Corporate social responsibility and sustainability: theory and practice in Lebanon

Aline Al Am

Department of Management,
Lebanese University,
Tripoli, Lebanon
Email: alinealam@hotmail.com

Abstract: Corporate social responsibility (CSR) is a movement that has become more and more important in the late 20th century. Its appearance in academic literature has a long history. It is considered at the heart of challenges relevant to sustainable society and sustainable development and it is studied in academia around the world. Despite the continually increasing public interest towards CSR, very little is known of the concept in developing countries. After providing a review of the literature, this research investigates and measures the awareness and implementation of CSR in Lebanon leading to the development of a sustainable society. The study sheds light on the means facilitating the promotion of CSR and the role of the government. The concepts developed from the findings of this research open the way for new researches in the field.

Keywords: corporate social responsibility; CSR; sustainable society; sustainable development; awareness; Lebanon.

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Biographical notes: Aline Al Am is a Researcher in Management, an Instructor and a Coordinator for Management and Marketing courses at the Faculty of Business-Lebanese University. She achieved the Master in Business Administration at the Lebanese University. She continued her studies at University La Sapienza-Rome where she completed a Master (2004) and a PhD in Management (2010). She published a book entitled “The network in the non profit organisations” with Aracne Publishers and different papers in management.

1 Introduction

The traditional role of corporate entities is being challenged by the increasing number of demands imposed on them by the society. They are no longer considered just as legal entities aiming to generate profits by supplying products or services and intended to create jobs, therefore they need to understand and redefine their roles to fulfil their social responsibilities. They need to look beyond government-initiated development programs and take charge of directing initiatives aimed towards improving the health and the standard of living of their community. In particular, this role might embrace how organisations interact with their employees, suppliers, customers, and the communities in
which they operate, as well as the degree to which they attempt to protect the environment. From the society, it “is expected that companies behave ethically, and it is desired that they engage in discretionary and philanthropic activities” (Ihlen et al., 2011). Moreover, while the progress of a society depends on the businesses that succeed in its environment, the success of a business depends on the stability of that society. The well-being of one depends directly on the well-being of the other.

For instance, business and academic researchers have shown increasing levels of interest in CSR during recent years (Maignan and Raltson, 2002). The theme of environmental and social responsibility appears in a number of political and legal documents and is gaining more importance at the international level. Today, companies, especially those operating in global markets, are increasingly required to balance the social, economic and environmental components of their business, while building shareholder value.

Additionally, CSR means different things to different people, and we notice that many organisations interpreted what CSR means to them based on their own peculiar business requirements and the size of their organisation. Some organisations measure or evaluate their CSR initiative by their company’s allocation or budget for CSR.

Although CSR has generated significant debate in academic and corporate circles in recent times, very little is known about CSR in developing countries. The question is to what extent corporations operating in developing countries have CSR obligations? The answer to this question demonstrates that owing to lack of knowledge and experience in the CSR field, many corporations in the developing countries may not feel any obligation to society.

On the other hand, a considerable number of countries had reported that they were implementing a national sustainable development strategy; however, this topic is still new in Lebanon. While many countries around the world still suffer from hunger, water shortage and wars, education and awareness can play a key role. In Lebanon, there is a consistent need for the community to live in a safe, clean and healthy environment. Companies can no longer act as isolated entities, disregarding the impact of their activities on the economy, the society, and the environment; they should assume and acknowledge their responsibility through enhancing the welfare of the society and adopting environmentally-based behaviour.

To investigate the level of awareness of CSR in Lebanese society, the following research questions were selected: To what extent is Lebanese society aware of CSR and its importance, what are the means for promoting CSR and how can the application of CSR lead to sustainability?

This research was undertaken in three stages: First, existing literature was reviewed to understand the concept and the practices of CSR and the link with sustainability to prepare the theoretical framework that will constitute a guide for the research; secondly, data was gathered through the distribution and collection of questionnaire; finally data analysis was conducted using an established scientific approach. The paper consists of the following sections: Sections 1–3 present the findings from the literature review, while Section 4 provides an overview of Lebanon, and the methodology used in this study and the results are analysed in Section 5, finally Section 6 concludes and provides recommendations based on the analysis.
2 Corporate social responsibility: origin and definitions

The appearance of CSR in academic literature has a long history. CSR bears different meanings, for different points of view. The basic questions at the heart of CSR, relating to the primary purpose of a firm and its role in the society, are as old as business itself, but still cause a lot of debate (Crane et al., 2008).

