, evaluation and decision-making. Focus groups can help explain how people regard an experience, idea or event and provide more detailed and richer information than a single interview because of the interaction among members of the group. However, there is also the danger that some participants may be inhibited about expressing information contrary to the group sentiment. Therefore, it is useful to consider holding focus groups with "like" groups and holding multiple groups to gather information.

This was also based on the Sampling theory which says that a correctly taken sample of an appropriate size will yield results that can be applied to the population as a whole.

3.8 Data Collection

3.8.1 Sources of Data

The collection of primary data was made by qualitative interviews and complemented with secondary data consisting of document study, such as the company's CSR plan or policy,

Newsletters, Website and journals. The secondary data is primarily aimed to enable a better understanding of the case subject from an institutional perspective. Primary data, in the form of interviews, is necessary to create a thoroughly understanding of our case subject's structure and resources. Interviews would also function as the main source for understanding the perspective of the implementation of CSR policy. Individual semi-structured in-depth interviews were of particular relevance in the present study. This is because the nature of the information required a deep analysis of views and perceptions of various people and interviewing was the best method to gather such data. The qualitative interview appeared to be the best data collection method to gather such data because the researcher could probe deeper for clarity. The respondents and the documents in this case study were selected because they were strategically important for the study and they could provide information on BOPP's corporate social investment programmes which the researcher was trying to investigate.

The people from BOPP who were interviewed were chosen from different levels and departments and positions in the company in order to get a broad spectrum of perspectives on the issue under study. Hence both management and non management staff were interviewed. In the case of the communities the focus groups consisted of the various interest groups and levels of authority who matter most in issues like this.

To capture all verbal data accurately, all the interviews were tape-recorded. Field notes were written to record new issues and the researcher's own observations that came up during the interview process in order to bring more clarity to the interviews.

3.8.2 Instruments for data collection

Both Individual semi-structured in-depth interviews as well as Focus group interviews were of particular relevance in the present study. This is because the nature of the information required a deep analysis of views and perceptions of various people and interviewing was the best method to gather such data. Individual Semi-structured interviews were conducted for the selected staff of BOPP whilst the focus group interviews were conducted for the selected Communities.

The qualitative interview appeared to be the best data collection method to gather such data because the researcher could probe deeper for clarity.

The interview guide was divided into two parts. Part A is the Interview Guide for the Local Community Participants and Part B is the Interview Guide for the Company

3.9 Method of data Analysis

Unlike more quantitative research techniques, there are no specific formulae to guide the researcher in analyzing qualitative data (Wimmer and Dominick, (1994:156), Riley et al (1994:100). According to Winegardner (2002:7), data analysis in qualitative research is generally regarded as occurring simultaneously with data collection. There are no tight tools for analyzing qualitative data. As Tesch (1990) explains, “the process of data analysis is eclectic; there is no right way (cited in Creswell, 1994:153).

The first analytic technique in the process was the field notes. After each field interview, the researcher assessed the significance of what had been recorded and how it related to the concepts and theories she felt were relevant to the study. It was essential to undertake this

exercise in order to provide clarity in data collection (Riley et al 2000). The interviews were recorded and transcribed verbatim and were read in their entirety in order to gain a sense of the whole. The questions contained in the semi-structured interview provided broad parameters within which to analyze the qualitative data that had been obtained.

The transcribed verbal data from all the interviews were organized into various themes and categories (four sections) based on the research questions and the purpose of the study such that each section provided answers for each of the research questions.

The responses to some of the questions were then coded by assigning numbers to the various categories of responses for the purpose of analysis.

Items with “Yes” and “No” responses to positive statements were coded thus Yes-1, No-2

Similarly items describing performance were given the following codes:

Excellent- 1, Very Good- 2, Good- 3, Satisfactory – 4, Poor- 5

Some bit of Percentages and tables together statements quoted from the interviews were used in analyzing the data to answer the research questions.

3.10 Research Reliability and Quality

Reliability refers to the credibility of the thesis and the consistency of the measure of a concept. In order to increase the reliability it is vital to have a clear definition of concept that is used throughout the interviews (Svenning, 2003). However, it is difficult to ensure reliability since human behaviour and thoughts never are static. Instead qualitative studies

should aim at explaining it and describes it in its context (Merriam, 2001). Lincoln and Guba (1985) suggest that instead of referring to reliability in the traditional manner in qualitative studies, it should be regarded as dependability (Lincoln & Guba, 1985, cited in: Merriam, 2001). Researchers can use several techniques to ensure that the results are dependable and the goal is to establish that the results are consistent with the collected data.

In order to ensure dependability in this study, similar questions related to the subject of the matter was asked to all participants because the classification of CSR is rather unclear and may be interpreted differently. Moreover, the topic was only discussed briefly before the interviews and no vital theories were mentioned, this was done in order to prepare the participants for the interviews but still not create any bias or possibility for the respondents to be affected by the researchers.

The interview template was showed to the tutor of this thesis before asked to the participants to ensure that the questions were relevant for the intended purpose and that no questions were left out. Since tape recorder was used, no information was left out and the author conducted all the interviews himself to further decrease misunderstandings and to not miss out on observations. Relevant theories and articles about the topic were carefully studied to gain more knowledge within the field before the interviews. Moreover constant discussions were conducted about the chosen topic to further enhance credibility.

The result is presented in a manner that enhances the credibility, similarities and differences within and between interviewee groups as well as between interviewees are distinguished.

The transcripts and the summaries of all interviews were conducted by the author in order to present relevant information and communicate it without bias. These actions were in order to enhance the trustworthiness of this thesis and moreover to enabling the presentation of reliable and unbiased results and conclusions.

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CHAPTER FOUR

4.0 ANALYSIS AND DISCUSSION OF DATA

4.1 Introduction

In order to answer the question of how BOPP performs its corporate social investment activities, the findings of this research are presented in this chapter. The data analyzed and presented here are documentary data and the interview data. Analyzing documents involved studying BOPP's corporate reports, company brochures and Newsletters as well as the coverage of the company's corporate social investment (hereinafter, CSI) programmes in the local Newspapers, Interview data came from interviewing people from the company and those selected included the General Manager, Estate Manager, Human Relations Manager, Resident Medical Advisor and the immediate past and present BOPP Unionized Workers Leaders. Also Six (6) focus groups were drawn from the six selected communities which lie within BOPP's catchment area was interviewed. One (1) focus group comprising of chief, Elders, Assemblymen, Unit committee members and leaders of the various youth groups was drawn each community and interviewed. The selected communities were Adum-Banso, Benso, Manso, Dominase, K-3 and K-9.

First, responses to interview questions from each participant were categorized under each of the four (4) research questions

The emerging themes and inferences in the form of research findings drawn in this chapter strictly reflect the concepts as they emerged from the collected data.

In total, One hundred and seven (107) persons were contacted during interviews for both the individual and focus group interactions, six within BOPP and One hundred and one (101) from outside of BOPP.

The questions that the respondents were asked were constructed from the objectives that the study set out to achieve. From these broad objectives, questions were constructed and this resulted in the respondents being asked many questions in order to probe deeper to get a better understanding. A copy of these questions is available in the two interview guides attached in the appendix (as appendix ii) at the end of the thesis. From the analysis, numerous themes and sub-themes emerged which were subsequently grouped into categories that reflected the objectives and the goals of the study. The findings have quoted liberally from the original data in order to represent the respondents' views as accurately as possible. Below is a summary of the research questions.

Table 4.1 Summary of Research questions

	Research question (RQ)
RQ1	What does BOPP's Corporate Social responsibility Policy contain?
RQ2	What motivates the company to carry out corporate social investment programmes in the local community?
RQ3	What are some of the types of corporate social responsibility programmes that BOPP conducts within the local community?
RQ4	How do the local Communities see BOPP's corporate social responsibility programmes?

