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EMPLOYEES PERCEPTION OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN NAMIBIA: EVIDENCE FROM NAMIBIA BREWERIES LIMITED COMPANY

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ABSTRACT:

Corporate social responsibility (CSR) is one of the most prominent concepts in the literature and in short, indicates the positive impacts of business on their stakeholders. Despite the growing body of literature on this concept, the measure of CSR is still problematic. Although the literature provides several methods for measuring corporate social activities, almost all of them have some limitations. The study investigates the employees' perception of CSR practices in Namibia the context of the Brewery industry in Namibia. Using survey information collected from 150 Namibian Brewery company employees' professionals, this descriptive analysis study proposed that the employees are satisfied with the CSR practices in general. Further, the study observes a positive relationship between perceived CSR and its 4 domains in the study. The uniqueness of this study lies on its framework based on the perception of employees. Therecommendations and future research are formulated.

Keywords: Corporate social responsibility, Employee perception, environment

INTRODUCTION

Employees in an organization are an important resource that needs to be taken care of. The employees are valuable assets of an organization and they are the key to success. These days though serving customers has become the priority of most organization, without the employees this cannot be fulfilled. Employers of the organizations need to understand that the motivation level of the employees is crucial for them to perform up to the expected level.

Additionally, businesses are beginning to emphasise the importance of Corporate Social Responsibility (CSR) as a key tool for motivating employees, and one of their main responsibilities is to meet the needs of all of their stakeholders, including customers, employees, the board of directors, shareholders, and governmental organisations. Since employees are the most significant stakeholders, businesses must perform their obligations to them (Sharma & Tewari, 2018). Employee participation in the CSR effort has a major positive impact on the organization's bottom line and is the most strategic of all the stakeholders (Sleiman & Bassam, 2014). The firm benefits from the CSR practises that are spreading quickly throughout the world.

Prior research has focused on how CSR impacts external settings like company reputation and corporate image. The relationship between employees' perceptions of CSR and extra-role behaviours like organisational citizenship

behaviour (OCB) has received little research attention (Vogel, 2005). "The behaviours of individuals that promote efficiency in the organisation," is how one definition of organisational citizenship behaviour is put.

A company is regarded as an entity that operates in the market environment where by society is bounded by its actions. Actions of a company are attributed through social, economic and environmental perspective. Behavior of a company as an entity affects society in a good or bad way. The relationship of business and society is to provide a Win-win situation in a market where society benefit and business benefit too. In some cases, there is a helping hand where a company contributes to the society as a common good. To be sure, evidences of businesses seeking to improve society, the community, or particular stakeholder groups (Carroll, 1991) in other term Corporate Social Responsibility (CSR) and may be traced a hundred years. Such a vision of the company was first developed in the United States by Bowen (1953) in his book "Corporate Social Responsibility of the business man," he attributed the authorship of the theme on corporate social responsibility (CSR). This theme of Corporate Social Responsibility was mostly developed between the year 1960s and 1970s. Thus (Frederick, 1960) argued that all means of production should be used in such a way that as to improve overall socio-economic welfare for all. Many of the early definitions of CSR were rather general. For example, in the 1960s it was defined as

“seriously considering the impact of the company’s actions on society.” Another early definition of CSR read as follows: “Social responsibility is the obligation of decision makers to take actions which protect and improve the welfare of society along with their own interests” (Beauchamp et al., 2004). In general, CSR has typically been understood as policies and practices that business people employ to be sure that society, or stakeholders, other than business owners, are considered and protected in their strategies and operations. Some definitions of CSR have argued that an action must be purely voluntary to be considered socially responsible; others have argued that it embraces legal compliance as well; still others have argued that ethics is a part of CSR; virtually all definitions incorporate business giving or corporate philanthropy as a part of CSR and many observers equate CSR with philanthropy only and do not factor in these other categories of responsibility. According to WBCSD (2000) corporate social responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. Corporate social responsibility (CSR) is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders. CSR is a concept with many definitions and practices. The way it is understood and implemented differs

greatly for each company and country. Moreover, CSR is a very broad concept that addresses many and various topics such as human rights, corporate governance, health and safety, environmental effects, working conditions and contribution to economic development. Whatever the definition is, the purpose of CSR is to drive change towards sustainability.