CSR was first cited by Clark in his monographs in 1926 who noted that business has obligation to society. In 1932, Berle presented the first paper discussing CSR, it looked at the responsibilities of corporate managers as trustees in providing “safety, security, or means of support for that part of the community which is unable to earn its living in the normal channels of work or trade” (Berle, 1932). Other early monographs include Barnard (1938) and Kreps (1940) who were interested by the inclusion of social responsibilities within the obligations of business.

In the 1950s, CSR became the object of considerable academic concern. Bowen (1953) made an initial definition of the social responsibilities of businessmen, he defined CSR as “the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of actions which are desirable in terms of the objectives and values of our society”. Then few years later, Heald (1957), another CSR expert of the same period, defined CSR as: “the recognition on the part of management of an obligation to the society it serves not only for maximum economic performance but for human and constructive social policies as well”. Consequently, the 1950s was considered as the period of the beginning of the modern era of CSR. Corporate managers and board directors started feeling that they exist as society exist and they have some obligation towards the society. Literature during this period discussed mainly the obligations of business to achieve the desired objectives, values and policies for the society.

During the 1960s, the concept of CSR continued to search hardly for a common definition. This decade broadened the area of literature on CSR. Davis, one of most prominent writers during this period, set forth his definition of CSR as it refers to businessmen’s decisions and actions taken for reasons at least partially beyond the firm’s direct economic or technical interest (Davis, 1960). Another scholar of this period, William C. Frederick, who was also a major contributor to the early definitions of social responsibility, said:

“Social responsibilities mean that businessmen should oversee the operation of an economic system that fulfills the expectations of the public. And this means in turn that the economy’s means of production should be employed in such a way that production and distribution should enhance total socio-economic welfare.” (Frederick, 1960)

In the beginning of the 1970s, Milton Friedman, specified CSR from a different angle:

“There is one and only one social responsibility of business – 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, 1970)

Subsequently, Sethi (1975) focused on the dimensions of corporate social performance, he distinguished between corporate behaviour that might be called ‘social obligation’, ‘social responsibility’, and ‘social responsiveness’. In the same year, Preston and Post
(1975) tried to draw attention away from the concept of CSR toward a notion of public responsibility.

At the end of this decade, in 1979, Carroll offered a famous definition for CSR which constituted the path for relevant research in the field:

“The social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time.” (Carroll, 1979)

CSR definitions grew well in the 1970s. Business people during that period were significantly engaged with corporate philanthropy and community relations. Four aspects of social performance became well known during this period: social responsibility, social accounting, social indicators, and the social audit (Beckman, 1975).

In 1980, Jones entered the CSR discussion with an interesting perspective. He defined CSR as follows:

“Corporate Social Responsibility is the notion that corporations have an obligation to constituent groups in society other than stockholders and beyond that prescribed by law and union contract. Two facets of this definition are critical. First, the obligation must be voluntarily adopted; behavior influenced by the coercive forces of law or union contract is not voluntary. Second, the obligation is broad, extending beyond the traditional duty to shareholders to other societal groups such as customers, employees, suppliers, and neighboring communities.” (Jones, 1980)

In 1983, Carroll provided another definition of CSR:

“CSR involves the conduct of a business so that it is economically profitable, law abiding, ethical and socially supportive. To be socially responsible then means that profitability and obedience to the law are foremost conditions to discussing the firm’s ethics and the extent to which it supports the society in which it exists with contributions of money, time and talent. Thus, CSR is composed of four parts: economic, legal, ethical and voluntary or philanthropic action.”

One year later, Freeman (1984), placed his famous stakeholder’s theory and brought a new dimension for the CSR literature. According to him, stakeholders include customers, competitors, trade associations, media, environmentalists, suppliers, government, consumer advocates, local communities and business community, who need active participation for successful CSR implementation.

The 1980s contributed further on CSR definitions and relevant literatures. The relation between CSR and profitability was highlighted: CSR activities increase reputations of the corporations, which increase the loyalty of the consumers on the products and services offered by those companies. As a result, the profitability increases too.

In the 1990s, other definitions of CSR emerged. The concept of triple bottom-line was introduced by Elkington, he focused on three issues: social responsibility (people), environmental responsibility (planet), and economic responsibility (profit). This concept has been widely accepted in the corporate world. In this decade even, Carroll contributed in the development of the CSR concept: he added philanthropic to his definition and structured it as a pyramid with economics on the bottom.