Source: Developed for the Research

4.2 Responses and Findings to the Research Questions

4.2.1 The major socio-economic problems facing the MWED

The first question the respondents were asked was a broad question to find out the serious socio-economic problems facing the Western Region in general and the Mpohor Wassa East District in particular. Most respondents mentioned that poverty and unemployment are the biggest problems facing the region.

These problems are very serious and are closely connected to other socioeconomic problems such as Illegal Mining (Galamsey), illiteracy, HIV/AIDS and Food scarcity. In relation to this question, one interesting response which came up from Chief of Adum-Banso:

“I think the main one is poverty, because we really don’t have industries in the MWED. Although we have minerals like gold and stuff like that, they are mined by foreign companies who come with majority of their own staff and employ just a limited number of the people from the community. So, I would say that the biggest socioeconomic problem in the MWED is poverty and working opportunities for all the people, so they engage in Galamsey so that they get better living conditions, which they don’t.”

From the Assemblyman of Manso he said;

“I think that our serious socio-economic problem is unemployment, and next to unemployment, I think issues such as poverty, illiteracy and homelessness.”

And from the Assemblyman of K-9 he said;

“The current problem facing the MWED is unemployment, which is extremely high.”

BOPP’s HR manager had this to say;

“The problem is basically the imbalances of the past. We have enormous infrastructural imbalances which impact negatively on the socio-economic life of the people of the MWED.”

Lester et al (2000: 236) agree with the above responses and argue that poverty is one of the biggest socio-economic challenges facing Africa and that this poverty is concentrated mainly amongst Africans in the rural provinces.

4.3 Responses and Findings to the Research Question 1

What does BOPP’s CSR Policy contain?

According to Business for Social Responsibility (BSR, 2000) many companies are choosing to make explicit commitment to corporate social responsibility in their mission, vision and value statements. Such statements frequently extend beyond profit maximization to include an acknowledgement of a company’s responsibilities to a broad range of stakeholders, including employees, customers, communities and the environment. Therefore, one of the first things the study aimed to find out was to see how BOPP’s Policy statements incorporate corporate social responsibility issues. If CSR is a key issue for BOPP, it would be clearly spelt out in these important corporate statements.

BOPP’s on its website (www.wilmar-international.com) declares itself to be embracing core *values* such as Integrity, Excellence, Passion, Innovation, Teamwork, and Safety.

In addition to these core values BOPP has the following operating Policies which reinforce the core values

- i. Environmental Policy
- ii. Social Policy
- iii. CSR Policy
- iv. Policy on Sexual Harassment
- v. Occupational Health and Safety Policy
- vi. Quality Policy
- vii. Child Labour Policy
- viii. Communication Policy
- ix. Equal Opportunity Policy
- x. Sustainable Biofuels Policy

The CSR Policy focuses strongly on how BOPP views the importance of Corporate Social Responsibility or Investment. The Policy is quoted below;

BOPP's CSR Policy

“As a leading and major industry player, BOPP recognizes that not only must we ensure that the products we produce and process are of high quality and meet the demanding standards of our customers, they must be produced in a manner which is sustainable and takes into account environmental and social interests.

But we also recognize that Corporate Social Responsibility goes well beyond that. As a leading economic force in areas of our operations, Wilmar embraces its responsibility, not just as a good corporate citizen, but to foster an economically viable community and empower people.

In addition, we are also committed to promoting and protecting the health, safety and well-being of our employees, contractor personnel and local communities, especially in and around our mill and plantation areas.

As such, our commitment to sustainability is as much about establishing a conducive working environment and a thriving social infrastructure as it is about caring for the environment.

We shall achieve this – with a focus on continual improvement - through the adherence and applications of the RSPO Principles & Criteria; Environmental Management System (EMS ISO14001), the United Nations Global Compact Principles, and the Group’s Environmental, Social, Health and Safety Policies and Best Practices.” **(Source: Human Resource Desk, BOPP.)**

Pearce and Robinson (1997:45) write that in defining or redefining the company’s mission, vision and core values, managers must recognize the legitimate rights of the all firm’s claimants. Each of these interest groups has justifiable reasons for expecting (and often demanding) that the firms satisfy their claims in a responsible manner. It is also argued that applying a stakeholder approach to the management of a firm recognizes that other interests other than those of shareholders are seriously affected by corporate activity. Carroll (1984: 61) argues that from the point of view of a highly pluralist society, stakeholders might not only include shareholders, employees, customers and competitors, but also other groups such as the community, special-interest groups, and society or the public at large. The local community is a large and visible stakeholder group for any corporation.

From the above, one can see that BOPP declares explicitly that one of its corporate values is a commitment to the environment and the community. The fact that the company has expressly set out corporate social investment in the community as one of its values and policies shows that the company cares greatly about this activity. Such an express commitment tells the local community and other stakeholders that the company cares about corporate social responsibility issues and is committed to living this promise.

4.4 Responses and findings from the Research Question 2

What motivates the company to carry out corporate social investment programmes in the local community?

The respondents were then asked specifically why they think BOPP is involved in corporate social investment projects in the local community of the Mpohor Wassa East District. Both respondents from the community and the company expressed strong and clear views why they think the company has a social responsibility to the people of the Mpohor Wassa East District.

The respondents argued that even though BOPP was owned by a multinational corporation (Wilmar Africa limited), it is situated here in Ghana and it is operating in a particular local community; therefore, it has a social responsibility to this local community. Waddock and Boyle (1999:129) argue that the globalization of many companies' operations means that the communities to which companies relate can no longer be narrowly defined as the community immediately surrounding the corporate headquarters. Rather, Waddock and Boyle argue that "community" has rapidly been redefined as those locales in which a company has significant activities.

The respondent's responses why they think the company conducts CSI programmes in the region were summarized as follows:

4.4.1 Use of labour force from the MWED and the Western Region

One respondent, citing the company's use of the labour force from the local communities, had this to say:

“They use the labour forces which are people from the MWEDA and the Western Region and they all work very hard and they are committed towards building and ensuring the profitability and growth of BOPP as a reckoned Palm Oil producer in Ghana and in West Africa. I actually think you should look after the people who work for you in more than paying their salaries”.

Another respondent from the community felt that the company's labour force are very committed to BOPP and about 70% of these workers come from the communities in the MWED. He thought therefore that the company felt obliged to give something back to their workforce by taking active steps to make social investment in the communities where these workers come from. He further argued that this is not just a good deed that BOPP is doing, but rather they have seen value for their money. He said that:

“I am told our workers here are very good and as a result BOPP is one of the best Agro-industries in Ghana. So this is not just a good deed that BOPP is doing, they have seen value for their money. So, I think through the training and the money they have invested here, they have also seen that the company is improving.”

4.4.2 Creating a better community

Some respondent's suggested that because BOPP has invested in this local community and conducts its business operations here, the company should invest in the upliftment of the community to create a better society. One respondent from Benso community expressed this view as follows:

“The company that has invested in a certain particular community, it is also supposed to be responsible for the upliftment of that community”.

4.4.3 Achieving economic democracy

From the company's side, the Human Relations Manager felt that as a company, undertaking CSI in the community is important because it is an investment in the social upliftment of the region. He believes this is their part in playing their role in the democratization process of the country in order to bring about economic liberation to the majority of the citizens in the province.

He had this to say:

“It is an investment to the on-going democratization of any country to ultimately achieve economic democracy”. Mbigi (2002:16) supports the company's view above of the need for economic liberation in any country by arguing that:

There is no recorded case in history where a society has been able to make a sustainable transition to democracy without a business revolution; democracy thrives on economic progress, a highly informed and literate population as well as an enterprising population.

The Estate Manager expressed his comments as follows;

“I believe that after the attainment of political democracy in Ghana, there needs to be an economic revolution to bring about positive socioeconomic change to many disadvantaged communities. This economic revolution can only happen if the business sector is actively involved in social investment programmes in the local communities where the majority of disadvantaged communities live.”

4.4.4 To make employees feel proud of their company

Smith (2003) states that some employees express a preference for working for socially and ethically responsible companies. This reasoning is supported by Vivader-Cohen (2000), who claims that socially responsibly companies create employee loyalty.

