

## Awareness of Corporate Social Responsibility in Two Private Sectors Companies in Erbil

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Received: October 14, 2015      Accepted: November 22, 2015      Online Published: December 1, 2015

**Abstract:** Corporate social responsibility (CSR) is considered as a main factor for the success of every company or organizations also when government and the country support the concept of CSR that country will face the economic growth and other good things that are related with business and humanities. This research is to analyze the extent to which private sectors in Kurdistan region are aware of CSR concept, and how much they are socially responsible. If they are involved with social activities, what are the activities they are engaged in terms of society and to their local community? For this purpose, we've used quantitative and qualitative research methods by conducting a survey questionnaire by using 13 items to analyze the awareness of CSR in Korek Telecom private company our sample was 55 employees and managers in the company and an interview with the manager of (Trident) private company. Our conclusion refers that the private company in our study is aware of concept of CSR, according to the development of the concept of CSR from last decade the private companies need to get involved with other different dimensions and activities of CSR.

**Keywords:** Social Responsibility, Sustainability, Private Sector, Erbil, Society

### 1. Introduction

Businesses cannot be successful when the society around them fails; this is a powerful quote that describes the business without Corporate Social Responsibility (CSR). Another one is CSR can be very hard for employees to relate to if we don't make it tangible to their everyday working lives; this is also a realistic saying that shows the fact of how managers should involve their employees' daily work and activities with CSR. CSR is a management concept that companies and business integrate their business operations with society and environment (Certo & Certo, 2012). CSR is generally understood as being a way of which can be achieved through balanced economic environmental and social duty. Companies initiated to engaged in CSR activities in order to respond to external environmental demands and forces (Stancu, et al., 2011). In recent years both organization and societies have significantly increased their focus on CSR. However recent developments in strategic thinking support the need to add activities that expand out from the company into society (D'Amato, et al., 2009). Moreover, companies have to focus on their strategies for their business operation and profit such as differentiation, diversification, concentration, and globalization. However recent developments in strategic thinking support the need to add activities that expand out from the company into society.

CSR is a sustainable solution that makes the benefit to the society and the environment in the same time of growing your business (Robbins & Coulter, 2012). Today our world is facing a lot of challenges starts with environmental degradation through property and human rights; it goes to the energy and the resource supplying issue. The social responsibility concept is focusing on using companies to use their capabilities to improve lives and sustain our planet through contributions to the local communities and the society. In our research statement we want to focus on awareness of CSR and how much are those private firms companies and organizations are socially responsible.

## **2. Research objective**

- 1- To find the extent to which private organizations are aware of the concept of CSR.
- 2- To identify the organization's involvement in CSR activities.
- 3- To discuss how much employees are aware of the concept of CSR.
- 4- To what extend do the private companies of our study understand the CSR in the broad sense with using all its different dimensions.

## **3. Literature Review**

CSR is defined as managerial obligation to take action that protects and improves both the welfare of society as a whole and the interests of the organization (Certo & Certo, 2012). Some authors call the concept as “going beyond profit making” (Robbins & Coulter, 2012). However, CSR also refers to transparent business practices that are based on ethics and compliance with rules and regulations, and respect for community and environment (Catalyst, 2002). The concept of CSR is not merely beneficial for the society; rather it is beneficial for the business in return (FitzGerald, 2003). Moreover, business should not be only about achieving monetary returns, it should also be about responsibility, public good and private greed (Roddick, 2010). In business world you can involve your business with CSR to be responsible and to maximize your profits. However, the concept of CSR has been involved mostly in western countries, specifically in United States of America; the historical development has received attention from policy makers and business practitioners (CEBC, 2005). At the end of 1917's perhaps the earliest most inclusive framework of CSR was proposed by Carroll in 1979 (CEBC, 2005). Carroll constructed a three-dimensional CSR conceptual model, which consisted of corporate responsibilities, social issues of business and corporate actions. Corporate responsibilities incarnate in four types: economic, legal, ethical and philanthropic. But the CSR roots goes back to at least 19<sup>th</sup> century, and far earlier some of the ‘corporations’ were hired with public goals, interest and objectives. However the early roots of the corporate social responsibility can be founded in the business practices of the successful companies in the eighteenth century (CEBC, 2005). The current CSR movements mainly attempts to make a corporate social responsibility as a main and common practice for many companies to create the impact of our world and the quality of life of the present and future generation. In CSR concept, it is vital for government to support the concept and set a fixed rate for companies to provide for CSR activities (FitzGerald, 2003). Nevertheless, researchers concluded through a questionnaire that women leaderships in terms of CSR are more responsible and responsive to CSR than men (Stancu, et al, 2011). A new trend in CSR currently is a new concept called “sustainability” that is defined as the degree to which a company or community can meet its present needs without compromising the ability of other community or companies to meet their needs in the future (Certo & Certo, 2012), and the

concept has taken a new role in business in the society (D'Amato, et al, 2009). In addition, in a research conducted in private companies in Romania stated that most of the employees are aware of the concept of CSR, but fewer are actually involved in its activities (Stancu, et al, 2011).

The effect of CSR on employee attitude is studied by Glavas and Kelley (2014) who concluded that social responsibility has additional effect on employee attitudes and behavior beyond environmental responsibility, in which they refer this reason for the relational component of social responsibility. Likewise, CSR represents a special opportunity to influence the employee's general impression of their company and affects employee's relationship with their company (Bauman & Skitka, 2012). Moreover, the role of Human Resources Department has been identified as it plays a role in contribution to aware the employees and inspires the leadership with the responsibility the organization has towards CSR (Gond, et al, 2011).