With the beginning of the 21st century, a new dimension of CSR appeared. The European Commission (2002) described CSR as close relationships between
companies and societies to tackle social and environmental concerns. They provided the following definition:

“CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.”

The World Business Council for Sustainable Development has introduced its CSR definition, which is:

“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 of the local community and society at large.”


From his side, Dahlsrud (2008) argues that although there are many available definitions of CSR they are consistently referring to five dimensions, which makes them predominantly congruent.

- **economic**: socio-economic or financial aspects, including describing CSR in terms of a business operation
- **social**: the relationship between business and society
- **environmental**: the natural environment
- **voluntariness**: actions not prescribed by law
- **stakeholder**: the relationship with stakeholders or stakeholder groups.

The 21st century is the era of developing of CSR industry. Large corporations are nowadays developing CSR departments and hiring CSR managers and CSR consultants. Universities are holding CSR conferences and researchers are contributing to the new literature in the CSR field with a great momentum; there are publishers, who are printing CSR related books and journals; there are journalists, who are reporting on CSR issues in the newspapers.

The community is interested now more than before by what firms are saying about their corporate social responsibility (CSR) and what they are doing in practice.

After mentioning all these definitions, it seems that the definitions through time can be divided into two different categories. Kotler and Lee (2005) refer to these two categories as the ‘traditional approach’ and the ‘new approach’. This division is based on the argument that companies’ perception of CSR has developed from being seen as fulfilling an obligation to be seen as a strategic tool.

The traditional approach primarily encompasses definitions prior to the 1990s when CSR was seen as an obligation. Basically, this approach was followed for a long time, till recently, and the companies following this approach undertook to perform their CSR only because it would procure them recognition in the market. They did not practice these activities because they were honestly interested in the well-being of the society. The mere reason behind it was to build their corporate image. Commitments were short term, allowing the organisation to spread the wealth over a variety of organisations and issues through the years. Companies taking this approach simply engage in CSR to look good. The initiatives are often selected by the management of the company, reflecting its wishes and preferences instead of supporting the company’s strategic business goals, often resulting in a short-term commitment.
The new approach emerged in the early 1990s when the conception of CSR changed from being seen as obligatory to be regarded as a strategic tool that can support a company’s promotional activities and thereby positively affect a company’s image and reputation. It supports the corporate objectives as well. This is a win-win situation for all because when a particular company does well to the society genuinely and for a cause, it has to be good, and along with this process, it succeeds in building a name for itself.

3 CSR practices and sustainability

As we discussed in the first part, CSR can encompass different meanings and there is no universally accepted definition. Despite this, CSR is a concept with continuous evolution. Several factors have contributed to increase the attention to the role of companies in society. These factors are listed and explained in Table 1.

Even that sustainable development is one of the factors contributing to increasing the role of CSR, both terms are discussed by some researchers as close synonyms and by others as completely different concepts. Basically, CSR is frequently considered to be focused on social issues and sustainability on environmental issues (Carroll, 1999; Dahlsrud, 2008; Dyllick and Hockerts, 2002). Moreover, we note that CSR deals specifically with corporations whereas sustainable development encompasses more actors than corporations and is a human need.

Although these terms are used synonymously by many, others claim corporate sustainability is a subset of CSR (Agle et al., 1999; Graves and Waddock, 1994; Turban and Greening, 1997), CSR is a subset of ethics (Argandona and von WeltzienHoivik, 2010; Weitzner and Darroch, 2009), CSR is a micro-economic translation of sustainable development (Koleva, 2005), while others state it is a unique function within business (Votaw, 1972). From another side, CSR seems to be perceived by several references as the social strand of sustainable development (World Business Council for Sustainable Development, and the European Parliament).

Among all definitions of sustainable development, the most useful one is the one cited in the Brundtland (1987) report. Increasing concerns about the effects of economic development on health, natural resources and the environment in the 1980s led the World Commission on Environment and Development to produce this report. The report highlights three fundamental components of sustainable development: environmental protection, economic growth and social equity. Thus progress towards sustainable development requires that businesses assess their performance against these three issues. These in turn are linked to the idea of intergenerational responsibility.

