

**ASSESSING THE BENEFITS AND CHALLENGES OF CORPORATE
SOCIAL RESPONSIBILITY IN THE KUMASI METROPOLIS: A CASE OF
THE BEVERAGE INDUSTRY**

By

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DECLARATION

I hereby declare that this submission is my own work towards the Master of Business Administration (Management and Organizational Development Option) Degree and that, to the best of my knowledge, it 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 acknowledgement has been made in the text.

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ABSTRACT

The 21st Century has witnessed the rising interest and incorporation of Corporation Social Responsibility (CSR) into the core business of organizations as a result of the relevance of the concept in accruing tremendous benefits to organizations and societies. This has drawn the attention of managers and researchers to the concept of Corporate Social Responsibility (CSR). Nevertheless, studies revealed that the practice of the concept in organizations comes with its own challenges. Thus, this study aimed at assessing the benefits and challenges associated with the practice of Corporate Social Responsibility (CSR) in the beverage industry within the Kumasi Metropolis. The research reviewed literature on the concept of Corporate Social Responsibility. The study embraced a mixed methodology where questionnaire and interview were used for data collection and the data were analyzed using Statistical Package for Social Scientist (SPSS) and content analysis.

The study revealed that regardless of the positive perception of the beverage industry in its contribution toward community development, society had a negative perception of this relationship as they felt the beverage industry was not doing enough to support their socio-economic livelihoods. Also, the study suggested that the beverage industry used Corporate Social Responsibility as a marketing tool to promote their products. Furthermore, the study indicated that the bureaucratic structure of the beverage industry hinders the industry's ability to effectively practice Corporate Social Responsibility (CSR). The researcher therefore recommended a decentralization of the Corporate Affairs Department of the beverage industry; improve community participation in the design stage of CSR programs and the need for an enactment of a comprehensive CSR policy or law in Ghana.

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DEDICATION

This thesis is dedicated to my parents: Mr. Gerald Paruzie, Mrs. Paulina Paruzie (late) and siblings: Prosper and Benedicta.

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LIST OF ABBREVIATIONS

AGI	Association of Ghana Industries
CED.....	Committee of Economic Development
CSR.....	Corporate Social Responsibility
GEA.....	Ghana Employers Association
GGBL.....	Guinness Ghana Brewery Limited
GHBC	Ghana Business Code
GNCCI	Ghana National Chamber of Commerce and Industry
KMA	Kumasi Metropolitan Assembly
NGOs	Non-Governmental Organizations
PR	Public Relation
SPSS	Statistical Package for Social Scientists
WBCSD.....	World Business Council for Sustainable Development

CHAPTER ONE

INTRODUCTION

1.0 Background of the study

The structure of every society consists of many key stakeholders who perform a number of vital functions in ensuring its survival and development, one amongst them are companies or corporate organizations. Corporate organizations contribution toward the total well-being of the society within which they are found. These companies support local initiatives in an attempt to deepen their stakeholder role and to also show appreciation for the supports they have been enjoying in the community. For example, the beverage industry over the years has contributed to the economic and social well-being of their stakeholders through the provision of employment and social amenities especially the refurbishment of classrooms and hospitals. This industry has been dedicated to creating a positive role for alcohol in societies through targeted and measured initiatives to tackle alcohol misuse by working with relevant stakeholders ((Carroll, 1979;Commission of the European Communities, 2001).The beverage industry is committed at providing clean drinking water through integrated Water, Health and Sanitation programs to 169,000 beneficiaries in 2013 as a demonstration of their responsibility to give back to society (Guinness Ghana Brewery Limited, 2013).Contemporary developments reveal an escalating contribution of the alcoholic beverage industry in scientific research in means that go beyond investigating the product safety and consumer marketing through terms like ‘corporate citizenship’, ‘corporate social responsibility’ and ‘partnerships with the public health community’. The alcoholic beverage industry for instance tends to

provide financial support for scientist involved in alcohol research for the purpose of demonstrating their Corporate Social Responsibility in order to avoid taxation and regulation (Babor, 2009).

There have been many circumstances where organizations have implemented interventions to tackle issues pertaining to health, livelihood, education and environment in the course of their Corporate Social Responsibility programs. Organizations by their very existence and nature have economic, ethical, legal and social responsibilities handed over to them by law, shareholders and the society at large (Carroll, 1979; Brummer, 1991; Peattie, 1992).

According to McWilliams and Siegel (2001), Corporate Social Responsibility is the situation where a firm goes beyond compliance and engages in actions that appear to promote social good, beyond the interests of the firm and that which is required by law. Corporate Social Responsibility (CSR) refers to a firm's ability to simultaneously fulfill its economic, legal, ethical and philanthropic responsibilities (Carroll, 1994). The World Business Council for Sustainable Development (WBCSD, 1999) defined Corporate Social Responsibility (CSR) as the continuing loyalty by business to behave ethically and contribute to economic development at the same time improving the quality of life of the workforce and their families as well as the local community and society at large. Beside these interpretations of what Corporate Social Responsibility (CSR) stands for, the proposal of several meanings of Corporate Social Responsibility had made theoretical development and measurement of the concept quite difficult to determine.

Organizations in recent times have increasingly becoming very active in their contribution to society than was the case in the past. Companies all over the world have incorporated Corporate Social Responsibility (CSR) issues into all aspects of their business operations and this have reflected greatly in their visions, missions and value statements. Corporate Social Responsibility (CSR) reports more often than not go beyond profit maximization to embrace the company's responsibilities to a wide array of stakeholders such as employees, customers, community and the environment. The rise in stakeholders demand on businesses has made it practically inevitable for both large and small firms to abstain from their corporate social responsibility (Ofori and Hinson, 2007).

Various opinions have been shared on the potential benefits that companies, workers and community members amass from their engagement in Corporate Social Responsibility (CSR) initiatives; nevertheless there is a need for the generation of more comparative proof on the social, economic and environmental impacts of such initiatives on community development (Prieto-Carron et al., 2006). The survival and sustenance of corporate social responsibility depend greatly on a company's development strategy and also on the company's ability to identify, promote and implement successful policies and practices aimed at satisfying all stakeholders concern.

Corporate Social Responsibility is becoming more and more common as it tends to echo changing social stance concerning the tasks that firms have towards the societies in which they operate. More than before, firms at the moment are expected to account openly for all aspects of their performance (Elkington, 1997). The benefits linked with investment in socially responsible practices compensate the costs of doing so

(Waddock and Graves, 1997). Corporate Social Responsibility plays a positive role in boosting the profits of companies as in most cases these efforts are acknowledged and rewarded by relevant stakeholders in the form of higher demand for the company's products or higher worker productivity. This tends to translate into a rise in the sales of companies indulge in the practice of Corporate Social Responsibility. However, the financial returns to social responsibility are not always constant across industries as firm's profitability within the wholesale and retail markets are less affected than those in the other industries (Callan and Thomas, 2009).

According to Beckmann (2007), an increase in stakeholders' demands for a company's products is strongly linked with that company's active involvement and implementation of Corporate Social Responsibility programs within its operational areas. There is a positive relationship between Corporate Social Responsibility and people's responses in the way they purchase a company's product. An increased in the practice of Corporate Social Responsibility by corporate organizations is very often compensated by a rise in the sales of their products (Jamali, 2007). To a large extent, studies on Corporate Social Responsibility pay much attention to the benefits of the practice to organizations to the neglects of how it really impact on the people directly affected (Quazi and O'Brien, 2000; Blowfield, 2003; Zulkifli and Amran, 2006).

According to the World Business Council for Sustainable Development (2000) report "Making Good Business Sense", Corporate Social Responsibility plays a pivotal role in building capacity for sustainable livelihoods, respecting cultural differences and finding business opportunities in building the skills of employees, the community and government. The implementation of Corporate Social Responsibility programs cut cross environmental concern through the empowering of local communities to

donate to charity and participate actively in addressing issues pertaining to the environment, all of which is in the absolute interest of the business. Interestingly, this have further affirm the struggle for consensus in description, leading to calls for a clearer description of the concept (Kok, Van der Wiele, McKenna & Brown 2001; Blowfield & Frynas, 2005).

The Corporate agenda of many companies in the developing countries do not incorporate CSR activities into their strategic plans. Nevertheless, there have been a drastic progress in the area of human rights and CSR in some Africa countries, most especially South Africa (Visser, 2005).

Activities of Corporate Social Responsibility in Ghana are championed by multinational companies since most indigenous companies engage in retail business making it difficult for them to earn much to carry out social course of actions. There were no CSR related documents in Ghana to support the practice, until in 2006 when the Ghana Business Code (GHBC) was launched through the collaboration of the Association of Ghana Industries (AGI), Ghana Employers Association (GEA) and the Ghana National Chamber of Commerce and Industry (GNCCI) to introduce and deepen the practice of CSR in the business environment. The concept in Ghana is synonymous to the mining industry as a result of the environmental and human rights concern pose by their activities, leading to many calls from interest groups for environment and social responsibility from the companies concern (Amponsah-Tawiah and Dartey-Baah, 2011).

The over generalization of research findings on Corporate Social Responsibility in developing countries makes it difficult to measure the actually benefits and challenges pertaining to each developing countries (Frynas, 2006). The inadequate availability of

experienced managers coupled with the fact that Corporate Social Responsibility requires commitment, long-term thinking and vision from business managers pose a major challenge to organizations (Faulkner, 1995). As a result of the high percentage of low-income families all over the world, it becomes extremely difficult for people and communities to support companies that undertake Corporate Social Responsibility programs as 47.1% of their expenses are on food (Euromonitor, 2006; World Bank, 2007). People in developing countries spend their money to buy the most affordable products, regardless of a company's involvement in CSR activities. CSR is not an influential factor in determining a people's propensity to buy products from a company as compared to the people perception in developed countries, where a large amount of people are prepared to support CSR activities (Brown and Dacin, 1997;Creyer and Ross, 1997; Maignan, 2001; Du *et al.*, 2008). The existence of many social and economic problems together with the government's inability to solve them has influenced communities' expectation for corporations especially the beverage industry to assist the government in solving these concerns (Kuncoro, 2006; Koestoer, 2007). The beverage industry on its part has responded positively to addressing stakeholders' expectations on societal needs through its Corporate Social Responsibility programs over the years.