According to (Kotler & Lee, 2008) corporate social responsibility (CSR), is a commitment to improve well-being through discretionary business and contributions of corporate resources,” (CSR nowadays becomes an important component of the dialogue between companies and their stakeholders (Smith, 2003). Many companies do not just only engage in social responsibility but majority of them consider driving their resources and effort to reporting CSR activities to a wide range of stakeholders that known for taking it into account. Over the last few decades, corporate social responsibility (CSR) has continued to be growing in importance for business performance at the global level (Carroll & Shabana, 2010), and European companies have adopted a more explicit commitment to Corporate Social Responsibilities (Crane et al., 2014).

The development of CSR in Europe continent has been driven by both proactive strategies that have been adopted by pioneering businesses, European institutions and national governments as well as some external pressures from civil society and the group of investor community (Jackson & Apostolakou, 2010),

However, so far not extensive research being done in conjunction with Employee's perception of CSR in Namibia Furthermore, Sustainability is becoming the norm to businesses rather than an aspiration and forces business to act than to talk. Stakeholders are challenging businesses to see their actions toward society. Majority of developing countries in the world nowadays are becoming different to developed countries because they are moving from a period of slow growth and stagnant population to an era of sustaining social and economic growth. While most companies are fulfilling parts of a sustainability model, few are truly embedding sustainability into their business model and responding to the needs and expectations of the stakeholders or society (Wood & Cochran, 1992) has highlighted the societal obligations incumbent on the firm (obligations that go beyond the economic and legal framework) creates good image for the company. It is understood that there is low rate company policies that includes CSR in Namibia. CSR in the world helps more people to define business and their attributes from each other and is becoming an important tool for business to be successful since when the world is changing to globalization, Consumers and employees are becoming more and more concern about where they work or spend their money and how business give respond to its community. Companies don't exist in isolation but relies on multiple interdependent relationships with customers, employees, suppliers, communities and investors (Porter, 2012).

These groups have different expectation of which some of them are CSR. Based on expectation of stakeholders, CSR was born and growth fast in the world.

More theorist have noted many company favoring out comes from lack of CSR practices; yet there is no enough research and there is a need for dearth research on CSR to help today business on how to foster a society-business relationship and make them identified in market. The way most companies act nowadays, there is a little confusion about the respect for wellbeing of environmental standards and values of the population around who are nevertheless full stakeholders of the company. The theme of CSR practice issue has been the important subject of several developments without consensus emerging to the scientific community. Indeed the examination of the results of existing studies that has been previously done in the past reflected more on CSR and business performance and only less researches have been focus on the analysis of CSR. Outcomes of the present study will have a significant contribution to the literature. This study contributes to the idea of CSR priority by understanding corporate social responsibility impact on employee's perception of CSR and the influence of organizational justice on the employment outcomes. Social responsibility and philanthropy are not new concepts in the developed countries. American companies have practiced social responsibility since the 17th century.

However, it is a new concept in developing nations, such as Namibia.

RESEARCH METHODS

In the whole world there are only two different methods that are being used in research studies namely Quantitative and qualitative. The significant difference between quantitative research and qualitative research appears to be that the quantitative research uses numbers to test theories while qualitative research uses words and meanings to build theories (Kothari, 2004). In this research study, we will utilize both qualitative and quantitative methods which means it will be based on words and meanings to build theories by desk review research and we will also use numbers to test theories especially percentages and frequencies. The qualitative design was chosen in this study because there is a need to understand words and meanings in theoretical matters. There was a need to read books and journals as well as using Descriptive statistics which make it more appropriate to include Qualitative in this study. While quantitative research design was chosen because it suit to help in testing using a T test in answering the research questions. Furthermore, Quantitative research is therefore found to be also appropriate and suitable for this particular study reasonably that it most relies primarily on the collection of Quantitative data (Johnson & Christensen, 2012) and because it is one of the design that always aims at testing variables and find out the outcome of

tested variables in a population (Hopkins, 2008).