The report defines sustainable development as the right of the present generation to meet its need for development with respect for future generations’ rights and opportunities to develop. Thus, the core idea of sustainable development has been recognised as the rule of solidarity between generations (Rudnicki, 2000). Therefore, participation and responsibility by the whole society may be viewed as key elements in achieving sustainable development, which indicates that social responsibility itself is closely connected with the concept of sustainable development (Rudnicki, 2000). The perception of social responsibility as providing a major means of achieving long-term economic success is favoured by a number of authors, including Elkington
Corporate social responsibility and sustainability


Table 1  The factors enhancing the role of CSR (personal elaboration)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable development</td>
<td>United Nations’ (UN) studies and many others have underlined the fact that human is using natural resources at a faster rate than they are being replaced. If this continues, future generations will not have the resources they need for their development. In this sense, much of current development is unsustainable – it cannot be continued for both practical and moral reasons. In this way, CSR can be considered as an entry point for understanding sustainable development issues and responding to them in a firm’s business strategy.</td>
</tr>
<tr>
<td>Globalisation</td>
<td>With its attendant focus on cross-border trade, multinational enterprises and global supply chains – economic globalisation is increasingly raising CSR concerns related to human resource management practices, environmental protection, and health and safety, among other things. CSR can play a vital role in detecting how business impacts labour conditions, local communities and economies, and what steps can be taken to ensure business helps to maintain and build the public good.</td>
</tr>
<tr>
<td>Governance</td>
<td>Governments and intergovernmental bodies have developed different declarations, guidelines, principles and other instruments that outline norms for what they consider to be acceptable business conduct. CSR instruments often reflect internationally agreed goals and laws regarding human rights, the environment and anti-corruption.</td>
</tr>
<tr>
<td>Communications</td>
<td>Advances in communication technology, such as the Internet and mobile phones, are facilitating the way to track and discuss corporate activities. Internally, this can facilitate management, reporting and change. Externally, NGOs, the media and others can quickly assess and profile business practices positively or negatively. In the CSR context, modern communication technology offers opportunities to improve dialogue and partnerships.</td>
</tr>
<tr>
<td>Finance</td>
<td>Consumers and investors are showing increasing interest in supporting responsible business practices and are demanding more information on how companies are addressing risks and opportunities related to social and environmental issues. A complete CSR approach can help build share value, decrease the cost of capital, and ensure better responsiveness to markets.</td>
</tr>
<tr>
<td>Ethics</td>
<td>A number of serious and high profile gaps of corporate ethics resulting in damage to employees, shareholders, communities or the environment have contributed to higher public mistrust of companies. A CSR approach can help improve corporate governance, transparency, accountability and ethical standards.</td>
</tr>
<tr>
<td>Business tool</td>
<td>Businesses are recognising that adopting an effective approach to CSR can moderate the risk of business troubles, open up new opportunities, drive innovation, enhance brand and company reputation and even improve efficiency.</td>
</tr>
</tbody>
</table>

The meaning of sustainable society stresses the idea that this society is based on a long-term vision in that it must foresee the consequences of its diverse activities to ensure that they do not break the cycles of renewal; it must avoid the adoption of mutually irreconcilable objectives and focus on preservation and generational concern.
However, extending the definition stated by Brundtland, will lead to the following one: a sustainable society is a society that meets the needs of the present generation, creates an atmosphere where each human being has the opportunity to develop himself freely, within a well-balanced society and in harmony with its surroundings and does not compromise the ability of future generations to meet their own needs.

Therefore, as human beings we will be placed in front of two scenarios. The first one is to continue to use up all the reserved resources and let the coming generations suffer the result of resource starvation; the second one is to move away from non-renewable resources and put ourselves on a sustainable equilibrium once and for all, by balancing between current needs and future needs.

Sustainability is associated with satisfying a national economy’s needs for natural resources, while sustaining continued access to these supplies without compromising their use by coming generations. Sustainability therefore has become a label for practices that CSR offices favour, but no one is certain what these practices entail. In everyday use, because of the ties to ethical consumerism, community outreach or ecological commerce (Hawken, 2012), sustainability is commonly associated with policies that are ‘green’, or ‘clean’, or even ‘lean’, for the businesses and industries ‘operating’ the Earth (Alley, 2011).

Although CSR is widely accepted as a concept; a major problem recognised in the CSR topic is the lack of an approved normative basis supporting CSR practices (Campbell, 2007). Campbell points out that an essential preliminary to the normative debate is the clarification of what is to count as ‘CSR’. Attempts to analyse or map the landscape of CSR ideas and theories reveal its complexity.