1.1 Problem statement

The beverage industry contributes immensely to the socio-economic development of the Kumasi Metropolis and Ghana as a whole. It employs over 1, 000 people, contributing to a sustainable source of income for a section of the active labor force in the Kumasi Metropolis and also it provides numerous business opportunities for its stakeholders. A platform is created for all employees and stakeholders within the

beverage industry to actively participate in community volunteering initiatives as employees are solely responsible for researching, selecting and implement projects within their catchment areas. Some of the projects supported include the renovation of hospitals, classroom blocks and the provision of potable drinking water among others. According to Guinness Ghana Breweries Limited annual report (2013), the beverage industry invested GH¢ 600, 000 to make available sustainable access to clean drinking water to 169, 000 beneficiaries communities within Ghana. There have been high commitments of the beverage industry in investing in integrated and sustainable community initiatives through the usage of local raw materials such as sorghum, maize and cassava for production. This has led to the production of 2,800 tons of sorghum grain in 2002. The beverage industry has used 2500 tons of locally processed grits, saving the industry an amount of \$1.0 million. These initiatives are attempts to foster Corporate Social Responsibility (Business News, 2003).

Nonetheless, the implementation of Corporate Social Responsibility can be very challenging as it tends to put undue pressure on companies to satisfy societal needs (Baughn et al., 2007). There are flourishing Corporate Social Responsibility projects in developing and promising perspectives (Baskin, 2006), but still there are concerns about the ability of CSR to contribute to development and solve some imperative setbacks facing the poorest parts of the world considering the fact that majority of Corporate Social Responsibility initiatives are driven by western organizations (Banerjee, 2007, 2008; Morse, 2008). Corporate Social Responsibility is an organizational phenomenon as it has in recent times been integrated into the corporate strategy of most organizations. People hold so many views or perceptions about the concept of Corporate Social Responsibility; some of it is that companies should not be obligated by law to embark on social responsibility but all the same companies are

admonished to voluntarily implement it (Jones, 1980). Although Corporate Social Responsibility is perceived to provide benefits to both society and organizations, its implementation is not without challenges. Therefore the phenomenon the researcher intends to investigate into is the benefits and challenges of Corporate Social Responsibility within the beverage industry in the Kumasi Metropolis.

1.2 Objectives of the study

The study aimed at assessing the benefits and challenges of Corporate Social Responsibility in the Kumasi Metropolis within the beverage industry. The objectives of the study were divided into two: general objective and specific objectives.

1.2.1 General objective

The main objective of the study is to determine the benefits and challenges associated with Corporate Social Responsibility in the beverage industry.

1.2.2 Specific objectives

The specific objectives of the study include the following:

- i. To examine people perception about Corporate Social Responsibility in the beverage industry in Kumasi Metropolis.
- ii. To determine the benefits of Corporate Social Responsibility in the beverage industry in the Kumasi Metropolis.
- iii. To determine the benefits of Corporate Social Responsibility to communities in the Kumasi Metropolis.
- iv. To assess the challenges of Corporate Social Responsibility management in the beverage industry in the Kumasi Metropolis.

1.3 Research questions

- a) What are people perceptions about Corporate Social Responsibility in the beverage industry in the Kumasi Metropolis?
- b) How does Corporate Social Responsibility benefit the beverage industry in the Kumasi Metropolis?
- c) How does Corporate Social Responsibility benefit communities in the Kumasi Metropolis?
- d) What are the challenges of Corporate Social Responsibility management to the beverage industry in Kumasi Metropolis?

1.4 Significance of the study

The beverage industry plays a pivotal role in contributing to the economic and social well-being of its employees and all stakeholders within its operational areas as it provides huge employment opportunities as well as basic social amenities within the areas of education, health and the environment. The recognition of the beverage industry for the need to incorporate and carry out Corporate Social Responsibility as a core component of their operations makes it an appropriate case-study area to study the benefits and challenges associated with the practice of the concept of Corporate Social Responsibility. The tremendous benefits associated with the implementation of Corporate Social Responsibility to both companies and beneficiary communities cannot be over-emphasized as it forms an integral part of heightening sustainable development. It provides a unique platform for organizations to contribute their quota to the sustainable development of beneficiary communities (Moon, 2007). The planning and execution of Corporate Social Responsibility programs pose huge

challenges to the beverage industry as it involve long-term planning and vision, commitment of resources and the beneficiary communities (Faulkner, 1995). Although the concept of Corporate Social Responsibility is not new in Ghana, there are inadequate published information on the benefits and challenges linked with the practice of the concept in the beverage industry in the Kumasi Metropolis. The assessment of the benefits and challenges of Corporate Social Responsibility in the beverage industry within the Kumasi Metropolis will better equip stakeholders understanding of issues peculiar to the practice of Corporate Social Responsibility and the measures required to addressing them. The examination of peoples' perception and their demands for the beverage industry to widen their implementation of Corporate Social Responsibility will serves as the foundation upon which the industry will foster and enhance its Corporate Social Responsibility programs (Austin, 1990).

1.5 Brief methodology

The researcher adopted the mixed research design where both qualitative and qualitative methods were employed. Details of this method are discussed in chapter three. Secondary data were collected from journals and organizations' annual reports which made it possible for a comprehensive review of literature on the issues of Corporate Social Responsibility. Two case study organizations were selected to assess Corporate Social Responsibility issues and how they were managed. The researcher selected 137 employees from these two organizations and 43 people within the operational areas of these organizations. Questionnaire and interview were used in the study to collect data from the employees and people respectively. The questionnaire was designed to include both close-ended and open-ended questions. Semi-structured interview was used to elicit information from respondents. The

quantitative data gathered were analyzed with Statistical Package for Social Scientist (SPSS) and the qualitative data was analyzed with content analysis in chapter four. A summary of key findings, conclusions and recommendations were presented in chapter five.

1.6 Scope of the study

The study was targeted at employees in two major beverage companies and people within the catchment areas of these companies. The research was conducted within the beverage industry in the Kumasi Metropolis. The research findings and conclusions presented an understanding of the benefits and challenges associated with Corporate Social Responsibility within the beverage industry in the Kumasi Metropolis especially in the Kaasi, Ahensan, Atonsu and Amakom areas. The Kumasi Metropolitan area was chosen because of the existence of both alcoholic and non-alcoholic beverage companies that fit the issues under study.

1.7 Limitation of the study

This research was not without challenges as this nearly affected the validity and reliability of the study. The researcher faced certain difficulties that hindered the smooth completion of the research. There were difficulties in getting precise and sufficient information from the companies as a result of the strict bureaucratic procedures involved in giving out official information to the researcher. Also, employees did not have ample time to complete their questionnaires since they were busy pursuing their work.

1.8 Organization of the study

The study is organized into five chapters. Chapter one dealt with the Introduction which entailed the background of the study, problem statement, objectives and research questions, significance of the study, brief methodology and scope of the study, and the limitation of the study. Chapter two, literature review: reviewed literature on the concept of Corporate Social Responsibility as an organizational phenomenon, the perceptions, benefits and challenges of Corporate Social Responsibility and the conceptual framework. Chapter Three- the Methodology and Organizational Profile, discussed the methods employed in data collection, analyses and interpretation of the study as well as the organizational profiles of the two companies selected for the study. Chapter Four dealt with Data presentation, analysis and discussion of findings. Chapter Five contained Summary of key findings, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The focal point of this chapter is to review some relevant literature on the definitions of key concepts, perceptions, benefits and challenges of Corporate Social Responsibility (CSR). The structure of this chapter constitutes the concepts of Corporate Social Responsibility as an organizational phenomenon, perceptions about Corporate Social Responsibility, benefits of Corporate Social Responsibility, challenges of Corporate Social Responsibility and the conceptual framework of the study.

2.1 The concept of Corporate Social Responsibility as an organizational phenomenon

The concept of Corporate Social Responsibility (CSR) is derived from the notion of social responsibility. Organizations considered their very existence an opportunity to contribute to the well-being of society and as such their mode of operation and behavior were restructured to conform to the shared norms and values of society. Corporate Social Responsibility (CSR) which was then termed the social responsibility of businessmen in the 1950s was described as an organizational phenomenon where businessmen carried out policies, actions and made decisions which were in good tastes or conform to societal objectives and values. Social responsibility was not a universal remedy for societal problems but that it could serve as a legitimate foundation and guideline for future business activities. In the 1950s, much emphasis was placed on the doctrine of social responsibility to the neglect of

the challenges it posed to organizations and stakeholders in their attempts to implement or act in a socially responsible way (Bowen, 1953). The concept of social responsibility though deeply rooted in societal norms and values have be modernized and inculcated into the managerial settings of organizations as managers make decisions related to social responsibility so far as it result in the long term economic gain of their organizations. These economic gains in the form of profit maximization served as a reward to organizations for being socially responsible. There is therefore a strong bond between being socially responsible and doing business all over the world. For businessmen to be able to exercise social power or gain economic benefits, their implementation of social responsibility activities were strongly linked with the kind of benefits or social power they derived(Davis, 1960). According to Committee for Economic Development (1970), the existence of business organizations was posited in their interest to satisfy the needs of society through Corporate Social Responsibility in the areas of job creation, economic growth and environmental conservation.

Saia (2001) argued that large organizations with higher exposure are more inclined to make larger philanthropic gifts and more likely to be strategically motivated to carry out Corporate Social Responsibility than smaller organizations. However, according to Mezner & Nigh (1995), the size of an organization is a good measure of organizational power and that powerful organizations can use that as an opportunity to resist external pressure from stakeholders to embark on Corporate Social Responsibility. A company's ability to espouse Corporate Social Responsibility is mostly reliant on the degree to which the whole concept of Corporate Social Responsibility has being inculcated into the company's culture. Companies described as beginners are mostly less receptive to the importance of Corporate Social Responsibility and as such are most likely to fight against any Corporate Social

Responsibility interventions. When Corporate Social Responsibility becomes an integral part of the company's culture, stakeholders within the company are more receptive to the concept as it becomes a shared value and norm. Failure on the part of top management to institutionalize the concept of Corporate Social Responsibility made it even more difficult for middle managers to take the lead. Beside this, the success of Corporate Social Responsibility is not solely rooted in the internal learning processes but rather the extent to which the interaction between internal and external stakeholders is integrated in the whole process. Communication between stakeholders is identified to enhance the process (Cramer, 2005).

2.1.1 Definitions of concept

Although there are numerous definitions of Corporate Social Responsibility (CSR), prominent among them are:

- a) McGuire (1963) provided a more precise definition for social responsibility which he stated categorically that “the idea of social responsibilities supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations” (p. 144). Despite the precision in his definition, little was made mentioned of what constituted the obligations. However, he pointed out the need for businesses to pursue business ethic and corporate citizenship.
- b) Carroll (1991) defined Corporate Social Responsibility based on four categories or components: economic, legal, ethical and philanthropic responsibilities. He suggested that these four components of Corporate Social Responsibility should be portrayed as a pyramid with economic serving as the base upon which legal, ethical and philanthropic responsibilities should be

built upward. These components should not be fulfilled in sequential order but rather each should be fulfilled at all time. In a firm's bit to carry out Corporate Social Responsibility, it should endeavor to maximize profit, comply with the law, be ethical and be a responsible corporate citizen. In light of this, Corporate Social Responsibility was referred to a firm's ability to simultaneously fulfill its economic, legal, ethical and philanthropic responsibilities. The 1990s saw the usage of the term Corporate Social Responsibility in place of Social Responsibility.