RESULTS AND DISCUSSION

The demographic information about the Namibian Breweries Limited Company's employees was obtained through 5 questions in the first section of the data collection instrument. These questions were about Gender, Age, marital status, educational background, and working experience. Of the 150 questionnaires that were distributed, 112 were returned with completed data that was suitable for analysis. The overall response rate of this survey was 74.6%. Approximately (n= 44) of the respondents were female and (n=68) were male. The majority of the participants are male single 33.9% (n=38), while 26.7% (n=30) are married male. On the other hand, 26.79% (n=29) are single female which is higher than married female 13.4% (n=15). In reality of the NBL Company of about the gender distribution where female represent the small proportion of the employees.

The mean age of the study population was 34.19 ± 8.70 yr and ranged from 20 to 62 yr. the majority of the participants are still young aged 20-35 years. Out of those who are young the male are crowded than female, 32 to 28 employees. The result is 37.5% employees have between 4-7 years of working experience, followed by those who are between 8 to 11 years of working experiences (25.9%). Only 15.2% (n=17) are less than 3 years of working experiences. This results show that most of the study participants know well the company and have knowledge of CSR practices. The

majority of participants attained Bachelor's degree (58.9%), and only 24.1% had a Masters and above degree. However, only 16.1% has had higher school.

Perceived of CSR Practices

The Namibian Breweries Limited Company's employees Survey was composed of 37 questions designed to elicit information on the CSR practices. The first, five questions were based on demographics such as age, gender, marital status, Education background, and number of years within the company. The following Thirty Nine (32) questions were based on a Likert scale and coded as numbered in the methodology section. One hundred fifty (150) surveys items has been handed to the employees of the company through HR. However, as saw it above, one hundred twelve (112) out of one hundred and Fifty Questionnaires were returned for a response rate of seventy five percent (74.6%). One of the objectives of the study was to describe the current level of CSR practices and its relationship to factors of organization's stakeholders by surveying the full time Namibian Breweries Limited Company's employees. The data was analyzed by computing means, standard deviations, frequencies, correlations, and conducting a factor analysis.

Overall CSR practices in Namibian Breweries Limited Company

The research what to measure at what degree the employees are appreciating the CSR practices in general. The descriptive statistics was used to

calculate the mean, range and standard deviation. The mean of their scores ranged from 3.7 to 4.38 with a CSR practice mean of 4.07 and $SD=0.81$. Is considered (intervals for the levels of CSR practices), they are found to be appreciable. The Namibian Breweries Limited Company's employees are satisfied with the CSR practices.

Namibian Breweries Limited Company's employees are satisfied with the CSR practices the majority of the respondents in 47.3% ($n=53$) agrees, and 35.7% ($n=40$) strongly agree with the statements that CSR practices in their company are substantial or considerable. However, 5.3% ($n=6$) disagree about the CSR practice with the statement and 11.6% ($n=13$) are neutral about the statement. In general the results show that Namibian Breweries Limited Company's employees' are satisfied with the way the CSR are applied.

Employees' perception of CSR practices by domain

The Chi-square test results show that there is a significant relationships between the employees perception of CSR practices by domains. Consider, Working place ($\chi^2=48.28$, $p<.01$), Environment ($\chi^2=67.14$, $p<.01$), Community ($\chi^2=31.83$, $p<.01$) and Market place ($\chi^2=9.50$, $p<.01$). However, the employees level of perception for the environmental protection is higher than other domains ($M=4.21$, $SD=.75$). The results of this study are in line with the results of the study conducted by Ante Glavasa & Ken Kelleya (2014) who explain

that the employees perception is positive related to all CSR activities of the organizations. CSR activities have an effect on employee's attitude and the behaviour in the organisation. The employee's perception measures all the aspects of the organization. The literature supports the idea that CSR influence employees (Aguilera et al., 2007) (Aguinis et al., 2011).