The World Business Council for Sustainable Development has described CSR as the business contribution to sustainable economic development. Building on a base of compliance with legislation and regulations, CSR typically includes ‘beyond law’ commitments and activities pertaining to: corporate governance and ethics; health and safety; environmental issues; human rights (including core labour rights); sustainable development; conditions of work (including safety and health, hours of work, wages); industrial relations; community involvement, development and investment; involvement of and respect for diverse cultures and disadvantaged peoples; corporate philanthropy and employee volunteering; customer satisfaction and adherence to principles of fair competition; anti-bribery and anti-corruption measures; accountability, transparency and performance reporting; and supplier relations, for both domestic and international supply chains.

Hence, the challenge companies face in applying these perceptions is huge. First, they have to commit to sustainable poverty improvement, job creation, education, etc. What this means is that CSR programs must not be thought of as philanthropic projects, but rather as a set of strategically planned efforts consistent with companies’ own corporate strengths and complementary to programs offered by governments. This means that individual companies should not seek to address all development concerns and instead should focus on areas where they could make an impact.

At the end we can say that CSR can be used as a framework through which a business engages in multi-stakeholder partnerships for sustainable development. Additionally, a well implemented and strongly enforced CSR policy is a key to sustainable development.
4 Overview of Lebanon

Lebanon is a small country, situated on the eastern shore of the Mediterranean Sea, with an area of 10,452 square kilometres. Lebanon is bounded to the north and east by Syria and to the south by Palestine. This geographic location made Lebanon a bridge between East and West, connecting the three continents: Asia, Africa and Europe. Lebanon is not considered a rich country in raw materials. Its mineral resources are limited; the most important of these resources are the limestone, marble and granite sand used in cement, tiles, ceramics, porcelain, pottery and glass industries.

The present population of Lebanon is estimated at 4,000,000. It is composed of different religious sects and rites. The coastal region is the most populated area. Lebanon is rich with its human resources with more than 10 million Lebanese emigrants and descendants spread all over the world. Arabic is the major language in the country but French and English are also widely spoken. Lebanon’s three biggest cities, Beirut, Tripoli and Sidon, lie along the coastline and have their origins in Phoenician and Roman ports. Lebanon is a democratic country with a parliamentary system of government. The Lebanese political system is based on the principles of separation, balance and cooperation between the different powers.

By 2015 Lebanon’s economic conditions and prospects remain very challenging. Regional spillovers continue to dominate Lebanon’s near-term outlook and undermine investor’s confidence. The large inflow of Syrian refugees – accounting for more than one quarter of Lebanon’s population – strained local communities, and are stressing the already weak public finances. International support helped, but remains insufficient in relation to the scale of the problem. Real growth was estimated to remain below 2% in 2014 – a rate that was insufficient to have a material impact on Lebanon’s growing unemployment and increasing poverty. On the positive side, the fiscal position has improved compared to earlier expectations. A small primary surplus was projected for 2014. Public debt was projected to continue to rise and exceed 140% of GDP by the end of 2014.

Lebanon has a free economy system that guarantees entrepreneurship and private property. It is led by a private sector that plays a major role in the different economic fields, especially the services sector and the financial and banking sector, which represent 70% of Lebanon’s national income. The Lebanese economy recorded a slow performance in 2012 for the second consecutive year, though it continued to avoid a contraction in real terms and maintain monetary and financial stability. Many attributed the economic slowdown to spillover from the Syrian crisis into the domestic political and security environment, which discouraged investment and tourism and negatively affected some Lebanese exports. Since the Syrian war began, the number of tourists visiting Lebanon has fallen by more than a third. Tourism revenues are down by almost one-half. Nearly a half million Syrian refugees have streamed into Lebanon, putting a strain on government services, healthcare and infrastructure. Some mitigating factors, such as an influx of returning Lebanese expatriates and increased spending by Syrians in Lebanon, helped to partially alleviate these negative trends. Some issues continue to cause frustration among local and foreign businessmen. Impediments include red tape and corruption, arbitrary licensing decisions, complex customs procedures, archaic legislation, an ineffectual judicial system, high taxes and fees, flexible interpretation of laws, and weak enforcement of intellectual property rights.
There is a significant lack of awareness about CSR in the Lebanese corporations and their role in the development of the country. Contrary to the fast-growing CSR trend across the global business world, the implementation of CSR strategies in Lebanon and the region is still very limited, and is only undertaken by a few corporations in specific fields. This fact negatively affects Lebanese companies’ aspired competitiveness, profitability, and sustainable growth. The CSR awareness and its role in achieving sustainable development, which will be explored in the following section, need to be viewed within the contextual framework described before characterised mainly by economic disorder and uncertainty, and political problems.