- c) Corporate social responsibility (CSR) is a set of management practices that enhance the ability of a company to minimize the negative impacts of its operations on society while making the most of its positive impacts (Pinney, 2001).
- d) Corporate social responsibility is basically a concept whereby companies choose to contribute to an improved society and a cleaner environment. Companies tend to integrate social and environmental concerns in their business operations and in their dealings with their stakeholders on a charitable basis (Commission of the European Communities, 2001).
- e) Corporate Social Responsibility (CSR) is about businesses and organizations going further than their legal obligations to deal with the impact they have on the environment and society. This could include how organizations interact with their employees, suppliers, customers and the communities in which they work as well as the extent to which they attempt to protect the environment (Lea, 2002).

2.1.2 The Theoretical Model of Corporate Social Responsibility Management Capacity

The ability of companies to be socially responsible is dependent on their capabilities and willingness to do so. Firms seek authority from their stakeholders as stakeholders can influence firm performance (Berman et al., 1999; Freeman, 1984).

Source: Black and Hartel, 2003.

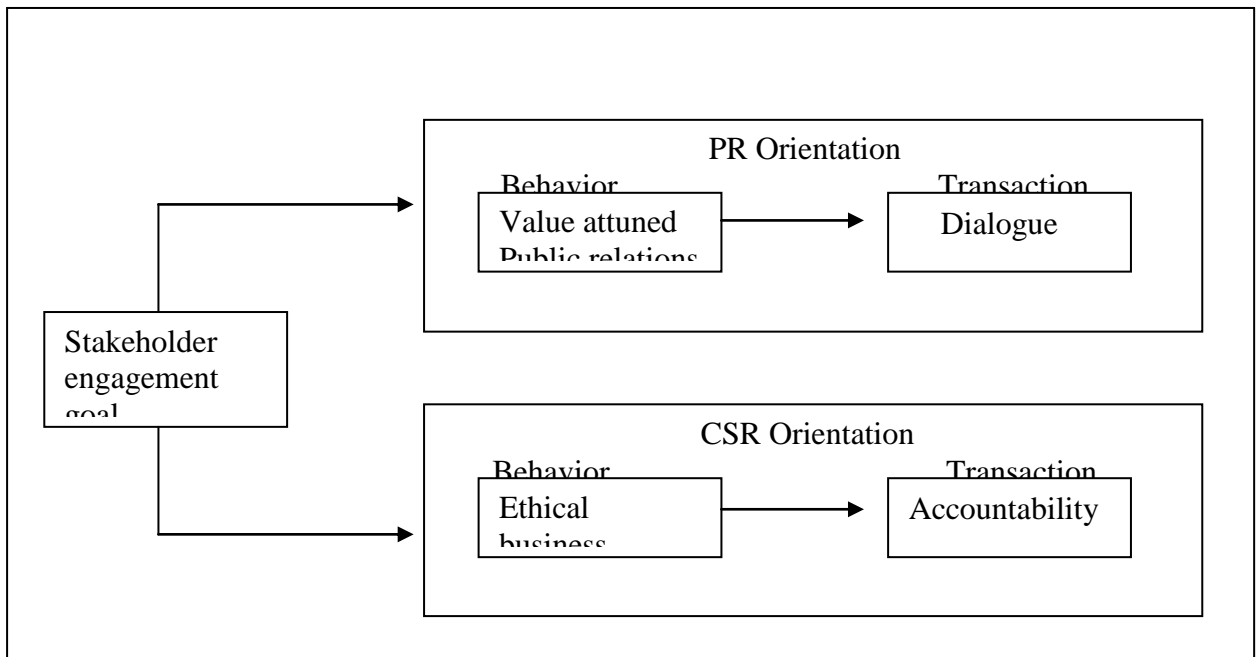


Figure 2.1 A model of Corporate Social Responsibility management capacity

The theoretical model of Corporate Social Responsibility (CSR) management capacity is structured as the product of two orientations: Public Relation (PR) orientation and Corporate Social Responsibility (CSR) orientation. As illustrated in Figure 2.1, each orientation has three elements: goals, transactions and behavior. The model demonstrates a single jointly held goal for both social responsibility orientation and the Public Relation (PR) orientation called the stakeholder engagement.

According to Freeman (1984), stakeholder-engaged companies see themselves as being part of a system of stakeholders with conflicting interests and expectations that should be handled for their long-term success.

2.1.2.1 Public Relation (PR) orientation

Public Relation in this model places much emphasis on behavior and transactions. Behavior is used here to mean ‘value attuned public relations’. This portrays the precise contribution made by staffs in the public relations and public affair department of a company to Corporate Social Responsibility. This term is driven from Swanson’s idealized model of value-attuned corporate social responsiveness whereby external affairs managers identify and convey information about social values to direct executive decision making process (Swanson, 1999).

Value-attuned external affairs are feasible in companies where management consider values and facts as an integral part of policy formulation. This tends to flourish when it is embedded in the corporate culture of the company and also when employees are rewarded for their ability to actively identify, select and analyze social values. Employees within the Public Relations and Public Affairs will be able to contribute meaningfully to decision making concerning Corporate Social Responsibility if they are better resourced and equipped (Lauzen, 1995).

In this model, dialogue is considered to be the most important transaction or dealing with stakeholders that companies employ to promote socially responsible activities. The qualities of an effective dialogue consist of courteous attitude, the free will of all stakeholders to instigate and maintain communication, and harmony and fulfillment with the rules governing dialogue (Pearson, 1989). Dialogue leads to the co-creation

of Corporation Social Responsibility activities that leads to the attainment of stakeholders goals.

2.1.2.2 Corporate Social Responsibility (CSR) orientation

The Corporate Social Responsibility (CSR) orientation shown in Figure 2.1 recognizes ethical business behavior as the basis for the internal behavioral component of the model as ethics directs the manner in which people relate to one another. The model recognizes the need for commitment and fortification of ethical behavior in companies in order to promote and enhance the management of Corporate Social Responsibility (Sims, 1991).

The transaction element of CSR orientation concentrates on accountability. According to Elkington (1997), accountability refers to activities such as disclosure of social performance (whether good or bad) and the collection of independent measures of social performance. Accountability to stakeholders results in the successful implementation and evaluation of Corporate Social Responsibility activities.

The model (Figure 2.1) clearly demonstrate five different capacities employed in Corporate Social Responsibility (CSR) management; stakeholder engagement, value-attuned public relations, stakeholder dialogue, ethical business behavior and accountability. The two major orientations identified in the model although distinct, works hand in hand to foster socially responsible companies.

2.2 Perceptions about Corporate Social Responsibility (CSR)

People hold divergent opinions about the concept of Corporate Social Responsibility. According to Jones (1980), Corporate Social Responsibility is based on the perception that corporations have duty to constituent groups in society apart from stockholders

and beyond that lay down by law and union contract. The duty exercised by business should be implemented voluntarily and also, the duty should be broaden to cover other dimensions or beneficiaries of Corporate Social Responsibility such as the communities, employees, suppliers and customers.

Tuzzolino and Armandi (1981) used Maslow hierarchy need theory as a conceptual tool to assess the performance of organizations in their social responsibility. He came out with a better way for perceiving Corporate Social Responsibility by suggesting a need hierarchy framework matched with Abraham Maslow (1954) need hierarchy. He emphasized that the operation of Corporate Social Responsibility will be dependent on an analytical framework. He created the impression that organizations had criteria that ought to be satisfied as highlighted in the Abraham Maslow hierarchy need theory. According to him, organizations tend to have physiological, safety, social esteem and self actualization needs that are parallel to humans as illustrated by Abraham Maslow (1954).

Corporate Social Responsibility is viewed as the achievement of results from the decision made by organizations pertaining to specific issues or problems which in some kind of normative standard have positive effects on stakeholders rather than negative effects. Stakeholders stand to gain tremendously from the social responsible actions of organizations. It was stated emphatically that the main focal point of Corporate Social Responsibility is the normative correctness of the products of corporate action (Epstein, 1987). Corporation Social Responsibility (CSR) is termed as a moral and stakeholder commitment, stemming from the notion that business is responsible to society in general and as a result corporations should be responsible to those who openly or obliquely affect or are affected by a firm's activity (Sage Editors,

2012; Banerjee, 2008). According to Carroll (1994), the concept of Corporate Social Responsibility has a great future since it is the foundation upon which the concerns of the public in relation to business and society relationships is shaped, addressed and captured.

Corporate Social Responsibility is perceived to embrace interests such as cultural, environmental, economic and social systems since such interest are affected by the kind of business activities such corporations undertake. The Corporate Social Responsibility initiatives and efforts of companies should be channeled into structural and institutional development instead of the usual single visible activities like road construction, the building of hospitals among others. It is therefore essential for stakeholders to pay attention on which problems and interests are being addressed or focused upon in the bit to carry out Corporate Social Responsibility activities (Dobers and Halme, 2010).

Lohman and Steinholtz (2004) stipulated that the concept of Corporate Social Responsibility is perceived or considered to be driven from three distinct agendas such as sustainability, corporate accountability and corporate governance. They used sustainability to refer to the way an organization addresses and establishes stability in the economic, social and environmental aspects of the world in order to eliminate any threat associated with the long term survival of the organization. Corporate accountability placed emphasis on the trustworthiness of an organization to manage its issues. Corporate governance embodied the way an organization is being run with respect to transparency and trustworthiness.

2.3 Benefits of Corporate Social Responsibility (CSR)

Most firms tend to make public their dedication to Corporate Social Responsibility due to the potential benefits they anticipate to drive from an improve public relations. They do not only end there but proceed to present to stockholders their accomplishment from engaging in Corporate Social Responsibility interventions. The implementation of Corporate Social Responsibility tends to boost the profits of organizations. Social responsibility and profitability should not be considered as competing goals, since firms may benefit from social responsible interventions if such decisions are ably supported and rewarded by stakeholders concern. Such supports from stakeholders may take so many forms such as an increased in productivity or an increased in demand resulting in a greater financial performance of the firm. Most research present theoretical models which do not consider empirical evidence and beside that the regression mode used fail to test for nonlinearity between financial performance and corporate social performance (Callan and Thomas, 2009).