Employee perception on CSR practices with Demographic variables

Employee perception on CSR practices in term of Age

One way analysis of variance (ANOVA) was carried out to find out whether there as any difference in employees' perception regarding the ages of employees. A one way analysis of variance (ANOVA) was carried out to find out whether there was any statistical significant difference on employee perception of CSR practices in relation to their ages, which was transformed into 3 categories. Young [20-35], middle [36-51] and experienced employee, [51 and above]. The overall ANOVA test revealed a no significant difference, $F(2, 109) = 2.73$, $p = 0.70$.

Employee perception in term of Education Background/Level of Education

A one way Analysis of variance (ANOVA) was carried out to find out whether there was any statistical significance difference in perception of CSR practices regarding Qualification of employees. One way Analysis of variance (ANOVA) was conducted to find out whether there is a statistical significant

difference in employee perception of CSR practices in accordance with the employees education background. The overall ANOVA test revealed that there is significance difference, $F(2, 109) = 4.277$, $p < .05$. Because the ANOVA was significant, the multiple comparisons Dunnett's C test was run, and the results are shown above. This research shows the result of multiple comparison test which indicated that there is a statistical significant difference ($p < 0.05$) in employees perception of CSR practices in term of education qualification. There is a negative significance difference in education level and perceived CSR practices. There is significant relationship between Qualification of employees and perceived CSR practices. Masters holders negatively perceive the CSR practices than Bachelors Degree holder: Mean differences Master ($M = 0.46$), CI 95% CI [.1488-.7910] Bachelors Degree holder ($M = 0.06$) 95%CI [-.2438-.3746]. More, perceived CSR practices are highly appreciated by Employee with High school certificate and Bachelors' degreeholders than Masters and above degrees holders.

Employees' perception of CSR practices across domains

Employees' perception of CSR practices related to working places is higher 70 out 110 appreciated the CSR practices related to working place. 20 people are uncertain about the working place CSR practices. 50 % ($n = 56$) agreed with the statement related to CSR and 37.5% strongly agree that the Company is highly implement the CSR initiatives related to the

environmental protection. They are strongly agreed that their company has the necessary equipment to reduce its negative environmental impact and makes well planned investments to avoid environmental degradation. However, 3.6% (n=4) total disagree about the statements. Further, 8,9% participants are neutral to the CSR practices related to environment. 58% of employees appreciated the CSR practices related to the community and 25% strongly agreed that the company is too much concern about the CSR practices related to community. However, 16.9 % (n=19) are neutral to the CSR practices related to community.

In this research shown that 46.4% (n=52) agreed with the statement related to CSR practices about market places and 30.4% strongly agree that the Company is highly implement the CSR initiatives related to the respect of customers, and provide full and accurate information about its products to its customers. The company is fair to their competitors. However, a big number of employees are uncertain about this initiatives 23.6 %(n=26).

The employees esteemed highly implemented environmental CSR practices than other CSR initiatives (M=4.21, SD=.75) , 50 %(n= 56) strongly agree and 42 agree about the CSR practices on the environmental CSR practice. The employees are alsohighly agree with the CSR practices related to the community (M=4.08, SD=.04). The company contributes to campaigns and projects that promote the well-being of the society and the company

is endeavors to create employment opportunities. Further the company tries to help the government to solve social problems. In general, the company is intervening in different domain especially environmental protection and community intervention. However, the company needs to improve in ethical matters.