5 Methodology and findings

The empirical section of this paper is based on a primary research, which was conducted in the different Lebanese regions during the months of April, May and June 2015. The survey’s sample consists of 400 respondents who were conveniently selected from the different Lebanese areas irrespective of their age, gender, educational background and current position. Regarding the educational level, the respondents were distributed on different categories as follows: 120 High School, 200 Bachelor degree, 70 Master degree and 10 PhD holders. While regarding the job description we can affirm that the chosen sample of respondents reflects a diverse Lebanese workforce across various industries. Respondents performed different tasks and responsibilities in different sectors, most of them were employees (220), others were students (100) and the remaining varied between managers and free workers.

Questionnaires that were partially filled were automatically abandoned from the analysis of the survey. Filled questionnaires were sorted and coded. Data entry was performed using statistical package for social sciences (SPSS) tool. For processing information through the SPSS software the logistic regression was applied.

The questionnaire design is made up of two sections: personal information and CSR awareness. Answers show that respondents are 45% males and 55% females. The following is a cross table that shows the relationship between the gender of the sample and the different areas (Table 2).

<table>
<thead>
<tr>
<th>Gender * LArea Crosstabulation</th>
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<tbody>
<tr>
<td>Count</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Source: Study achieved during the months: April, May and June 2015

Findings display that 284 persons are not aware about CSR and its importance and only 116 are aware (Table 3: AwCSR). These numbers demonstrate the lack of CSR
awareness in the Lebanese society which constitutes a significant problem to be resolved through the implementation of different strategies. Contrary to the fast-growing CSR trend across the global business world, the implementation of CSR strategies in Lebanon and the region is still very limited, and is only undertaken by a few corporations in specific fields. There exists a substantial lack of awareness of CSR among Lebanese companies and in the Lebanese society.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>The awareness of CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td>Valid</td>
<td>Not aware</td>
</tr>
<tr>
<td></td>
<td>Aware</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>System</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Study achieved during the months: April, May and June 2015

Furthermore, Table 4 shows the different variables that can have an effect on CSR awareness. In this table, labelled Variables in the equation, we can see the coefficients, their standard errors, the Wald test statistic with associated degrees of freedom and *p*-values, as well as the exponential coefficient (also known as an odds ratio). We can see from the results that the hours of TV watching and the educational level are the two variables that have significant effect on CSR awareness (*Sig* is <0.05) and studying the type of this effect demonstrates that this correlation is positive. When the educational level and the hours of TV watching increase, the CSR awareness increases in its turn (*B* > 0). The other variables (magazine, website, own organisation…) do not have a significant effect.

In other words, we notice that both *TVw* and *EdLev* are statistically significant. That means that these two variables explain the AwCSR. The logistic regression coefficients give the change in the log odds of the outcome for a one unit increase in the predictor variable.

- For every one unit change in *TVw*, the log odds of awareness (vs. non-awareness) increases by 0.746.
- For a one unit increase in *Edlev*, the log odds of being aware of CSR increases by 0.708.

In addition, we see that the variables **LArea**, **NBMR**, **HofInt**, **LawsA**, **Gender** do not have a significant effect on the AwCSR.

The two cross tabulations below display this correlation clearly (Tables 5 and 6). In the first one presenting the correlation between CSR awareness and hours of TV watching, we can see that the percentage of CSR awareness increases with the increase of hours of TV watching. While this percentage was 4 for those who watch TV less than one hour per day it becomes around 70 for the people watching TV more than 3 hours per day. The second cross tabulation shows that CSR awareness passes from 7% for the
people with only high school or less to 70% for those with Master degree to arrive to 88% for PhD holders.