2.3.1 Corporate Social Responsibility Boost Profit

Companies benefit tremendously from CSR programs. CSR makes it possible for companies to attract and maintain high quality employees, generate a positive corporate image, and it enhanced the product evaluation of the firm. (Pirsch et al., 2007). In making marketing decisions, consumers have been considered to be one of the key stakeholders as a result of the strong ties they have with companies (Golob et al., 2008). The beverage industry adopts Corporate Social Responsibility (CSR) as a corporate strategy to protect their businesses from future government regulatory restrictions on their marketing and advertising freedom (Global Alcohol Control Alliance, 2012). The motivational factors of companies or organizations to embark on

Corporate Social Responsibility vary from country to country. Factors such as customer loyalty, enhanced public image, brand value, greater access to finance, stronger risk management, a healthier and safer workforce, motivated people, corporate governance and, the enhanced confidence and trust of stakeholders play an influential role in the design and implementation of CSR. Nonetheless, these factors may not be applicable to all companies or organization as most indigenous companies are less pressurized by communities and civil society and even the law enforcement agency to embark upon Corporate Social Responsibility (Amaeshi et al., 2006).

Corporate Social Responsibility has led to the value creation of most implementing organizations. The importance of CSR in the business community cannot be over-emphasized. A great depth of concern in the concept of CSR by marketing and management scholars due to the rising interest of consumers and other stakeholders in the corporate practices of organization had necessitated the inclusion of CSR interventions in the practices of corporations. CSR is considered to have resulted in a value creation not only for stakeholders but to a larger extent the implementing organization concern. The organization can continue to benefit tremendously from such value creation by adopting an effective way of marketing corporate responsibility. CSR had played an essential role in enhancing the brand of companies through the maintenance and reinforcement of the reputations of companies by concentrating on the norms and values of all concern stakeholders. Marketers had also incorporated CSR interventions in their activities through the consideration of societal issues with the aim of manipulating conscious consumers while keeping a strong bond with stakeholder groups in the sector. An effective handling of CSR can enhance the competitiveness edge of companies, resulting in a rise in market shares and loyalty of consumers. However, companies stand the risk of losing greatly if consumers are not

duly informed of their CSR initiatives. Companies will be motivated to incorporate CSR on their strategic decision making level if they continued to reap the benefits of such social initiatives (Enginkaya et al., 2009). The beverage industry self-regulatory codes are ineffective and highly subjective in relation to Corporation Social Responsibility thereby giving them the liberty to either embark or refrain from such interventions (Hastings et al., 2010; Bergamini et al., 2013).

Organizations use Corporate Social Responsibility as a means for reputation building or maintenance. The implementation of Corporate Social Responsibility affords companies the opportunity to execute their Research and Development agenda as well as the advertisement of their various products in order to promote a cordial relationship with their key stakeholders (McWilliams and Siegel, 2001). Hillman & Keim (2001) argued that Corporate Social Responsibility can play a vital role in creating and sustaining value-creating relationships between organizations and their primary stakeholders. This kind of relationship enhances their corporate image and promotes business. Companies use Corporate Social Responsibility as a strategic for their long-term survival and also it tends to give them a competitive advantage over their competitors (Cohen and Prusak, 2001).

2.3.2 Corporate Social Responsibility and community development

Corporate Social Responsibility has played a crucial role in promoting community development. It had made it possible for communities to meet their economic and social needs. Community development can therefore be described as the situation where people are better equipped to work together in tackling their common interests (Maser, 1997). According to United Nations (1971), community development is well thought-out efforts of persons in a community carried out in such a way to assist

unravel community problems with a least amount of assistance from external organizations.

Corporate Social Responsibility has resulted in technology transfer from MNC to local communities where these organizations are operating. Corporate Social Responsibility had led to the flow of human resources and technology to less developed countries to aid in community development (Barton, 2007). Corporate Social Responsibility has made it possible for Multinational companies to incorporate the management of social issues into their corporate strategy. The implementation of CSR interventions presents an opportunity for communities, since companies are motivated as part of their corporate strategy to address challenges emanating from social risk. Corporate Social Responsibility provides the framework and bases for stakeholder engagement on community development. This has made it possible for an increased stakeholders' participation in Corporate Social Responsibility programs (Kytte et al., 2005).

Corporate Social Responsibility is used as a channel for poverty alleviation as a result of the developmental projects companies embarked on to ameliorate the livelihoods of impoverished communities (Syarikat Faiza Sendirian Berhad, 2009). However, little studies are done in the area of Corporate Social Responsibility and community development in the developing countries (Luken, 2006).

2.4 Challenges of Corporate Social Responsibility

The designing and implementation of Corporate Social Responsibility requires long-term commitment and vision from managers, posing a major challenge to organizations (Faulkner, 1995). The high rate of low-income earning communities

across the world makes it difficult for communities to adequately support companies that carryout CSR as they spend a greater portion of their earnings on food (Euromonitor, 2006; World Bank, 2007).The implementation of CSR can be very challenging as a result of the numerous needs of society (Baughn et al., 2007).

2.4.1 Failure to engage Key Stakeholders

Most Corporate Social Responsibility programs are not context specific and for that matter the need for individual companies to invest in context specific Corporate Social Responsibility programs. Businesses or organizations to a large extent fail to engage stakeholders on key social issues to be addressed by their Corporate Social Responsibility programs. This does not only pose as a challenge to organizations but it also turns to hinder the successful implementation of Corporate Social Responsibility interventions (Van Marrewijk, 2003).

According to Cone (2010), studies revealed that 81% of American consumers strived for an opportunity to buy a cause-related product. They are of the view that their purchases amount to an investment into the company's CSR program and for that matter, they feel to be contributing to a cause. Companies can benefit from their CSR interventions if the internal and external stakeholders are duly informed. Unfortunately stakeholders' awareness creation is very low making it impossible for the successful implementation of most social interventions. (Du et al., 2010). Most entrepreneurs in recent times had concentrated their CSR interventions on health, education and environmental issues (Sharma and Kiran, 2012a).

Contemporary trend in network-based operating models had underscored the need for the globalization of businesses through the connectivity among and between

stakeholders across the globe. It had resulted in the introduction of new stakeholders in the whole operational procedure of businesses. The operational modification of businesses had led to a shift in market power from the traditional customers and investors to also include other stakeholders such as employees, communities, regulators, media, NGOs, suppliers and politicians. All these stakeholders have played a significant role in the implementation of CSR activities. This shift in market power to include other stakeholders could lead to a social risk issues to management of organizations. Most companies viewed social risk as emanating from the way its own behavior or the action of others within its operational environment generate vulnerability. Stakeholders may drive motivation from these vulnerabilities to pressurize corporations to undertake certain behavior changes and since the stakeholders' views on social issues is of great necessity; management of social issues is being inculcated in the corporate strategy of Multi-National Companies. The implementation of CSR interventions had presented an opportunity for companies to address challenges emanating from social risk. CSR interventions are a necessary element of risk management for global companies because they provided the framework and principles for stakeholder engagement can supply a wealth of intelligence on emerging and current social issues or groups to support the corporate risk agenda and ultimately serve as a countermeasure for social risk. Integrating CSR into the corporate strategy or core business of companies can pose great challenges (Kytle and John, 2005).

2.4.2 Inadequate Skills needed to carryout Corporate Social Responsibility

Organizations are made up of individuals who first and foremost enjoy some rights and exercise duties and responsibility because they are citizens of a country.

Organizations are therefore faced with numerous stakeholders toward whom it has numerous responsibilities. The boundlessness of stakeholders with which organizations work with may render CSR meaningless. The problem of CSR may not be due to its pertinence but instead the individual personal values and responsibilities of the people that make the social organization. The existence of CSR is impossible if people do not have sufficient competence and exercise maturity in a socially responsible way. It is therefore imperative for society and companies to train individuals towards the acquisition and attainment of such competencies and maturity essential for the successful design and implementation of Corporate Social Responsibility (Takala 1999; Thevenet, 2003).

The concept of CSR and stakeholder are interrelated which had warranted the need for an assessment of the correlations between business and society. Managers of organizations play an essential role in the way their images are lifted with regards to their social and environmental performance. The growing consciousness people have of their leverage power could therefore drastically change the responsibilities businesses have toward society. In the efforts of organizations to mature towards greater responsibility, people should first reflect on their own position, behavior, value-system and expectations within organizations and society. This will better enhance the design and implementation process of CSR interventions to the overall benefit of both the organizations and stakeholders concern (Kakabadse et al., 2005). According to Jonker and Schoemaker (2004), companies working on CSR require the development of appropriate capacities and skills to make decisions and behavior broader, deeper and richer toward their stakeholders but contrary to this view, most companies lack the appropriate skills needed to effectively carry out Corporate Social Responsibility.

2.5 Conceptual framework

The conceptual framework explained in Figure 2.2 helps in understanding the nature of Corporate Social Responsibility (CSR) in organization. Corporate Social Responsibility as defined earlier on is a set of planned interventions by organizations with the aim of resolving social problems emanating to some extent or entirely from the organization. Stakeholders on the other hand, are individuals or groups with legal interests in the bureaucratic and/or substantive aspects of an organization activity (Donaldson and Preston, 1995). Stakeholders serve as major drivers for Corporate Social Responsibility initiatives.