The former worker's leader who happens to come from one of the local communities in MWED responded that BOPP should invest in the community where he comes from so that he can feel proud of the company. It has been suggested that when workers see that the company is interested in their welfare and committed to certain values such as corporate social responsibility, it motivates the workers and they have a deep sense of pride and belonging to that company because they know that the company really cares about their welfare and not just in maximizing profits. The former Worker's leader had this to say:

“The company is supposed to be responsible to make sure the upliftment of where I reside is taken up so that I can be in a position to be proud of the company. That is one of the reasons why BOPP must not be looking only on the profit of its products.”

The present Worker's leader also agreed with the above view and felt the company should invest in the community and in the employees so that the workers can be happy when they associate the quality of their lives with the success and image of BOPP. He said;

“You want your workers to be happy because the standard of the product we are making is high and of the right quality, so you want to bring them as close as possible towards the level of your product. That is why BOPP must take plight of their employees and also develop their children so that everybody can stand up and say they are proud of associated with BOPP.”

According to Barrett (1998:3) successful companies are those that are less focused on their self interest and more focused on the common good. He adds that if the organizations leadership “walks the talk” of corporate social responsibility values, it makes the employees of such an organization become proud of their company.

4.4.5 To match BOPP to its Socio- Economic Environment

Another reason why BOPP was undertaking corporate social responsibility programmes in the MWED was to match the company to its external environment. This is out of a realization that if the company is to prosper, it is important for them to invest in the local community. The MWED where the company is situated is deprived and the majority of its inhabitants live in abject poverty. Therefore, the prosperity of the company also hinges on the prosperity of the external environment. They realized that they had to take active steps to ameliorate the problems in society because they can only build a prosperous company in a prosperous community. By doing this, they will be matching the community to the company

by making the community a better place to resemble the successful company that is located in their midst. The General Manager expressed this view as follows:

As a company, our sole existence is to make money and create investor value. But we also realize that without investment in the communities, without involvement, we would not ensure the long-term viability of our investment. That is why we have got to invest in the local communities and it is also our own strategy to do so.

He further said that:

“You know, if you have a dysfunctional community within which you operate, you will have a dysfunctional workforce. So, in order to make sure that we have a happy and secure workforce, we need to be part of the community in which they live. If you want a stable workforce, you need a stable community.

The Resident Medical Advisor also expressed his view as follows:

A company cannot survive in an environment that is shredded to pieces. To succeed, the environment has to be healthy. The local community must be stable because you cannot attract customers and investment to an area that is unhealthy. Therefore, the living conditions of the community and the employees must continue to improve.

Beesley and Evans (1978:187) argue that social responsibility is a matter of how far a company deals with its external environment by incorporating external concerns into its decision-making process. In their view, the more a company is closely related to its external environment (that is the society in which it operates) the more it is thought to be moving towards more responsibility. In their view, from a strategic level, a company should incorporate external concerns as concerns of the company. This involves an active search for

responses to those concerns rather than merely regarding them as constraints on its commercial activity.

4.4.6 To create a win-win situation for the company and the community

According to the Enlightened Self-Interest Theory, enlightened companies of the future are learning to find win-win situations whereby they invest in CSR programmes that benefit communities while at the same time promoting the interests of their own business. In fact, for many organizations, this is one of the most important reasons why they conduct corporate social responsibility activities.

The company believes that by identifying social causes that are aligned with their business interests and tackling these issues, they are also meeting their business needs by achieving stability in the plant, making employees loyal to the company and improving the performance of workers in the plant.

Businesses that create a win-win situation by investing in social causes which need attention in the community while at the same time aligning these issues with their long-term business interest end up benefiting as well. BOPP's key CSI focus areas have been in education and training, crime prevention, healthcare with the focus on HIV/AIDS and primary health care, Provision of Social Amenities.

The HR Manager commented that:

“Our responsibility is to offer a joint commitment not only to our business but also to our community within which we operate. Therefore, it is a commitment to the upliftment of the community but the benefit is also to us because when we have a better-educated people, we can employ them. Then we have a lower crime, it lowers the crime rate in the area but it also

draws further investment to this area in the form of suppliers, which will then lead to the support of our business.”

This strategy of dovetailing social causes with business interests is strong and the management in their responses both concurred on the use of this strategy. Smith (1994:105) writes that increasingly, companies are identifying social causes in communities where the company can use its resources to help while at the same time meeting its own business interests, thus creating a win-win situation for both parties involved. He believes that by using such a strategy, companies are backing CSI programmes with real corporate muscle, because they have a stake in these programmes. Smith continues that this idea of a company serving its business interest, while at the same time backing community needs, entails becoming “Janus-faced”- having one face serving the community, the other serving the business’s interest. Kanter (1999:124) agrees with Smith’s observations above and argues that when companies approach social problems as if they have a stake in the problems, they treat the effort as they would treat any other project central to the company’s operations

4.5 Responses and findings from the Research Question 3

What are some of the types of corporate social responsibility programmes that BOPP conducts within the local community?

According to Kirsten (2000:22), corporate social investment programmes in the local community should be aimed at uplifting, empowering and sponsoring self-sustaining regional projects within the community. This focus on upliftment is not surprising, in that the bias of corporate social investment in Community is towards upliftment and giving citizens the basic tools with which to better their lives. Corporate social investment is no longer just about cash

but about involving communities and supporting programmes that will have a sustainable impact on their lives. As one of the largest employers in the MWED, BOPP seems to be fully aware of the problems facing the district and its social investment strategy is aimed at actively contributing to the socio-economic development of the area.

BOPP undertakes CSR programmes in the following Six (6) key focus areas and these are, Education, Health with a focus on HIV/AIDS and Malaria Control and Prevention, Agriculture, Safety and Security, Provision of Amenities and Support for Preservation of Customs and Culture. These programmes are discussed below.

The HR Manager made the following comment when reacting to the question of some of the types of activities that BOPP undertook in the communities;

“Our main focus area is on education, health and Agriculture. This is because these issues are major issues in Ghana today, as it is believed that the future growth of any country depends on the education, health and good nutrition obtained by its people”.

4.5.1 Education

BOPP has opened its Primary and JHS to the Community

The BOPP has established a primary and JHS for the children of Employees of BOPP. This school was set up in 1985 to provide formal education for the children of employees of BOPP. Because of the value the Management of BOPP places over education, Children from the Communities which fall in its catchment area are also admitted. In the primary Cycle, the enrolment proportions are 40% of the Pupils are wards of employees whilst **60%** of the Pupils are from the Communities. In Junior High school, it is the opposite, **60%** of the pupils are wards of employees whilst 40% are from the Communities.

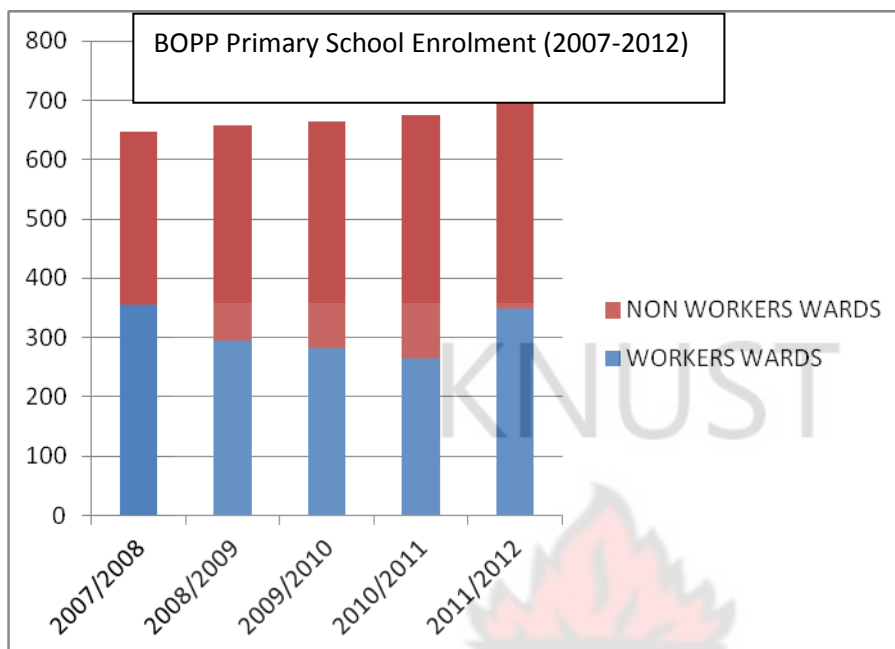


Figure 4.1. BOPP Primary School Enrolment (2007-2012)