#### **4. Sampling**

Our sample method was random sampling, and population was the employees and managers of Korek-Telecom Company. The sample is 55 employees and managers in Korek-Telecom Company.

#### **5. Data Collection**

##### **5.1 Survey Questionnaire**

We conducted our research survey in Korek Telecom Company to answer the research objectives. The survey is distributed among HR department, commercial department, and accounting department employees and managers. For the questionnaire we used five different dimensions, work policies, environmental policies, market place policies, community policies, and company value. In addition, in each dimension we tried to take one or 2 question to evaluate how much private sectors considering all different parts of CSR activities.

##### **5.2 Interview**

We did our interview with the CEO of the Trident Company whose name is Medya N Ibrahim. She is the CEO of Trident group which provides safety, security, life support, medical, communications, and procurement & training service. Trident safety and security offers individual safety and security support services also providing complete solutions for risk physical management trident has across the countries experience, financial power, high organizing ,and a main group of Iraqi managers and international expertise.

## 6. Data Findings and Discussion

### 6.1 Survey Questionnaire Findings

Table 1- Demographic Analysis

PARAMETERS	OPTIONS	FREQUENCY
Gender	Male	32
	Female	23
Experience	Less than a year	7
	2-4	20
	4-10	16
	More than 10	12
Marital status	Married	25
	Single	29
	Divorced	1
Education level	Diploma degree	3
	Bachelor	43
	Master	9
Nationality	Local	47
	Foreign	8
Position	Manager	18
	Employee	31
	Others	6
Total		55

**Table 2-**Data Distribution Analysis

Parameters	Options	Frequency
<b>Q1-</b> Does your company have suitable arrangements for health, safety and welfare that provide sufficient protection for your employees?	not applicable	4
	don't know	6
	in part	19
	no	10
	yes	17
<b>Q2-</b> Can your company save money by reducing its environmental impact (e.g. by recycling, reducing, energy consumption and preventing pollution)?	not applicable	1
	don't know	11
	in part	11
	yes	24
<b>Q3-</b> Does your company supply clear and accurate environmental information on its products, services and activates to customers, suppliers, local community, etc.?	not applicable	2
	don't know	7
	in part	15
	yes	27
<b>Q4-</b> Can you think of ways in which your enterprise could use the sustainability of its products and services to gain an advantage over competitors (e.g. recyclability of product, energy efficiency, etc.)?	not applicable	5
	don't know	10
	in part	18
	yes	22
<b>Q5-</b> Does your company have a policy to ensure honesty and quality in all its contacts, dealings and advertising (e.g. a fair purchasing policy, provisions for consumer protection, etc.)?	not applicable	2
	don't know	6
	in part	13
	yes	31
<b>Q6-</b> Does your company have a process to ensure effective feedback, consultation and/or dialogue with customers, suppliers and the other people you do business with?	not applicable	3
	don't know	10
	in part	18
	yes	23

Q7- Does your enterprise register and resolve complaints from customers, suppliers and business partners?	don't know	5
	in part	15
	No	1
	Yes	35
Q8- Does your company offer training opportunity to people from the local community (e.g. apprenticeships, or work experience for the young or disadvantaged groups)?	don't know	1
	in part	8
	no	5
Q9- Does your company try to purchase locally?	yes	42
	not applicable	1
	don't know	8
	in part	9
Q10- Are your employees encouraged to participate in local community activities (e.g. providing employee time and expertise, or other practical help)?	no	8
	yes	30
	not applicable	3
	don't know	5
Q11- Does your company give regular financial support to local community activities and projects (e.g. charitable donations or sponsorship)?	in part	10
	no	4
	yes	34
	don't know	5
Q12- Are your customers aware of your company's values and rules of conduct?	in part	6
	no	4
	yes	36
	not applicable	1
	don't know	10
Q13- Does the company compute the percentage of the budget to the purpose of corporate social responsibility work annually?	in part	12
	no	10
	yes	22
	not applicable	1
	don't know	10
	in part	5
	no	3
	yes	37
	not applicable	1

## 6.2 Interview Findings

We did our interview with the CEO of the Trident Company whose name is Medya N Ibrahim. She is a CEO of the trident group which provides safety, security, life support, medical, communications, and procurement & training service. Trident safety and security offers individual safety and security support services also providing complete solutions for risk physical management trident has across the countries experience, financial power, high organizing ,and a main group of Iraqi managers and international expertise. The conclusion of our interview was that the company was aware of CSR concept and they are

encouraging their employees to consider the local community importance but on another hand she stated that other companies don't distribute the concept of CSR in sufficient way (Ibrahim, 2015).

## 7. Conclusion

Serving the community is a key work for people to trust you and your work, and the trust is a base for developing your business and increasing your profits all this is the reason for owning the reputation in your business. In the past 10 years, the private companies in Kurdistan Region have been growing and but still the community needs a lot of services in which the government could not afford them yet, or the services are not distributed equally. Therefore, the companies can have a voice and contribution to help the government and community to fill these gaps. Based on the results of the questionnaire, we found that in Korek Company they are aware of the concept of CSR and they are involving with its activities, but we cannot say they are involved with all its different dimensions. CSR activities in Korek company involves different activities such as encouraging your employees for charity activities, donations, and having concerns about employees, and honesty in describing the product, communication and listening to the society around the company, offering training opportunities for local community. On another hand they have to focus on other dimensions in CSR such as providing good health insurance for its employees, caring about environmental issues like recycling and environmental information about its product. Our recommendation for the case of CSR would for private companies is that they need to formally inform their employees about their involvement with CSR activities also it will be good to let know their employees how social workers are important for their company so the employees also be aware of this term and to be encouraged for offering new idea to serve the society.

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