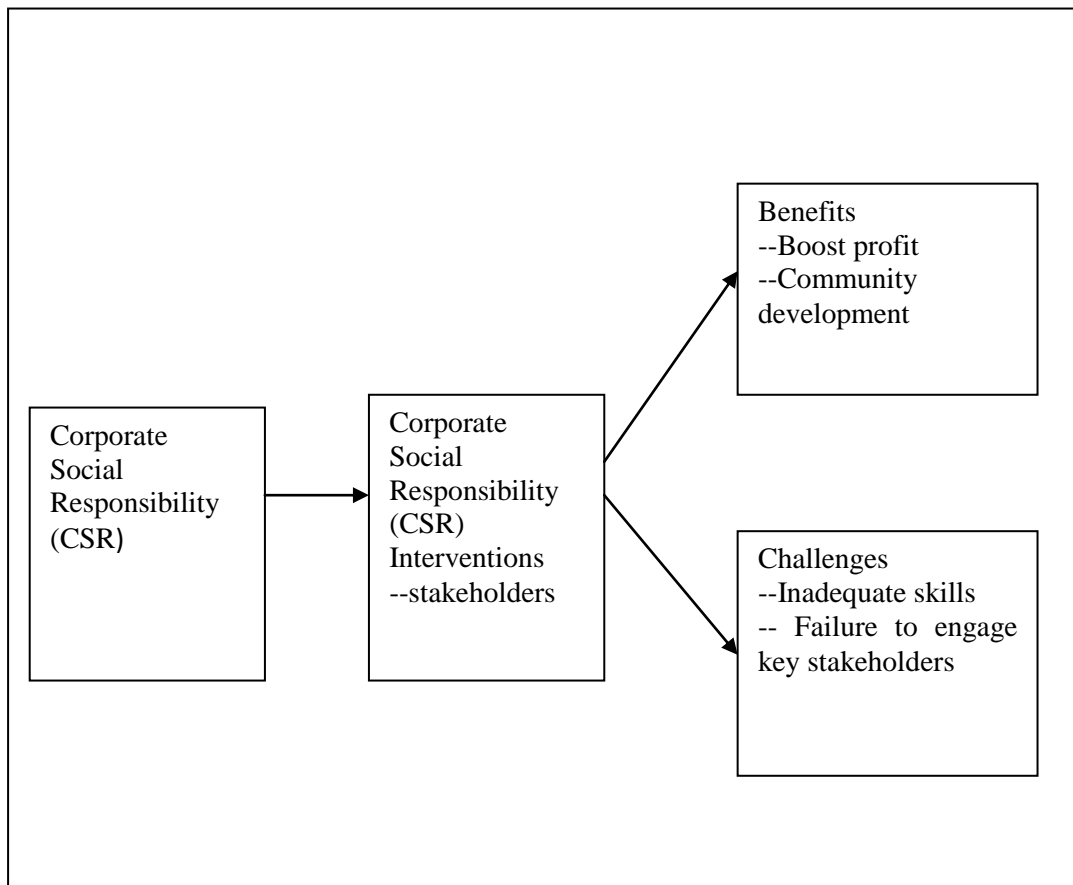


Figure 2.2: Conceptual Framework explaining Corporate Social Responsibility (CSR), its benefits and challenges.

Figure 2.2 above demonstrate that Corporate Social Responsibility leads to the formulation and implementation of interventions which are greatly under the influence of stakeholders. These Corporate Social Responsibility interventions will result in tremendous benefits and at the same time pose huge challenges to organizations as indicated in Figure 2.2 above. Although CSR interventions will boost the profits of organizations and result in community development, organizations will need to effectively equip themselves with the necessary skills and also engage all relevant stakeholders in order for them to overcome the challenges associated with the designing and implementation of CSR. As stakeholders contribute to the profit maximization motive or expectations of organizations they in turns require the organization to contribute or meet their expectations of improved living conditions, socio-economic development, a conducive working environment among others through Corporate Social Responsibility. The stakeholders can pose a major challenge to organizations in their pursuance of CSR. The benefits that could be tapped from CSR and the challenges that organizations could encounter is dependent on the kind of relationship that exist between organizations and their stakeholders.

2.6 Conclusion

This chapter reviewed literature on the perceptions, benefits and challenges of Corporate Social Responsibility (CSR). It also summarized the roles the various stakeholders of CSR play in ensuring a successful implementation and their implication on the development of the community or organization involved.

Research methodology and organizational profiles are featured in the next chapter.

CHAPTER THREE

METHODOLOGY AND ORGANIZATIONAL PROFILE

3.0 Overview of methodology

Chapter Two reviewed literature on Corporate Social Responsibility (CSR) as an organizational phenomenon. The chapter then explored the concept and definitions of Corporate Social Responsibility in relation to peoples' perceptions, benefits and challenges associated with Corporate Social Responsibility management.

This chapter is divided into two main parts; research methodology and the organizational profile of the study. The research methodology discusses the research design, approach, research strategy, method and techniques used in data collection, analyses, and interpretation. The organizational profile discusses a brief history of the beverage industry in the Kumasi Metropolis, their staffing situation, main activities carried out and a brief discussion of their involvement in Corporate Social Responsibility.

3.1 Research Methodology

Research methodology can be described as the approach adopted by a researcher to systematically unravel a phenomenon under study. The kind of research methodology that will be employed in a study will be dependent on the manner in which the data will be applied, either deductively or inductively (Gray, 2004). The researcher therefore used the inductive approach to select and study two major beverage companies in the Kumasi Metropolis through a case-study. Data collected from these two major companies were analyzed and generalized for the whole beverage industry

within the Kumasi metropolis. With a deductive approach, hypothesis and theory are often developed and tested. It is used to study a phenomenon from a broader perspective to a more specific perspective.

3.2 Research Design

Quantitative research can be put into three main categories: descriptive, experimental and causal comparative. Descriptive research involves the identification of characteristics of a particular phenomenon under study. Experimental approach investigates the action and measures the results of an intervention into a study group. The causal comparative approach examines the kind of relationships that exist between or among variables (Leedy and Ormrod, 2001). In adopting the mixed method strategy, the structure for data collection and analysis was clearly outlined. According to Bryman and Bell (2003), research can be put into five designs; experimental and related designs; cross-sectional designs; longitudinal design and its various forms; case study design; and comparative design. According to Kumekpor (2002), research design involves planning, organization and implementation of social investigations with the aim of ensuring a judicious use of resources, time and money. Kumekpor argued that case study makes it possible for decisions to be taken pertaining to the peculiarity of a case under investigation.

3.2.1 Research Design adopted for the study

The researcher however, adopted the case study design. Yin (2003b) defined case study as an “empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident” (pp13). Case study is viewed as the favorite research strategy

when the phenomenon and the context under study are not readily obvious Yin (2003a). Despite the contemporary phenomenon associated with case study, it can also be historical (Eisenhardt and Graebner, 2007). The case study research design has the ability of embracing a wide range of research technique and for that matter is often used to acquire an in-depth knowledge about a specific phenomenon. Case study research can employ both qualitative and quantitative data (Yin, 2003b; Gerring, 2007), making it possible for the researcher to obtain reliable data.

The foremost reason behind the adoption of the case study design for the study was because of its ability to assist the researcher in detecting pertinent issues associated with the assessment of the benefits and challenges of Corporate Social Responsibility (CSR) in the beverage industry. It makes it feasible for issues to be viewed from a broader perspective as much as possible (Fisher, 2007).

3.3 Research strategy

Saunders et al. (2009: 600) defined research strategy as “the general plan of how the researcher will go about answering the research questions”. Saunders et al. (2009) also emphasized on the need for a correlation between the research strategy, and the research questions and objectives. The successful implementation of a research strategy will be dependent on the availability of existing knowledge on the subject under study, time and resources and the researcher’s philosophy. Research strategy provides a general direction of the research as well as the procedure with which the research is carried out (Remenyi *et al.*, 2003). The researcher therefore employed the two main research strategies; quantitative and qualitative research to help answer the research questions in order to achieve the objectives of the study. The combination of both methods makes it possible for the strengths of both methods to be harnessed and

lays the foundation for a good methodologically research design (Kumar, 2007). The two well-known strategies, although unlike, complement each other (Burns and Grove, 2001). The researcher adopted the mixed methodology. The two main research strategies were discussed in order to highlight their strengths and weaknesses, and to explain the choice adopted in this study.

3.3.1 Qualitative Research

Qualitative research is mostly used to deepen understanding of particular phenomena within their social setting. According to Merriam (2009), Qualitative researchers are fascinated in their quest to understanding the implication people have created with respect to how they make logic of their experiences in the world. Qualitative research tends to embrace participant observation and case studies methods as it gives descriptive and narrative relation of a particular practice or setting in society (Parkinson & Drislane, 2011). According to Denzin and Lincoln (2005), Qualitative research is a positioned activity that places the observer in the world and for that matter it consist of practices that tend to result in the transformation of the world such as field notes, interviews, conversations, photographs, recordings, and memos. At this level, Qualitative research assumes a more interpretive and naturalistic approach to the world. This highlights the qualitative researchers' interest of studying things in their natural situations and in the process making sense of the meaning people bring to them.

According to Burman and Parker (1993), qualitative methods make it feasible for researchers undertaking longitudinal studies to detect certain inconsistencies emanating from a series of informal semi-structured interviews and systematic observation. It provides a unique platform for discourse analysis. Qualitative research

can also enhance a researcher's ability to deal with very difficult or sensitive phenomenon as the researcher is granted a degree of flexibility in the conducting of the study. Despite the numerous advantages related to qualitative research, it can be time consuming, requires training and experience, and very expensive to conduct. Qualitative research methods embrace a variety of techniques and epistemological assumptions and as such an appropriate selection of these methods is crucial for a study (Willig, 2001). According to Griffin (1986b), the selection of a small number of participants in qualitative research may sometime make it very difficult for other researchers, policy makers and practitioners to accept the outcome.

3.3.2 Quantitative Research

The aim of the quantitative research method is to analysis pre-determined hypotheses and produce results that can be generalized or reflect the actual situation on the ground (Marshall, 1996). Conclusions drawn from the analysis of quantitative data specify how many are affected, where the utmost area of impact is, and what are the key sector needs. Quantitative data is numeric in nature and as a result quantitative research techniques are employed to collect data or information from diverse trustworthy sources, which deal with numbers, statistics, tables, graphs and charts. Quantitative research is very advantageous as it endeavors to fragment and restrict phenomena into measurable or common categories that can be applicable to all the subjects or wider and related circumstances (Winter, 2000). According to Silverman (2006), quantitative research technique such as surveys have the merit of being used on much larger samples than qualitative interviews as they employ standardized and reliable measures to eliciting data or information on the phenomenon under study.

Nevertheless, the outcomes of quantitative research may be statistically significant but are regularly humanly insignificant as the numerical precision of some results may not reflect the true situation on the ground. Quantitative research tends to neglect social and cultural attitudes imbedded in variables under study (Kirk and Miller, 1986).

3.3.3 Mixed Method

Mixed method strategy entails the integration of both qualitative and quantitative research methods in a single study. This approach harnesses the advantages of both qualitative and quantitative research methods. By and large, the mixed method design holistically integrates inductive and deductive models of philosophy in research studies (Creswell, 1994). According to Rossman and Wilson (1985), there are three main benefits of mixed method studies: corroboration, elaboration and initiation. Corroboration brings about convergence in the research findings; elaboration presents richness and detail in the study; and initiation turn ideas around. Gibson and Duncan (2002) however, added the fourth benefit: reconciliation. Reconciliation intends to resolve any contradiction related to the findings, thereby enhancing the reliability of the findings.

3.3.4 Research strategy adopted for the study

The researcher adopted the mixed method strategy based on the following reasons:

- a) It will allow for a deeper understanding of the phenomenon of Corporate Social Responsibility.
- b) Argument has been put forward that the two different methods complement each other and therefore the mixed strategy is believed to make it possible for the weaknesses of qualitative method to be compensated by the strength of the

quantitative method and vice versa. This will minimize the errors emanating from the assessment of peoples' perception, benefits and challenges associated with Corporate Social Responsibility (CSR).