Source: BOPP School Enrolment Records 2012

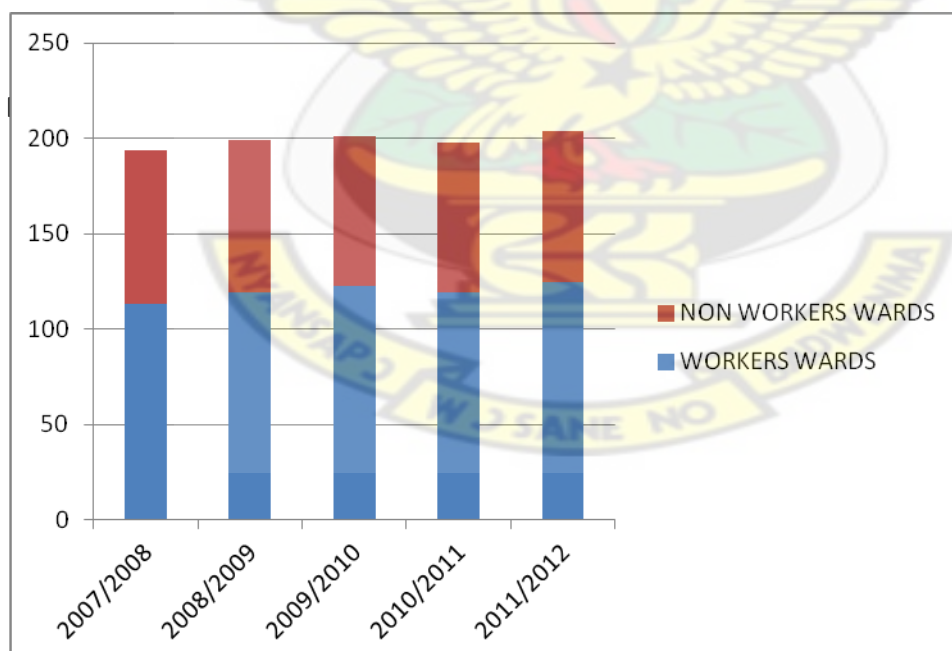


Figure 4.2. BOPP JHS Enrolment (2007-2012)

Source: BOPP School Enrolment Records 2012

Construction of Classroom or Rehabilitating School Buildings for the Communities

BOPP has over the years constructed or assisted the communities to build classrooms for their schools and also rehabilitate existing dilapidated School buildings. The construction of a Three-unit Classroom block at Benso (ongoing) and the rehabilitation of the Manso Roman Catholic primary school (2011) are examples of such projects.

Provision of Logistical support

BOPP also provides logistical support in terms items like Furniture for the Schools in community, teaching and learning materials and Recreational kits (during Schools sporting activities festivals) for the various community schools. In May 2012, BOPP donated Furniture (14plastic Chairs and 4 tables) to the teaching staff of K-3 Village School)

BOPP also provides transportation annually for the final year JHS pupils in all the communities in its catchment area (Benso, Adum-Banso, Dominase, K-3, K-9 and Manso) who write their BECE in the District capital.

Awarding Scholarship for Brilliant Pupils in the Community

BOPP instituted an annual scholarship scheme in 2007 for the Granting and or awarding Scholarships for brilliant students from the community to pursue their SHS and University education.

Table 4.2 List of the Scholarships Awarded to the Communities.

COMMUNITY	NUMBER OF BENEFICIARIES
Adum-Banso	3
Benso	2
Manso	1
Dominase	1
K-3	-
K-9	-

Source: HR Documents, BOPP May 2012

Supporting Education at the District level

The company does not limit its support for education only to the communities in its catchment area but also to the district as a whole. BOPP provides support for other Educational institutions also. Recently BOPP donated furniture to the Daboase Secondary Technical School. BOPP also provided financial support for the MWEDA in organizing a Children's Forum in 2011

4.5.2 Health

BOPP recognizes its moral and legal responsibility for health and safety and is committed to providing a safe and healthy environment for its employees, contractors, clients, visitors and the inhabitants of the neighbouring communities in all aspects of its operations. BOPP has a

well resourced Ministry of Health approved NHIS Clinic with laboratory services and manned by a Resident Medical Doctor, Midwife, supporting staff and supported by an Ambulance for emergency situations. The BOPP clinic is open to both the employees and general public. Some of the programmes undertaken by BOPP Clinic include General/Clinical consultation, Health education with focus on HIV/AIDS, Outreach services

Clinical Services

About 60% of the total attendance to the Clinic is contributed by non employees who comprise the people from the surrounding communities and workers from nearby companies. (Refer to Table 4 below). The Clinic offers services such as Maternity services, Child Welfare Services, Family health services and general consultation.

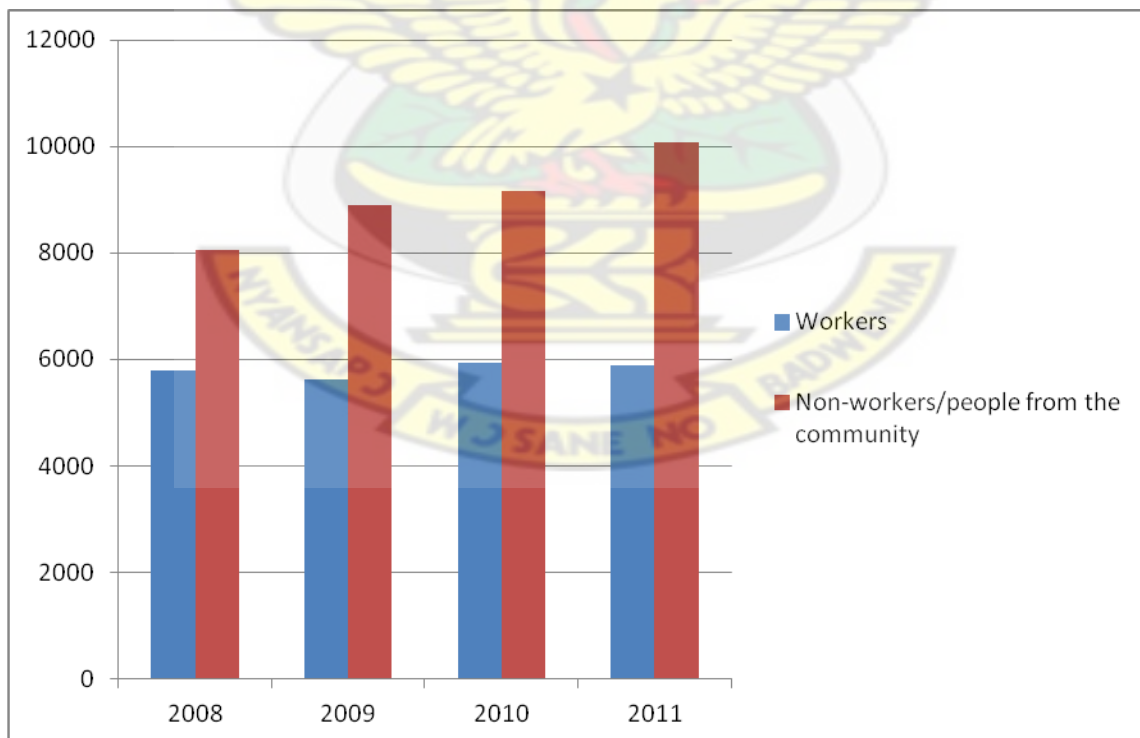


Figure 4.3 BOPP Clinic's OPD Attendance records

Health Education with Focus on HIV/AIDS and Malaria Control and Prevention

BOPP is one of the few businesses that have implemented a very good HIV/AIDS strategy. The company's HIV/AIDS task team comprises management and employees, as well as a full-time Resident Medical Advisor responsible for monitoring the company's HIV/AIDS policy. Its HIV programme assists its employees and their immediate families as well as people in the local communities. The company believes that, if their employees and their families are educated and treated with regard to HIV/AIDS, it will have a positive effect in the community. BOPP has a comprehensive prevention and care programme for employees and their families, which includes access to anti-retroviral therapy and Peer Educators or Counselors. The BOPP Clinic is also involved in undertaking Health outreach services. In 2011, BOPP clinic undertook a Free HIV/AIDS screening exercise at Dominase.