Table 4  The variables affecting CSR

<table>
<thead>
<tr>
<th>Variables in the equation</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1&lt;sup&gt;a&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LArea</td>
<td>−0.142</td>
<td>0.090</td>
<td>2.488</td>
<td>1</td>
<td>0.115</td>
<td>0.868</td>
</tr>
<tr>
<td>TVw</td>
<td>0.746</td>
<td>0.123</td>
<td>36.770</td>
<td>1</td>
<td>0.000</td>
<td>2.108</td>
</tr>
<tr>
<td>NBMR</td>
<td>−0.241</td>
<td>0.158</td>
<td>2.337</td>
<td>1</td>
<td>0.126</td>
<td>0.786</td>
</tr>
<tr>
<td>HofINT</td>
<td>−0.301</td>
<td>0.241</td>
<td>1.566</td>
<td>1</td>
<td>0.211</td>
<td>0.740</td>
</tr>
<tr>
<td>LawsA</td>
<td>−0.153</td>
<td>0.275</td>
<td>0.311</td>
<td>1</td>
<td>0.577</td>
<td>0.858</td>
</tr>
<tr>
<td>Gender</td>
<td>0.469</td>
<td>0.362</td>
<td>1.680</td>
<td>1</td>
<td>0.195</td>
<td>1.598</td>
</tr>
<tr>
<td>EdLev</td>
<td>0.708</td>
<td>0.122</td>
<td>33.733</td>
<td>1</td>
<td>0.000</td>
<td>2.030</td>
</tr>
<tr>
<td>Constant</td>
<td>−2.192</td>
<td>0.614</td>
<td>12.756</td>
<td>1</td>
<td>0.000</td>
<td>0.112</td>
</tr>
</tbody>
</table>

<sup>a</sup>Variable(s) entered on step 1: LArea, TVw, NBMR, HofINT, LawsA, Gender, EdLev.

Source: Study achieved during the months: April, May and June 2015

Table 5  The correlation between CSR awareness and TV watching

<table>
<thead>
<tr>
<th>AwCSR * TVwCrosstabulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TVw</th>
<th>0–1</th>
<th>1–2</th>
<th>2–3</th>
<th>3–4</th>
<th>More than 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>AwCSR Not aware</td>
<td>188</td>
<td>56</td>
<td>7</td>
<td>6</td>
<td>27</td>
<td>284</td>
</tr>
<tr>
<td>Aware</td>
<td>8</td>
<td>8</td>
<td>34</td>
<td>17</td>
<td>49</td>
<td>116</td>
</tr>
<tr>
<td>Total</td>
<td>196</td>
<td>64</td>
<td>41</td>
<td>23</td>
<td>76</td>
<td>400</td>
</tr>
</tbody>
</table>

Source: Study achieved during the months: April, May and June 2015

Table 6  The correlation between CSR awareness and educational level

<table>
<thead>
<tr>
<th>AwCSR * EdLevCrosstabulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EdLev</th>
<th>Bac or less</th>
<th>Bac + 3</th>
<th>Bac +4</th>
<th>Bac +5</th>
<th>PhD or equivalent</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>AwCSR Not aware</td>
<td>235</td>
<td>13</td>
<td>3</td>
<td>31</td>
<td>2</td>
<td>284</td>
</tr>
<tr>
<td>Aware</td>
<td>19</td>
<td>3</td>
<td>5</td>
<td>74</td>
<td>15</td>
<td>116</td>
</tr>
<tr>
<td>Total</td>
<td>254</td>
<td>16</td>
<td>8</td>
<td>105</td>
<td>17</td>
<td>400</td>
</tr>
</tbody>
</table>

Source: Study achieved during the months: April, May and June 2015

From the results above, we can deduce the lack of CSR networks and information given to students in high schools. Moreover, the idea of CSR should be highlighted more in universities.
When studying the type of organisations applying more CSR practices, it was obvious that the private sector is more engaged in CSR practices and this is due to many reasons: advertising, reputation, competitive advantage, personal beliefs etc.

Regarding the application of CSR practices in the different sectors, the results show that the banking sector is the most active in Lebanon with a 62% followed by the educational sector which represents only 20% (Table 7).

Table 7 Application of CSR practices by sector

<table>
<thead>
<tr>
<th>AwCSRCompSectorCrosstabulation</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Banking</td>
</tr>
<tr>
<td>Aware</td>
<td>59</td>
</tr>
<tr>
<td>Total</td>
<td>59</td>
</tr>
</tbody>
</table>

Source: Study achieved during the months: April, May and June 2015

Many fields in the Lebanese society need to be supported by companies. According to the respondents, social responsible activities by companies should support the Environment (49%), followed by the health sector (18%), educational sector (10%) etc. (Table 8).

Table 8 The different fields of social responsible activities

<table>
<thead>
<tr>
<th>AwCSRFieldCrosstabulation</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Environment</td>
</tr>
<tr>
<td>Aware</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
</tr>
</tbody>
</table>

Source: Study achieved during the months: April, May and June 2015

When investigating on the reasons why companies do not engage CSR practices, most of the results show that this owing to the absence of laws and regulations and the lack of awareness. Lebanon is witnessing serious latent tensions and political disagreements; in these circumstances, companies tend to put their CSR planning/investment on hold awaiting better future prospects.