- c) The use of both questionnaire and interview will help to monitor the inconsistency that will arise from respondents in the data collection process.
- d) The researcher will be able to explore the social and cultural characteristics associated with the variables under investigation as a result of the cultural diversity of people in the Kumasi Metropolis.

3.4 Sources of data

The researcher will make use of both primary and secondary sources of data. It will make it possible for both primary and secondary data to be compared and valid conclusions drawn.

3.4.1 Primary data

Both opened-ended and closed-ended questionnaires were used to extract or elude data from community members and employees of the brewery industry. The researcher also engaged or made use of interviews. Primary data are first-hand information collected directly from the field to aid in the study of a phenomenon.

3.4.2 Secondary data

The secondary sources of data emanated from both published and unpublished articles, magazines, journals and publications from prominent international bodies and organizations on the subject of Corporate Social Responsibility. The researcher also relied on the annual reports of beverage companies in relation to Corporate Social

Responsibility. It afforded the researcher the opportunity to identify gaps and provides an explanation to conceptual issues emanating from the subject or phenomenon being investigated or under investigation.

3.5 Population

According to Kumekpor (2002), population entails the total number of units of phenomenon existing in the area of study that will undergo investigation. The population of this research was drawn from 137 employees from two major beverage companies and 43 people within the Kumasi Metropolis from communities such as Kaasi, Ahensan, Atonsu and Amakom.

3.6 Sampling techniques

The study is basically targeted at community members within the Kumasi Metropolis and employees in the beverage industry. Accordingly, people in the Metropolis and employees in the beverage industry were targeted as respondents. The objective was to give all respondents equal opportunity of being selected and included in the study. There are two main types of sampling: probability and non-probability sampling. Probability sampling is a sampling technique where equal opportunity is given to individual in the population to be chosen while non-probability sampling does not give equal opportunity to individual within the population to be selected. Probability sampling methods such as simple random, systematic, cluster and stratified sampling are appropriate for large scale studies interested in representativeness. Non probability approaches such as purposive, convenience, snowball and quota sampling are mostly used for an in-depth qualitative research in which the focal point is to understand complex social phenomenon (Marshall, 1996). Sampling frame is a list of all potential

respondents or units in the population from which the sample will be selected. In this study, a number of sampling frame were consulted. The researcher was able to obtain a list of 430 employees from two beverage companies in the Kumasi metropolis. The resulting list of these companies was used as the sample frame to administer the questionnaire with the assumption that the resulting list represented a good sample of the population of all the beverage companies operating in the Kumasi metropolis.

The researcher used the mixed of probability and non-probability sampling techniques such as simple random sampling to select the 137 employees and purposive sampling techniques was used in selecting the 43 interviewees. Simple random sampling is where the researcher gives all respondents equal chance of being included or excluded in the study. It was used because the study targeted the benefits and challenges that Corporate Social Responsibility brings to community members and the beverage industry within the Kumasi Metropolis. It therefore ensured that only people in the Kumasi Metropolis were sampled. Purposive sampling is where the researcher consciously decides who to include or exclude in study. It was used to target the HR Manager and General Manager who provided relevant information on the total number of employees in the companies and issues on CSR respectively. The researcher also employed it to select forty-three (43) people in the Kumasi metropolis to collect data on their perceptions on Corporate Social Responsibility (CSR).

The sample size for each of the category was determined with Devaus (2002) formula below:

$$n = \frac{N}{1 + N(a)^2}$$

Where;

n= the sample size

N= the sample frame

1= a constant

α = margin of error

The researcher adopted a confidence level of 90% and the margin of error was therefore 10% which is acceptable in social science research. The break down for each category is calculated as follows;

Company A:

$$N= 230$$

$$n = \frac{230}{1 + 230 (0.1)^2} \Rightarrow \frac{230}{1 + 2.3} \Rightarrow \frac{230}{3.3} \Rightarrow n = 70$$

Company B:

$$N= 200$$

$$n = \frac{200}{1 + 200(0.1)^2} \Rightarrow \frac{200}{1 + 2.0} \Rightarrow \frac{200}{3.0} \Rightarrow n = 67$$

Table 3.1 Selection of the sample size

Classification of sample	Sample size
1. Kumasi Metropolis	43
2. Company A	70
3. Company B	67
Total	180

3.7 Data collection instruments

Data was collected using primary data collection instruments such as questionnaire and interview. The study employed questionnaires to gather relevant data from 137 employees in the beverage industry. A semi-structured interview was used to collect responses from 43 people in 4 communities such as Kaasi, Ahensan, Atonsu and Amakom within the Kumasi metropolis.

3.7.1. Questionnaire

A questionnaire is a set of questions for collecting relevant data or information from individual respondents. Questionnaire could either contain closed-ended and/ or opened-ended questions. Closed-ended questions include a list of predetermined options from which individual respondents can pick. Closed-ended questions are mostly easy to answer and analyze. Opened-ended questions on the other hand, give individual respondents the opportunity to express their opinions on questions. However, opened-ended questions can be time consuming and very difficult to analyze.

The researcher used both closed-ended and opened-ended questionnaires to collect data for the study. It resulted in a high rate of response and provided respondents with a wide range of options which made data analysis easier and swift. Questionnaire was chosen simply because of the time limitation and partly because the researcher dealt with a great number of elite respondents. Also, the partly opened-ended nature of the questionnaire made it possible for respondents to provide detailed information to questions asked or administered.

Mostly a new questionnaire development process is initiated when the researcher is not able to get the required information from already existing surveys as primary data collection is necessitated by the unavailability of secondary information (Snijkers, 2002). Questionnaire development is a process that may consist of six steps; conceptualization and research design, questionnaire design, testing, revision, data collection and process monitoring and evaluation. Conceptualization and research design entails the clarification of subjects and variables to be measured and satisfied with the questionnaire. Questionnaire design presents the structure with which the questions are asked. Testing helps the researcher to determine the duration and ability of the questionnaire to elicit relevant information when administered. Revision addresses the challenges emanating from testing. Data collection is the stage where the questionnaire is used in the field for gathering data. Process monitoring and evaluation provides the opportunity for adjustment to be made to the questionnaire while data is being collected (Brancato et al., 2006).

3.7.2. Interview

An interview can be described as a focused conversation between two or more people (Kahn and Cannel, 1957). According to Saunders et al. (2009) interview can broadly

be put into: structured interviews, semi-structured interview and unstructured interview. Structured interview employs standardized questions to elicit responses from the interviewee. With semi-structured interview, the interviewer uses a catalog of questions to guide the interview process but is however, not constrained by those questions. Unstructured interview is an informal conversation between the interviewer and the interviewee in which the interviewer determines the direction of the conversation.

Interview was another data collection techniques used by the researcher. It was used to complement the questionnaire, but at the same time made it possible for the researcher to probe further into the responses given in the questionnaires especially given the importance of the research and the specialized nature of subject under study. This data collection instrument is a face-to-face conventional meeting with the respondent with the aim of eliciting vital information needed for the study. Interview tends to supplement questionnaire as it may be used to follow up certain respondents to questionnaires (McNamara, 1999).

The researcher used the semi-structured interview to elicit relevant data from the Human Resource manager and the General Manager of the companies on issues pertaining to the total number of employees and CSR respectively. These managers were interviewed in their various offices at their own convenient time with the aim of obtaining information that employees could not provide. Semi-structured interview was also employed to elicit peoples' perceptions on Corporate Social Responsibility (CSR).According to Ofori and Dampson (2011), semi-structured interview make use of an interview guide in a form of series of questions that are in the form of an

interview schedule but the interviewer is able to vary the sequence of questions and also probe further to elicit relevant information.

3.8 Data analysis techniques

Quantitative and qualitative techniques of data analysis were used to analyze the data collected. The collected quantitative data were coded into computer program, using Statistical Package for Social Scientist (SPSS) for easy analysis and interpretation of results into charts and diagrams. The data analyzes used both statistical and content. Content analysis was used to explain the qualitative data collected from interview and the opened-ended questions in the form of comprehensive statements.

Content analysis is a technique that can be used to analyze both qualitative and quantitative data in an inductive or deductive approach. According to Lauri and Kyngas (2005), the inductive approach is employed where there is scanty or patchy literature on the phenomenon understudy. An approach based on inductive data moves from the specific to the general, so that specific situations are observed and included in a general statement (Chinn & Kramer, 1999). The researcher utilized the inductive approach to analyze the qualitative data at the preliminary stage. Deductive content analysis is utilized when the structure of analysis is based on earlier literature (Kyngas & Vanhanen, 1999). As a result of this, deductive approach moves from the general to the specific (Burns & Grove, 2005). The deductive approach to qualitative data analysis was later used. Codes were developed to represent the recognized themes in relation to the raw data.

3.9 Profile of the Beverage Industry in the Kumasi Metropolis

The first beverage company was established in the Kumasi Metropolis in 1960. It did not however start production but only handled the importation and marketing of Foreign Extra stout in Ghana. The company designed and constructed a brewery at Kaasi (Kumasi) in 1971 and proceeded with production on 11th November 1971 after the installation of 100,000 hectoliters capacity Plant. In 1976 the Government of Ghana obtained 40% of the shares in the company after passing the Investment Policy Decree with the rest of the shareholders in hands of foreign owners (28.68%), a local company (16.32%), individuals (12.72%), institutions (1.18%) and Employees (1.10%). In striving for quality, the company invested heavily with an amount of 40 billion Cedi in an automated brew house facility that allowed the testing of products at every stage of the brew process in 1999. Prior to this, 18 billion Cedi was invested in the expansion of a packaging capacity in 1995 which later led to the commissioning of a second state of the art packaging line in 2003. The capital restructuring of the company in June 2003 led to Foreign Holdings controlling 75.59% and with 24.41% of the company's shares in the hands of institutional and individual investors.

However, on 7th March 1995 another dominant beverage company in the Metropolis was established as a joint venture. The General Manager/CEO heads the company and ably supported by eight (8) Heads of Department. These departments are Finance, Human Resource, Supply chain, Technical, Internal Control, Commercial Manager and the Administrative Plant Manager located in Kumasi and with the External Facilities Plant Manager located in Accra. The company currently has 31,000 customers out of which are about 8,000 Mini-Table operators and 77 independent

Mini-Depot Operators. Other non-core operators are outsources to outside organizations. The beverage industry employs not less than 760 workers.

3.10 Geographical location of Kumasi Metropolis

The Kumasi Metropolitan area is located in the transitional forest zone and is about 270km north of the national capital of Ghana, Accra. It is between latitude 6.35° – 6.40° and longitude 1.30° – 1.35° . The land area of the Kumasi Metropolis is about 254sq/km and approximately ten (10) kilometers in radius. There are 119 communities (Kumasi Metropolis Assembly report, 2014). Kumasi Metropolis is the regional capital of the Ashanti region. Figure 3.1 below shows the geographical location of the Kumasi Metropolis.