BOPP's health programme has also focused on the prevention and eradication of Malaria. Under this programme BOPP is championing the Ministry of Health's sale and free distribution of Treated insecticide bed nets to all Malaria Endemic Areas. Also BOPP undertakes mass spraying of mosquito infected areas in its Estates.

Support for the District and Regional Health Directorate

BOPP also provides support for the district and regional health directorates. In 2010, BOPP presented items such as a Motor Bike, Photocopier and printer for the MWED mutual Health insurance office at Daboase.

BOPP always provides support in terms of personnel and Transport for all national and regional immunization and inoculation programmes

4.5.3 Agricultural

SmallHolder Oil Palm Project

In 1995, BOPP initiated a 1,650-hectare smallholder scheme as part of its corporate social responsibility commitments for the benefit of farmers in the surrounding communities. BOPP and the Government of Ghana jointly funded the project. BOPP provided the land resource, financed assets acquisition and funded management and overhead costs. The Government of Ghana in turn funded the construction of farm roads, land development and other agricultural costs with aid money through the Agence Francaise De Development (AFD). Under the scheme, each farmer was allocated a 4-hectare plot and money in the form of loans for inputs. The scheme was in three phases (1995-97) and farmers were selected from the local communities.

To ensure that sustainability and profitability of this scheme, BOPP is providing additional support in the following forms;

- Subsidized Fertilizer and other farm inputs**

To ensure that yields are improved significantly and which will directly increase the farmer's earnings, BOPP purchases Fertilizer on behalf of the Smallholder farmers, subsidizes it and gives it to them on credit for a period of one year and is deducted monthly from the farmers' earnings. (*Refer to Table 4.3*)

Table 4.3 BOPP Smallholder Farms Fertilizer Applications Records

BOPP SMALLHOLDER FERTILIZER APPLICATION RECORDS				
YEAR	COST OF FERTILIZER SUPPLIED	AMOUNT OF FERTILIZER COST RECOVERED	OUTSTANDING BALANCE	CUMULATIVE OUTSTANDING BALANCE
2007	645645.04	156416.85	489228.19	489,228.19
2008	633990.74	164854.88	469135.86	958,364.05
2009	583145.34	139064.35	444080.99	1,402,445.04
2010	372660.72	236620.55	136040.17	1,538,485.21
2011	950828.8	480640.80	470188.0	2,008,673.21

Source: BOPP Smallholder office, Adum-Banso

- Provides Technical Agronomic Support for the Scheme

BOPP also provides oversight Expert Technical support for the project. The 18 member team providing this support service consists of one (1) Assistant Manager, One (1) Supervisor and fifteen (15) supporting staff. They provide extension services to support the farmers. Some of their activities include ensuring that the farmers properly maintain their farms, adopt good Agronomic practices, harvest their palm fruits and the religiously apply the fertilizer and other farm inputs supplied to them. The salaries and all other overhead costs of this team is borne by BOPP

- Supporting the activities of BABBSSA

BOPP goes further to provide financial support for the Benso, Adum-Banso, BOPP

Smallholder Association which is an association formed by the Smallholder farmers to act as their mouthpiece and also coordinate the activities of the smallholder project.

- Motivational support

To encourage farmers to boost production, yearly awards are given to the best eight farmers.

The categories of Awards are listed in **Table 7** below

Table 4.4 Category of Awards for Smallholder Farmers

CATEGORY OF AWARDS	NUMBER OF PERSONS	ITEMS PRESENTED
Best Farmer for 1995 Plantings	1	Bicycles, Refrigerators, Machetes, Wellington Boots, Sewing Machines, Gas Stoves and Cylinders
Best Farmer for 1996 Plantings	1	
Best Farmer for 1997/98 Plantings	1	
Best Harvester	1	
Best FFB Carrier	1	
Best Loose Fruit Collector	1	
Best Field Maintenance worker	1	
Best Field headman	1	

Source: BOPP Smallholder office, Adum-Banso

Logistical and Road Maintenance support

BOPP provides Tractors coupled with Trailers and Tipper Trucks to help evacuate Fresh Fruit Bunches from the Smallholder farms to the BOPP Palm Oil Factory for processing into Palm Oil. BOPP also undertakes and bears all road maintenance and culvert bridges constructional costs. All this is aimed at improving Crop recovery and enhance the profitability of the project.

Supply of High Yielding Oil Palm seedlings to the local farmers and ready market for FFB

BOPP nurses and supplies high yielding and disease resistant Oil palm seedlings to the farmers in the communities at highly reduced price and this initiative is aimed at improving yields and subsequent profitability of these farmers and all this is aimed at reducing the poverty levels of the local farmers. All the FFB produced by the local farmers are purchased by BOPP to feed its Palm Oil processing factory. This ensures that farmers don't suffer in trying to sell their farm produce.

Provision of Roads and Bridges

BOPP as part of its contribution towards improving agriculture in its catchment communities is involved in constructing and rehabilitating roads, constructing culvert bridges and footbridges for the various communities depending on the peculiar challenge being encountered. These activities are aimed at improving accessibility to these farming areas to help the easy transporting of farm produce (Plantain, Cassava, Palm fruits, cocoa etc...) to the marketing areas (*Refer to Appendix III*)

4.5.4 Safety and Security

The objective of the company in its involvement in this initiative is to join hands with other partners to fight crime in the community. BOPP has partnered the government (Ghana Police Service) by setting up a Police Station on the Company's premise (with 15 police personnel) and this unit oversees the maintenance of peace and prevention of Crime in the Communities which lie within the company's catchment area. (A total of about 12 Communities). The company built the Police station from its own resources and also provides free accommodation, Electricity and Water for the Police Personnel. To help motivate the Police personnel to effectively discharge their duties effectively, BOPP has instituted an incentive package where the Company tops up the basic salaries of these Police Personnel by 25% over what their colleagues elsewhere receive. This is seen as a major catalyst which has helped the police function effectively and this is manifested in the relative peaceful atmosphere prevailing in the company's catchment area of the MWEDA. Additionally the company provides logistics support in terms of providing transport for the Police personnel when undertaking operations in the communities and sometimes some of the company's private security force is released to beef up the number of police force.

BOPP also has an ambulance which in cases of emergency situations in the communities is released by the company to support all humanitarian activities.

4.5.5 Provision of Amenities

Water and Sanitation

BOPP either constructs or provides support to the communities for the construction of new as well as the rehabilitation of existing sanitation facilities such as KVIPs. A 20-seater

KVIP was built for the Adum-Banso in 2010 and currently another 10-seater KVIP is also under construction for the same community. BOPP also assists the provision of good drinking water to the communities by supporting the community water projects. An example is the financial support BOPP provided to the Adum –Banso Community water project in 2010.