The findings show that the government is absent in this field and it should play a major role to improve the CSR situation in Lebanon which can lead to a sustainable society. Next to the awareness campaigns, the respondents insisted on the initiatives to be implemented by the government in order to foster the application of CSR for example: tax exemptions for companies promoting and applying CSR, CSR networks…

The results also highlight the importance of CSR to the development of a sustainable society in Lebanon. The current practices in Lebanon have suffered from the lack of responsible behaviour towards the employees, the economy, the society, and the environment.
At the end, the evidence continues to support that such socially responsible behaviour is good for business, not just in ethical terms but also in financial terms. In other words that CSR is good for business as well as all its stakeholders. With social responsibilities, the suppliers, business associates and customers would have more confidence in the organisation. The model is more sustainable because social responsibility becomes an integral part of the wealth creation process which if managed properly should enhance the competitiveness of business and maximise the value of wealth creation to society.

6 Conclusion and recommendation

CSR is a concept that has attracted worldwide attention and acquired a new resonance in the global economy. CSR is not an ideology any more. It is a reality which becomes an important aspect for the organisational success. Although many organisations have become aware of this importance, they are struggling to find the best way to proceed with CSR. However, unfortunately many CSR business actions are neither strategic nor operational, but often tend to be cosmetic in nature and related to public relations and media campaigns (Porter and Kramer, 2006). Organisations are trying to construct their image based on some CSR actions, but are missing the point. They are showing their CSR concern by contributing to social and environmental issues in terms of dollars spent for philanthropic initiatives. However, this accountability does not reflect the strategic framework for sustainable CSR. CSR programs must be thought of as a set of strategically planned efforts which are consistent with companies, have own corporate strengths and are complementary to the programs offered by governments.

But while there have been important advances in the theoretical understanding of CSR, there is a scarcity of research addressing the philosophy and practice of CSR in developing countries. In Lebanon, the lack of documents about CSR, the lack of environmental reports and the lack of certification show the real extent of the problems. Additionally, the Lebanese context that we described before cannot be characterised as the most fruitful ground for CSR initiatives to flourish. To improve the state of CSR in Lebanon it is important that the government can facilitate capacity building and awareness-raising on CSR-related issues: an awareness campaign on CSR targeting both the private and public sectors is needed and critical. Moreover the government should encourage and engage in public-private partnerships to affect positive social change and to reach developmental, environmental and social goals.

The Lebanese government should harmonise national laws and legislations with international CSR regulations and reporting standards by taking into consideration the country’s specific culture. CSR cannot be separated from the contextual factors of the nation in which it is practiced. Thus, the culture of the nation (Lattemann et al., 2009) strongly impacts the development and application of CSR within individual organisations and nations (Archer, 1995).

Placing emphasis and passing legislation on transparency and accountability in reporting and assurance is also important to companies, both multinational and local, and for this reason CSR is being taken seriously. However where laws are non-existent, many managers know right from wrong as ‘people’ but they do not feel obliged to act on it as ‘managers’.

Accordingly, although CSR is mainly regarded to be a voluntary action by companies, governments can still play a role in advocating such action or punishing
Corporate social responsibility and sustainability

irresponsible behaviour. While most developed countries have already incorporated laws and regulations related to CSR and sustainability, this should be pushed toward the developing world as well.

On another side, the education sector has an important role to play in shaping the attitudes of future business leaders. Some ministries of education outside the Middle East are introducing lessons about sustainable development as early as primary school. Business schools and other educational institutions in Lebanon should develop programs to help educate teachers about sustainability, and to offer guidance for schools in order to incorporate principles and actions for sustainability into school plans. They can help mainstream CSR by incorporating the concept into school curricula. They should also produce and distribute research and analysis on sustainability concepts, value and metrics.

In this situation characterised by a lack of awareness about CSR, the question to be asked and investigated in future research is: what should be the role of academia (schools and universities) in promoting CSR in Lebanon?

At the end, we conclude that the main contribution of this research was to provide more information about CSR and its importance in developing countries, a field that still represents scarcity in the literature as we said before, and to shed light on the state of CSR in Lebanon to improve awareness and to help implementing CSR practices while explaining how this can lead to build a sustainable society.

References


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Note

1In this cross tabulation we took into consideration only the persons that are aware and believing that the private sector is more involved than the public.