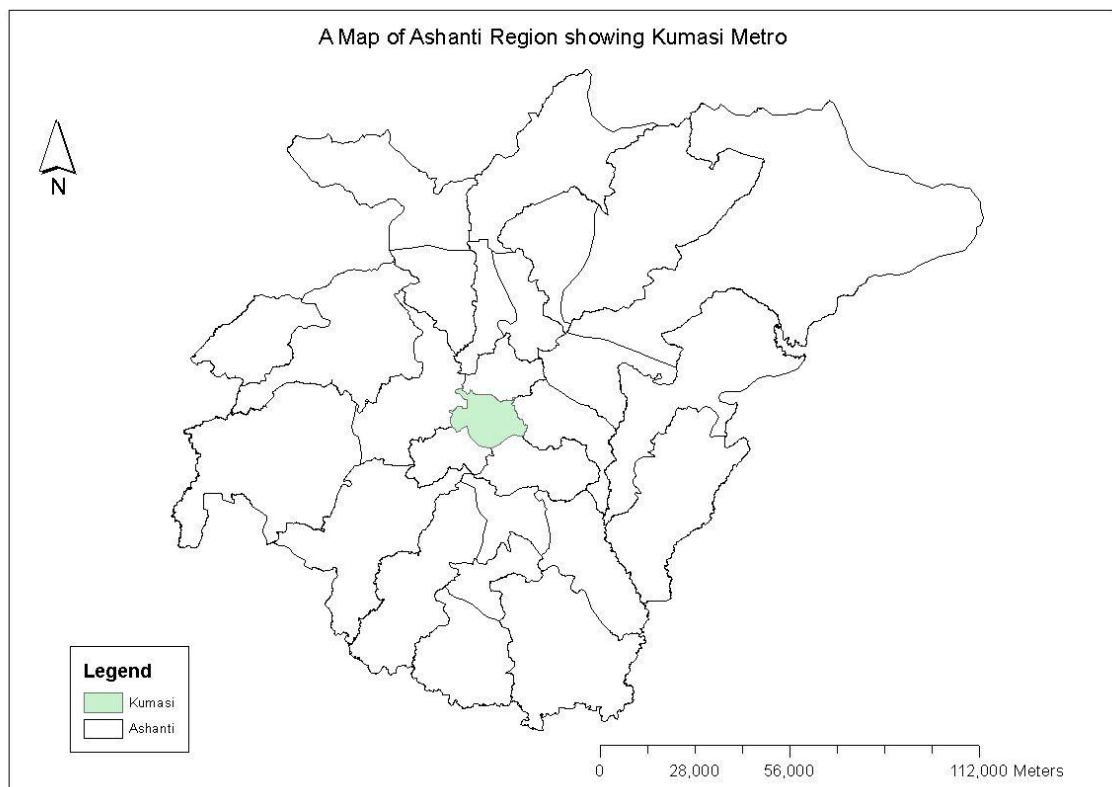


Figure 3.1: A Map of Ashanti Region showing Kumasi Metro.

3.11 Main activities carried out by the Beverage Industry

The beverage industry manufactures and distributes different products which ranges from alcoholic and non-alcoholic drinks. Prominent among some of their products are Johnnie Walker Black label, opeimu Bitters, coca-cola, Johnnie Walker Red label, Sprite, Fanta, Barleys, Heineken, Star beer, Dry Gin, Guinness, Gulder and Malta Guinness.

3.12 The Beverage Industry and Corporate Social Responsibility

According to Ofori and Hinson (2007), literature on Corporate Social Responsibility in Ghana is quiet scanty and the whole concept is undergoing some major development. Even though most local companies seem to recognize and carry out the concept of Corporate Social Responsibility, less attention is given to the contemporary viewpoint of Corporate Social Responsibility. Such local companies appeared to be unstrategic, less moral and ethical in the way they undertake CSR. The Ghanaian firms that are linked internationally appeared to be more strategic, moral and ethical in their approach in handling CSR in order to gain some kind of competitive advantage over their competitors.

The beverage industry has embarked on a series of Corporate Social Responsibility (CSR) activities in the areas of Education, Health and the Environment. The industry value Corporate Social Responsibility (CSR) as an integral part of its operation and for that matter much attention and resources are invested in it. This had helped to ameliorate the living standards of community members in which such activities were carried out. The contributions to Corporate Social Responsibility in the areas mentioned above over the period of 10 years are as follows;

3.12.1 Education

- 1) University of Ghana Graduate Fellowship of US\$ 50,000
- 2) Child Educational Support for staff.
- 3) Refurnishing and construction of classroom blocks
- 4) Annual National Essay Competition (US\$ 5000)
- 5) Mother and Child Development Foundation support (US\$ 10,000)
- 6) Donation to the Otumfuo Education Trust Fund (US\$ 10,000)
- 7) Project Partner-Interest Initiatives for Africa established by the UNITED NATIONS.

3.12.2 Health and the Environment

- 1) Endowment Fund for the Medical College of the University of Ghana.
- 2) Support to the Ghana AIDS Commission.
- 3) Waste Water Treatment Plant in Accra (US\$ 1,000,000).
- 4) Provision of sustainable access to clean drinking water (GH¢ 600,000)
- 5) Waste Water Treatment Plant in Kumasi (US\$ 600,000).
- 6) Donation of Ambulance to 37-Military Hospital.
- 7) Refreshment for children against childhood diseases during a vaccination exercise.
- 8) Official Soft Drink Sponsorship package for Ghana at 50 Jubilee Celebration.
- 9) Revamping the water delivery system of three health centers
- 10) Refurnishing the children's block of the Achimota and Amakom Hospitals
- 11) Donation to Korle-Bu Teaching Hospital

3.13 Conclusion

This chapter dealt with the methodology adopted for the study. It also looked at the profile of the beverage industry in the Kumasi Metropolis and its contribution to Corporate Social Responsibility (CSR). Furthermore, the geographical location of the Kumasi Metropolis was also presented in this chapter. The next chapter dealt with data presentation, analysis and discussion of findings.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

In relation to the various perspectives on the benefits and challenges of Corporate Social Responsibility (CSR) in chapter two and the methodology adopted for this study in chapter three, this chapter presented an analysis of the data collected on the perception, benefits, challenges and the community development that accompanies Corporate Social Responsibility (CSR). The researcher collected data from 180 respondents in the Kumasi Metropolis for the study. The study gathered information from 137 employees from the beverage industry and 43 people from four communities in the Kumasi Metropolis. This chapter is divided into five sections. The first Section covered the socio-demographic background of respondents. The second section discussed employees and people's perception about Corporate Social Responsibility (CSR); the third section focused on the benefits of Corporate Social Responsibility (CSR) to companies in the beverage industry within the Kumasi Metropolis; the fourth section analyzed the challenges companies within the beverage industry encounter in implementing their various Corporate Social Responsibility (CSR) programs and the fifth Section examined the relationship between Corporate Social Responsibility (CSR) and community development.

4.1 The Main Survey: Quantitative Analysis

Data was collected from two companies. The statistics in this study highlights 2 main sections: the first section corresponds to the profile of the respondents which include

the gender, educational level, years spent in the company, position in the company and their marital status as the second reports the descriptive analysis of the variables, which were mostly of a seven-point, six-point, five-point and four-point. The analysis involves the use of frequency distributions and standard deviations. These were employed to develop a thorough understanding of the nature of the data.

4.2 Profile of Respondents

This section collated the personal details of respondents with regard to their gender, educational level, years spent in the company, position in the company and marital status to enhance the researcher's ability to compare group of respondents.

4.2.1 Gender and educational level of respondents

Data were collected on the gender and educational background of respondents in order to determine the perception of Corporate Social Responsibility from both gender and also to determine their level of understanding of the concept in relation to their educational level.

Table 4.1: Gender and Educational level of respondents

Gender and Educational Background of Respondents	Male	Female	Total
JSS/SS	29	12	41
“O” or “A” level	13	2	15
Diploma	22	10	32
Degree	68	13	81
Post- degree	11	0	11
Total	143	37	180

Source: Field Survey, June 2014.

Table 4.1 above shows the gender and educational background of the 180 respondents. The study discovered that 143 respondents which constituted 79.4% were males while 37 respondents which constituted 20.6% were females. This finding clearly demonstrates the male dominance in the beverage industry. The beverage industry is predominantly operated by males as most of the operational staffs were males. The male dominance in this industry is as a result of the robust nature of work. It was also because of the randomness with which the sample size was selected, this led to the selection of more males than females. Nonetheless, the 79.4% males' representation is a reflection of the male dominance in the beverage industry.

Moreover, table 4.1 further revealed that 81, 41, 32, 15 and 11 of the 180 respondents had degree, JSS or SSS, Diploma, "O" or "A" level and post-graduate degree respectively. The rich educational background of respondents further validated and enhanced the reliability of responses for this study. In view of the assertion that most companies lack the appropriate skills and training to effectively execute Corporate Social Responsibility that is not applicable in the beverage industry within the Kumasi Metropolis (Jonker & Schoemaker, 2004).

4.2.2 Employees' years spent in the company

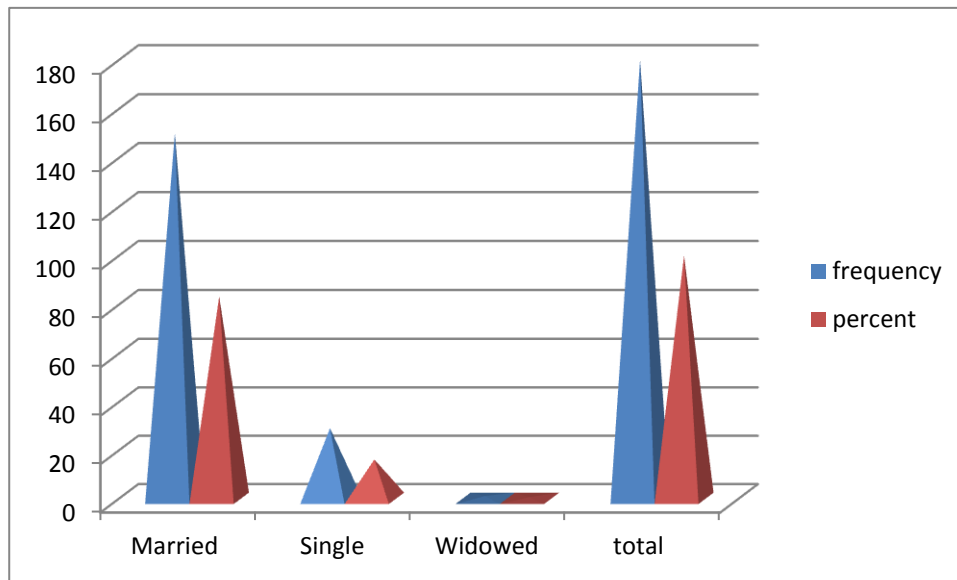


Figure 4.1: Years spent in the company

Figure 4.1 above illustrates the number of years the sampled employees had spent in their company. Findings as illustrated on the Figure indicate that 67 of the 137 employees constituting 48.9% had spent the duration of between 6 to 10 years in their company. Also, 43.1% of employees had spent 11 to 15 years in their company. The Figure further shows that 8% of these respondents spent 1 to 5 years. The duration of years spent in the company afforded the respondents the ability to be able to respond appropriately to issues or practices of Corporate Social Responsibility in their company as most of them had spent enough years to be able to acquire sufficient amount of knowledge and experience on the concept.