Electricity

BOPP also provides support for the electrification projects undertaken by the communities. The main High voltage Power supply lines from Takoradi to BOPP and the communities spanning from Apowa through Mpohor to Benso was funded by BOPP. In 2011 BOPP supplied Electrical fittings and Energy bulbs worth GHC5000 for the Street lighting project in the Benso community.

4. 5.6 Support for preservation of Customs and Culture

BOPP as part its effort in ensuring the preservation and promotion of important and rich cultural practices in the local communities provides materials such as Sheep, Assorted drinks and cash donation to support all traditional and cultural festivities and activities hosted annually by in the various communities.

The Human Relations Manager clearly emphasized this point when he was being interviewed. He said that

“Promoting the rich cultural heritage of the Communities in the company’s catchment area will help project the tourism potential of the MWED and also enhance the image of BOPP as the communities will get the feeling that we care about them”

Also BOPP as part of its efforts in protecting and preserving our local and traditional institutions and with the permission of the National House of Chiefs engaged the Services of conflict experts through the Alternate Conflict Resolution Programme or scheme to mediate and peacefully resolve amicably the long protracted Chieftaincy dispute at Adum-Banso in 2010 however similar efforts aimed at resolving the Benso Chieftaincy issues was not sanctioned by the National House of Chiefs.

4.6 Responses and findings from the Research Question 4

How do the local Communities see BOPP's corporate social responsibility programmes?

Sagawa and Segal (2000:117) contend that the sincerity or lack of it, demonstrated by a business in supporting a cause is often evident to its partners, employees, and the public at large. As corporate social investment programmes are activities that are conducted within the community, it was therefore important to ask the community stakeholders what they thought about BOPP's CSI programmes, that is, to know their perception regarding how the company is performing this activity. It was also important to get views from the company to know what they think of their performance and compare the two sides.

Generally, there was mixed reaction and responds from the community as well as the employees in the company when the question of whether they were satisfied with the company's performance with regards to supporting the communities was raised.

Summary of response from the Stakeholders Interviewed captured in the Table 4.5

Table 4.5 Summary of Responses obtained from Respondents on how the communities' see BOPP'S CSR activities

	SUMMARY OF RESPONSES OF THE COMMUNITIES' PERCEPTION OF BOPP'S CSR ACTIVITIES AND SUPPORT RELATIONSHIP				
COMMUNITY/RESPONDENT	RESPONSIVENESS TO COMMUNITY NEEDS	AREAS OF EXCELLENCE	EXPECTATIONS FROM BOPP	OVERALL CSR PERFORMANCE OF BOPP	REMARKS/COMMENTS
Adum-Banso	Very Good	<ul style="list-style-type: none"> - Supporting Education - Providing Sanitation facilities - Promoting peace - Supporting Smallholder project 	Very High	Very Good	Feel has been very supportive and should better still do more
Benso	Satisfactory	<ul style="list-style-type: none"> - Supporting Education - Supporting Smallholder project 	Very High	Satisfactory	Feels BOPP is not doing enough for the Benso community
Dominase	Poor	Supporting Education	High	Poor	Feels BOPP has neglected the Dominase community
Manso	Satisfactory	Supporting Education	High	Good	BOPP is beginning to show signs of care for Manso and they will require more
K-3	Good	Supporting Education	High	Good	Although BOPP is supporting education, it needs to do more in other areas
K-9	Good	Supporting Education	High	Good	Although BOPP is supporting education, it needs to do more in other areas

Source: Data Collected from Interaction with Respondents from BOPP and the Focused groups from the Local Communities.

Responsiveness to community needs

Three(3) out of the Six communities representing **50%** think that BOPP's responsiveness to the needs of the community is good whilst the remaining three(3) communities also representing **50%** think that BOPP's responsiveness to community needs is either poor or satisfactory. This means BOPP has to find the ways and means or put in a system to ensure that it improves in its responsiveness to the needs of the local community. One revealing fact which was continuously chorused by five(5) of the Communities namely, Benso, Manso, Dominase, K-3 and K-9 was that BOPP's CSR programmes were mostly biased towards the Adum-Banso Community and as a result thought it was unfair on the part of BOPP and therefore pleaded for equal sharing of the cake. This allegation can be somehow supported with the favourable responses given the group interviewed from the Adum-Banso community.

In this game of corporate image, perception is reality and a company must uphold the values it claims to hold by actually "walking the talk" because the public judge a company from its actions first (*Sunday Times*, 29 September 2002).

Expectations

There was also a sense of high expectation regarding what the community wanted from BOPP. There are those who see the company as their only "saviour" by looking at what the company has done in the local communities. It is difficult getting support from the government and it is easier to solicit help from the company was the general lamentation. As a result, the community continues to expect a lot from BOPP to the point that some respondents thought that BOPP is now the government in the MWEDA which can bring about the socio-economic prosperity that the area so desperately needs. One respondent expressed this perspective as follows:

“There are so many things expected from the company. The communities expect the company to now shoulder the responsibilities of what it is like it has taken a government role, which is impossible. BOPP is only a business”.

O’Brien (2000) and Hess et al (2002) note the comparative advantage of private firms over governments or non-profit organizations to provide assistance in solving certain social problems. This comparative advantage they write is readily seen in the developing world where big private companies are seen as having more resources than governments to provide social relief to poor communities. It is not surprising that these local communities are having ever increasing greater expectations of private businesses to help them solve their socio-economic problems. These private firms then assume a “*de facto*” government status in some local communities as the case with BOPP in the MWED.

Areas of Excellence

The respondents felt that there are certain CSI programmes that BOPP has excelled in that they would like other companies in the region and even nationally to emulate. The major programme mentioned was its support and investment in Education in the community, Agriculture and provision of Amenities for the communities.

The company on the other hand when interviewed about how they see themselves to be conducting their corporate social investment programmes in the community, they were very conservative about their performance. Their response was surprising in that, while some of the communities were in full praise of the company, the company was conservative in the way they perceived their own activities. Actually, this response is not bad. It would have been a problem, if the company were praising itself while the community felt otherwise.

Overall CSR Performance of BOPP

Generally BOPP's CSR performance was perceived to be good as five(5) out of the Six(6) responses obtained representing **83.3%** rated BOPP's overall CSR performance as either good or very good or satisfactory whilst the remaining one(1) representing **16.7%** rated BOPP's overall CSR performance as either poor .

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CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Businesses have traditionally defined themselves purely as economic entities maximizing returns for their owners. Today, however, business organizations are being called upon to play a broader role in society. The need for companies to redefine themselves as economic and social entities is embodied in the concept of corporate social responsibility whereby companies are increasingly being called upon to be good corporate citizens in the communities in which they conduct their business operations.

Frederick, Davis and Post (1988:23) argue that a business is an integral part of the society in which it operates and as such it is vitally important for business managers to be aware of the social environment and to interact with it skillfully and carefully. Business operations occur in a complex social environment and businesses have a social and moral obligation to take care of the society in which they operate. If a business fails to take care of its social environment, its long-term survival may be jeopardized. Seen this way, the sustainability of society and business as related entities becomes increasingly important. Therefore being a socially responsible company is good for business, because in the long-term it increases shareholder value as well as committing the business's skills, money and resources in solving society's problems.

Corporate social responsibility has become widely accepted as a business imperative and companies can no longer retreat into shareholder value alone as the only role of business in society. CSR is moving away from being an *ad hoc*, short-term philanthropic activity to a more astute business model that is part of the company's corporate culture and conduct.

The overarching theme for this study was to understand and appreciate the importance of the Corporate Social Responsibility of Organizations and to evaluate to what extent organizations conducted their corporate social investment activities in the local community and also to investigate how the local communities see these CSR programmes. Using Benso Oil Palm Plantation (BOPP) as a Case Study, The research aimed at evaluating to what extent BOPP carries out its corporate social responsibility activities in the local Community of MWED.

For this reason, this study began with an in-depth study of what Corporate Social responsibility entailed various definitions of CSR, various theories of CSR argument in favour of and against CSR, benefits of the CSR and factors which affect formulation and adoption of CSR strategy. To effectively evaluate the extent to which BOPP carries out its CSR activities a set of well structured research questions listed below were designed and used to undertake the study.