Association Between Variables In The Study

Pearson's correlation was used to determine the direction and magnitude of association between the independent and dependent variables. The correlation coefficients (denoted by r) range from 0 to +1.0 (Miller, 1991). The description on the magnitude of the relationship between dependent and independent variables was based on Guilford's interpretation as follows: Less than 0.20 -Slight, almost negligible relationship, 0.21- 0.50 - Moderate correlation; 0.51- above- High correlation; marked relationship, 0.91- 1.0 - Very high correlation; very dependable relationship The Pearson correlation test has been conducted in order to examine the association between demographics information, employees' perception of corporate social responsibility. Association between demographics variables and employee perception of CSR practices. Correlation analysis was conducted to determine the relationship between demographic variables and Employee perception of CSR practices. First, the Pearson correlation moment test revealed that no significant inter-relationship among the demographic variables.

1. Employee perception of CSR practices in general and its domains

The correlation test results revealed that there is a positive relationship between employee *perception of CSR practice* and its domains. Further, their relationships are strongly positive: CSR in general with working place ($r = .67, p < .01$), environment ($r = .68, p < .01$) Community ($r = .67, p < .01$) and market place, moderate positive correlation ($r = .54, p < .01$).

The results also show that there is a positive inter-relationship between employee perceptions of CSR practice domains. Their relationships are strongly positive: with working place and environment ($r = .51, p < .01$), working place and Community ($r = .46, p < .01$) and market place ($r = .43, p < .01$).

- a. *Environment* has a strong relationship with community ($r = .72, p < .01$) and market place ($r = .67, p < .01$). Environment is strongly positive correlated Market place ($r = .49, p < .01$).
- b. *Community* is strongly significantly with market place ($r = .52, p = .01$), work place ($r = .46, p < .01$), environment ($r = .72, p < .01$). But negatively correlated with education level ($r = .26, p < .01$). However, it is negatively correlated with education level ($r = -.23, p = .01$)
- c. *Market place* is strongly positive associated with Work place ($r = .43, p < .01$), Environment ($r = .49, p < .01$), and community ($r = .52, p < .01$).

The results of this study are in line with the studies conducted by Greening & Turban, 2000) stated that, although the

number of investigations that have examined how corporate social activities affect employees is somewhat limited, the findings so far open up an interesting window of potential research. First, we may note that the good reputation acquired by a corporation through CSR activities increases its attractiveness as an employer for both prospective job applicants and for current workers who consequently exhibit high levels of employee satisfaction (Galbreath, 2010); (Lee & Chang, 2008). These findings can be explained by the social identity theory that states that employees are proud to identify with organizations that have favorable reputations (Peterson, 2004). Further, initial indications of employee satisfaction as a direct result of CSR in the workplace have also been found, but this outcome has yet to be investigated empirically in a more rigorous fashion, especially in contexts outside the USA and Europe (Turker, 2009).

CONCLUSION

Being responsible for the needs of the society and conducting ethical business practices are now the standard expectation of the employees. Employees are not only concerned about the pay check; they also look for meaning in their job. Involvement in CSR activities by the organization offers such a link for the employees.

They like to identify themselves with a socially responsible organization since it heightens their self-image and, in turn, they reciprocate through positive attitudes and behaviors such as greater job satisfaction, and so on. The present study explores the

perception of employees of CSR practices in the context of the Namibian Brewery company. It is observed that, like most of the previous studies, there is a strong positive relationship perceived CSR practices and its 4 dimensions in this study mostly CSR practices related to environment, community, working place and market place. It implies that the management of the Namibian Brewery company should consider the involvement in external CSR as one of the key determinants of maintains a motivated and enthusiastic workforce.

In addition, employees play a key role in their organizations and their perceptions of CSR will influence their subsequent work outcomes. The CSR programs would therefore benefit both corporations and their employees. Corporations CSR movement should thus consider a focus on engaging in ethics and CSR programs by actively communicating good CSR strategies with these stakeholders' group. Organizations would also benefit from effectively interacting with their employees on CSR issues. Further, the study has made unique contribution to literature on the employee perception of CSR practices in Namibia Brewery limited company. Corporate Social Responsibility practices are expected to encourage voluntary cultural and managerial change in firms that will create the basis for sustainable development.

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