- v. What does BOPP's Corporate Social responsibility Policy contain?
- vi. What motivates the company to carry out corporate social investment programmes in the local community?
- vii. What are some of the types of corporate social responsibility programmes that BOPP conducts within the local community?
- viii. How do the local Communities see BOPP's corporate social responsibility programmes?

5.2 Summary of findings

In summary, the study made the following findings;

First, BOPP's Policy statements contained a very strong CSR statement which is reflected in its CSR Policy.

Secondly, BOPP was motivated to undertake its various CSR activities because,

- 70% of its entire labour force comes from the MWED.
- The company aims to create a better community.
- Undertaking CSI helps in achieving Economic democracy since CSI in the community is an investment in the social upliftment of the Area.
- BOPP's CSI activities are also undertaken to make Employees feel proud of their company and also
- To create a win-win situation for the Company and community by investing in programs that benefit communities while at the same time promoting business interests.

Thirdly, BOPP is actively involved in undertaking six (6) key CSR programs. These are;

- Education by opening its Primary and Junior High School to the children from the communities, providing annual scholarship for brilliant students in the communities and also constructing classrooms and providing educational facilities for schools in the communities in its catchment area.
- Health with focus on HIV/AIDS and Malaria Prevention and Control
- Agriculture with support for SmallHolder Oil palm farmers, Supply of high yielding Oil Palm seedlings to the local farmers, and ready market for their harvested Fresh Fruit Bunches, providing logistical and Road Maintenance support as well as provision of Roads and Bridges to link the farming

communities . BOPP also provides motivational support for these farmers by giving eight yearly awards to best and deserving famers whose performance for the year was worth commending.

- Improving Safety and Security of its catchment area by joining hands with partners such as the government to fight crime by setting up a Police station on the Company's premises. This unit oversees the maintenance of peace and prevention of Crime in the Communities which lie within the company's catchment area.
- Provision of Amenities in areas such as Sanitation, Water and Electricity for the deprived communities.
- Lastly BOPP as part its effort in ensuring the preservation of Customs and promotion of important and rich cultural practices in the local communities provides materials such as Sheep, Assorted drinks and cash donation to support all traditional and cultural festivities and activities hosted annually by in the various communities.

Fourthly there was mixed reaction and response from the community as well as employees when the issue of how they see BOPP's CSI programs was raised. Generally BOPP's CSR performance was seen to be good as five(5) out of the Six (6) responses obtained representing **83.3%** rated BOPP's overall CSR performance as either good, very good or satisfactory whilst the remaining one(1) representing **16.3%** rated BOPP's overall CSR performance as either poor or satisfactory

For corporate social investments to work, it is important that the company and the local community have a good relationship. It was therefore important to know how BOPP interacted with the local community and also how the community views BOPP. The company said it has a "powerful" relationship with the community, that they can count on the community to support them in times of crisis. With reference to data gathered during

the interaction with the focus groups from the communities it was inferred that But one general feeling which came to light was that the other communities think that BOPP's CSI programs are more biased towards the Adum-Banso community than the others.

5.3 Conclusion

The purpose of this study was to evaluate to what extent organizations conducted their corporate social investment activities in the local community. Using Benso Oil Palm Plantation (BOPP) as a Case Study, The research aimed at evaluating to what extent BOPP undertakes its corporate social responsibility activities in the local Communities of Mpohor Wassa East District of the Western Region. The conclusion arising from the study is that, with the changing of people's attitudes towards corporate social responsibility and the greater need for corporations, to be socially responsible in their locations, companies' response to corporate social responsibility is seen by many as a response to moral pressures in society. These moral pressures come from stakeholders such as the government, employees, local communities, investors and the public at large who are demanding that companies' impact on society be positive. To this end, companies including BOPP are taking up social responsibility initiatives in a bid to preserve their corporate reputations and to be seen as good corporate citizens in the communities where they operate.

Considering the relationship between BOPP and the local community, one can say that BOPP is aware of the huge socio-economic challenges such as poverty, unemployment, health related issues, food scarcity and lack of some essential amenities in its external environment and has taken steps to alleviate some of them through its corporate social responsibility activities in key areas such as promoting Education, Health, Agriculture,

Safety and Security, provision of Amenities and supporting the preservation of important customs and cultural practices. However, as the largest employer in the District and a successful company, although it has done much already, it still needs to do more as the local communities lying within its catchment area in the MWED will continue to look up to BOPP to improve their lives.

Therefore it is the hope if the management of BOPP is able to implement the recommendations which are enumerated in the study successfully it will help correct as well as improve the lapses in BOPP's corporate Social investment programmes and improve the support relation between the company and the local Communities.

5.4 Recommendations to the Company

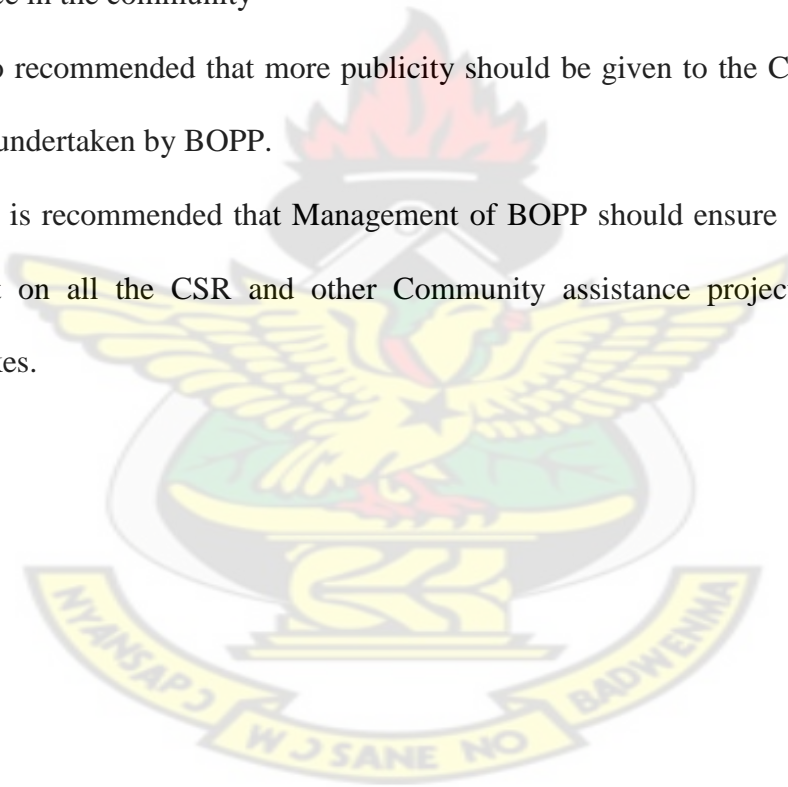
Having evaluated the extent of BOPP's CSR activities, the study would also like to make the following recommendations.

The company should:

1. Set up a Corporate Social Responsibility Committee with well defined roles and duties to oversee and monitor the CSR activities or programs undertaken by BOPP
2. Carry out an in-depth perception survey to know the opinions of the local Communities regarding the way it conducts its corporate social investment activities in the local community.
3. Conduct a study to find out what issues are pertaining in the Communities who rated BOPP's CSR activities as poor or satisfactory and quickly address them.
4. BOPP should institute more stakeholder dialogue with the local community leaders in a bid to come up with joint decision making strategies regarding problems affecting the region. This stakeholder dialogue is also important in order to improve the

sustainability of CSI programmes after they have been handed over to the local community

5. Strive to obtain the input of rural community leaders, especially in initiatives and particularly in the formulation stages, in order to ensure smooth implementation of community projects. This is because it was difficult to find records of some of the CSR projects which had been undertaken by BOPP
6. Also, the company should identify Non-governmental organizations at grass-roots level in the District to work with who can assist them in identifying projects that need assistance in the community
7. It is also recommended that more publicity should be given to the CSR programmes that are undertaken by BOPP.
8. Lastly it is recommended that Management of BOPP should ensure accurate records are kept on all the CSR and other Community assistance projects the company undertakes.



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APPENDICES

APPENDIX I

COPY OF THE COVER LETTER

Management House No.8
BOPP Estate, Adum-Banso
13/06/2012

Human Resource/Relations Manager
Benso Oil Palm Plantation
P.O. Box 470
Takoradi

Dear Sir,

NOTICE OF THESIS PROJECT FOR EXECUTIVE-MBA PROGRAMME

As part of activities to ensure the successful completion of Common Wealth Executive Master of Business Administration programme (CEMBA) undertaken by KNUST, Students are expected to carry out project work (Thesis writing). This is to officially notify Management that, I have chosen as part my project to write on:

“The Corporate Social Responsibility of Organizations with Focus on Local Communities perspective

A case study of Benso Oil Palm Plantation”

The purpose of this thesis is to understand the corporate social responsibility of Organizations and to evaluate to what extent BOPP conducts its corporate social investment activities and also to investigate the relationship between BOPP and the local Communities of the Wassa Mpohor East District and their perceptions of that relationship.

This will require that I solicit for information from both the Management team and from the Communities who fall within the catchment Area of BOPP. Namely; Adum-Banso, Benso, Dominase, Manso, K-3 and 9 villages.

I am therefore seeking your approval to carry out on the project and I will ensure that I work hand in hand with the Human Resource Unit on the data collection etc... to protect the image of the company

Counting on your usual cooperation

Signed



ADU-BOAHEN AKWASI

Cc: EM, GM, RLM

APPENDIX II

INTERVIEW QUESTION GUIDE

PART A: Interview Guide for the Local Community Participants

PART A: INTERVIEW GUIDE FOR THE LOCAL COMMUNITY PARTICIPANTS														
	RESEARCH QUESTION	INTERVIEW QUESTIONS												
	What does BOPP's Corporate Social responsibility Policy entail?	1. What are the biggest Socio-Economic challenges facing the people of MWED												
		2. Do you think businesses and in particular BOPP have a duty to be socially responsible in helping to alleviate some of these problems												
	What motivates the company to carry out corporate social investment programmes in the local community?	3. What reasons do you think motivate BOPP to undertake CSR programmes												
	What are some of the types and duration of corporate social responsibility programmes that BOPP conducts within the local community?	4. Can you mention any CSR programmes that BOPP is involved in for the benefit of the people in the community?												
	How do the local Communities see BOPP's corporate social responsibility programmes?	5. How do you see BOPP's performance in terms of its CSR activities?	<table border="1"> <tr> <td>Excellent</td><td>Very Good</td><td>Good</td><td>Satisfactory</td><td>Poor</td></tr> <tr> <td>85-100%</td><td>75-84%</td><td>60-74%</td><td>50-59%</td><td>Below 50 %</td></tr> </table>		Excellent	Very Good	Good	Satisfactory	Poor	85-100%	75-84%	60-74%	50-59%	Below 50 %
Excellent	Very Good	Good	Satisfactory	Poor										
85-100%	75-84%	60-74%	50-59%	Below 50 %										
		6. What is the level of BOPP's responsiveness to CSR activities?												
		7. In what areas do you see BOPP to be doing well?												

PART B: Interview Guide for the Company's Participants

PART B: INTERVIEW GUIDE FOR THE COMPANY'S PARTICIPANTS				
	RESEARCH QUESTION	INTERVIEW QUESTIONS		
	What does BOPP's Corporate Social responsibility Policy entail?	1.	What are the biggest Socio-Economic challenges facing the people of MWED	
		2.	What role do you think BOPP can play especially with regard to alleviating some of these problems	
		3.	Does BOPP have a CSR Policy	
	What motivates the company to carry out corporate social investment programmes in the local community?	4.	What reasons motivate BOPP to undertake CSR programmes	
	What are some of the types and duration of corporate social responsibility programmes that BOPP conducts within the local community?	5.	What are some of the CSR programmes that BOPP is involved in for the benefit of the people of MWED?	
	How do the local Communities see BOPP's corporate social responsibility programmes?	6.	How do you see BOPP's performance in terms of its CSR activities?	
			Excellent	Very Good
			Good	Satisfactory
			Poor	
			85-100%	75-84%
			60-74%	50-59%
			Below 50 %	
		7.	What is the level of BOPP's responsiveness to CSR activities?	
		8.	In what areas do you see BOPP to be doing well?	

THE END

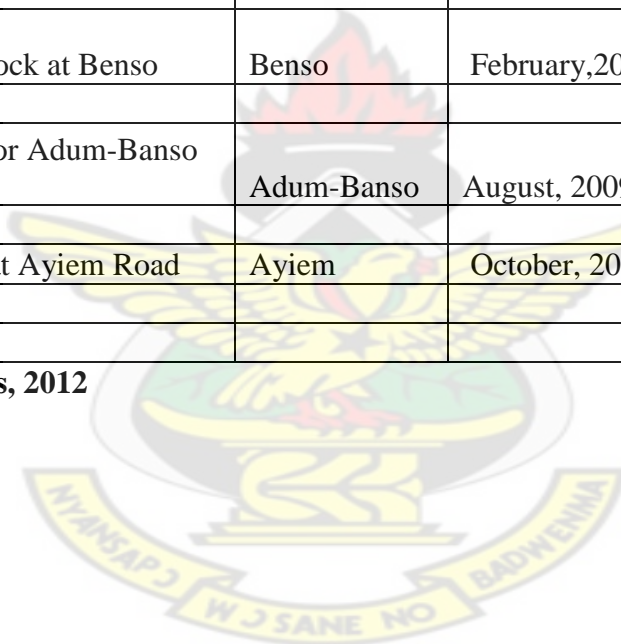
Thank you in advance

APPENDIX III

SOME KEY CORPORATE SOCIAL RESPONSIBILITY PROJECTS UNDERTAKEN BY BOPP					
NO	PROJECT TITLE	COMMUNITY	DATE	AMOUNT/COST(GHC)	CONTRACTOR
1	Construction of 3.4 km road and Culvert bridge for Adum-Banso Community	Adum-Banso	February, 2012	8000	-
2	Construction of 0.8km road for Dominase Community	Dominase	April, 2012	2000	-
3	Donation of 10 Desks for K-9 Community school	K-9	May, 2012	2200	-
4	Construction of 0.5km road for K-9 community	K-9	May,2012	1700	-
5	Donation of 15 Desks, 4 plastic Tables and 16 plastic chairs for K-3 Community school	K-3	June, 2012	3010	-
6	Construction of 2.6km road for K-3 community	K-3	June, 2012	5700	-
7	Road map to Peace at Adum-Banso	Adum-Banso	March, 2011	12000	-
8	Manso School rehabilitation	Manso	May, 2011	5000	-
9	Ten-seater KVIP at Adum- Banso	Adum- Banso	May,2011	26851	IKE Construction
10	Rehabilitation of wooden bridge at Dominase	Dominase	July, 2011	2268	JohnBen Carpentry

11	Repairs of two culvert bridges at smallholder K 9 - 1996 1997, K9 - 1998		July,2011	2871	USD Enterprise
12	Rehabilitation of Wooden bridge at Esuogya	Esuogya	July, 2011	1575	JohnBen Carpentry
13	Construction of a Football Park at Benso	Benso	September, 2011	3500	-
14	Construction of 3-unit classroom block at Benso	Benso	February,2010	38000	IKE Construction
15	Construction of a 20-Seater KVIP for Adum-Banso community	Adum-Banso	August, 2009		IKE Construction
16	1200mm Diameter culvert Bridge at Ayiem Road	Ayiem	October, 2006	1923	

Source: Human Resource Office Records, 2012



APPENDIX IV

MAP OF GHANA SHOWING THE OPERATIONAL AREA OF BOPP