4.2.3 Position in the company

The researcher collected data on the ranks of respondents in order to determine their depth of knowledge in relation to their company's practices of Corporate Social Responsibility.

Table 4.2: Employees' position in the company

Responses	Frequency	Percentage
Senior staff	27	19.7
Junior staff	21	15.3
Management staff	41	29.9
Operational staff	48	35.0
Total	137	100.0

Source: Field Survey, June 2014.

Table 4.2 above indicates the positions occupied by the 137 respondents in their company. Findings discovered that 35% of the respondents were operational staff and 29.9% constituted management staff. It also revealed that 19.7% and 15.3% of the respondents were senior staff and junior staff respectively. The mixed responses from the various levels of the company strengthen the reliability of the study as this gave the opportunity to the various groups in the beverage industry to contribute to the study.

4.2.4 Marital status of respondents

Figure 4.2 below illustrates the marital status of the 180 respondents used for the study. In figure 4.2, 83.3% and 0.6% of the respondents were married and widowed respectively. This depicts the level of maturity of the respondents selected for the study as it played a crucial role in determining their perception and understanding of the concept of Corporate Social Responsibility.

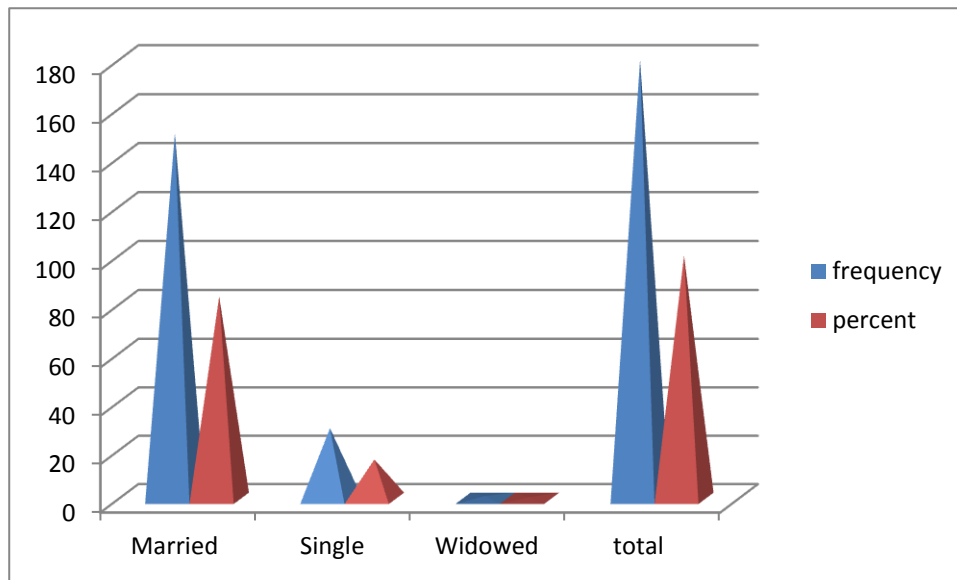


Figure 4.2: Marital status of respondents

Findings from Figure 4.2 also revealed that 16.1% of the respondents were single.

This ensured the collection of balanced opinions on the concept.

4.3 Respondents' Perception about Corporate Social Responsibility

This section presented the perceptions or opinions of people about Corporate Social Responsibility. Table 4.1 below indicates employees' responses to questions or indicators on the concept.

Table 4.3 Employees' Perception about Corporate Social Responsibility (CSR)

Indicator	Responses (%)					Total (%)
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	
Corporate Social Responsibility is the continuing commitment by a company 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.	0	0	0	13.1	86.9	100.0
CSR is the preserve of the company.	40.1	35.8	0	11.7	12.4	100.0
Community members are actively involved in CSR projects.	0.7	28.5	0.7	54.7	15.3	100.0
The company is doing enough to support CSR.	0.7	37.2	0	37.2	24.8	100.0

Source: Field Survey, 2014.

As designated in chapter two, people hold different perception about the concept of Corporate Social Responsibility (CSR). Some hold the view that CSR is an attempt by companies to engage in unproductive interventions or projects with the sole aim of persuading decision makers and government policy militating against their operations. Regardless of the parochial views people shared on the concept, others viewed it as the foundation for stakeholder contribution to improving the livelihood of beneficiary communities.

Table 4.3 above demonstrates employees' perception on the concept. A strongly agree or agree responses shows the level of positive relationship that exist between the responses and the indicators, whereas a strongly disagree and disagree responses express a negative relationship. Employees within the beverage industry expressed or supported the view that Corporate Social Responsibility is the continuing commitment of a company 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. The table reveals that 13.1% and 86.9% of the employees agree and strongly agree respectively with the concept as described above. According to them, Corporate Social Responsibility (CSR) should not only aim at ameliorating the standard of living of the workforce and their families within the industry but also, such programs should target the broader picture of improving the local communities and society at large within which their operations have an influence. The World Business Council for Sustainable Development (WBCSD, 1999) indicated that Corporate Social Responsibility is the continuing loyalty by business to behave ethically and contribute to economic development at the same time improving the quality of life of the workforce and their families as well as the local community and society at large. The employees' total endorsement of the need for companies in the industry to continually show commitment to the practice of Corporate Social Responsibility (CSR) amidst strict adherence to the ethical standard of the practice is the only sure way of building a positive image for the practice of Corporate Social Responsibility in the Kumasi Metropolis. The employees were of the opinion that any inconsistent or inadequate commitment of the beverage industry to the practice of CSR could result in negative perceptions as local communities will view them as being irresponsible to their well being and development.

Table 4.3 further reveals that 40.1% and 35.8% of the employees strongly disagree and disagree respectively with the view that Corporate Social Responsibility is the preserve of the companies while 11.7% and 12.4% of the employees agree and strongly agree with the opinion respectively. Despite the overwhelming disapproval of this notion, there was still 24.1% of the sampled employees who believe that Corporate Social Responsibility is the preserve of their companies and that they should not be obliged to carry out Corporate Social Responsibility programs or projects in their local communities. They are of the opinion that Corporate Social Responsibility should not be mandatory or obligatory by law but rather it should be viewed as an act of charity. However, the 75.9% of employees who disapproved of this notion viewed Corporate Social Responsibility as a unique opportunity for the companies to give back to society what they have taken away from them. They are of the opinion that Corporate Social Responsibility should not be viewed as a voluntary program with no strings attached but instead companies should be obliged by law to inculcate Corporate Social Responsibility in their core business and eventually in their annual budget. According to Committee for Economic Development (1970), the existence of business organizations was posited in their interest to satisfy the needs of society through Corporate Social Responsibility. For the 40.1% of employees who strongly disagree with this view, Corporate Social Responsibility should be viewed as an opportunity for collaborative communication between companies and their local communities within which they operate instead of as a preserve of the company. This goes to confirm the findings of the Committee for Economic Development (1970).

From Table 4.3 it can be seen that among the various responses with regard to community members' active involvement in Corporate Social Responsibility projects, community members embrace such projects and participate actively. According to

Kytle et al. (2005), Corporate Social Responsibility has increased stakeholders' participation in programs that tends to address their needs. The table discloses that 54.7% of the employees agree and 15.3% strongly agree with the level of community participation in Corporate Social Responsibility projects or programs. They valued community participation as a prerequisite for implementing and sustaining Corporate Social Responsibility programs.

4.4 Benefits of Corporate Social Responsibility (CSR)

The researcher at this juncture aimed at determining the benefits of Corporate Social Responsibility to the beverage industry. Prior to the assessment of the benefits of Corporate Social Responsibility to the industry, respondents were asked whether their various companies had a working policy on Corporate Social Responsibility.

Table 4.4 Companies working policy on Corporate Social Responsibility

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree	2	1.5	1.5
Disagree	0	0	0
Neutral	1	0.7	2.2
Agree	21	15.3	17.5
Strongly agree	113	82.5	100
Total	137	100.0	

Source: Field Survey, June 2014.

From Table 4.4 above, 15.3% and 82.5% of the respondents agree and strongly agree that their various companies had a working policy on Corporate Social Responsibility respectively. This gives the strongest indication that companies within the beverage industry recognize the benefits of Corporate Social Responsibility and for that matter have incorporated it into their core business and it has become an integral part of their annual budgets. These companies indulge their employees annually in a variety of

voluntary activities in communities within the 10km radius of their operational areas. The table also indicates that 1.5% of the employees strongly disagree. The less significant percentage of 1.5% represents a small number of employees that are not given the opportunity to take part in these Corporate Social Responsibility programs.

Companies should however, endeavor to foster and give equal opportunity to all employees within the various divisions of their establishment to participate in their Corporate Social Responsibility programs. This will further enlighten employees on the kind of Corporate Social Responsibility program their companies have adopted or are practicing.

Table 4.5 Employees' participation in decision making pertaining to Corporate Social Responsibility policy

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree			
Disagree	45	32.8	32.8
Neutral	0	0	0
Agree	79	57.7	90.5
Strongly agree	13	9.5	100
Total	137	100.0	

Source: Field Survey, June 2014.

The Table 4.5 above shows the amount of employees' participation in policy decision making pertaining to Corporation Social Responsibility programs. Out of the 137 employees sampled, 32.8% responses in the negative whiles 67.2% affirms their participation in Corporate Social Responsibility policy decision making process. This meant that not all employees were involved in shaping the policy document of Corporate Social Responsibility in the beverage industry. Participation in policy decision relating to Corporate Social Responsibility was only limited to management, senior staffs and long serving employees within the junior staff and operational staff

categories. Employees who did not belong to any of these categories were not included in the process. These employees felt left out in a process they consider to be core to the survival and long term prosperity of their companies. Lauzen (1995) indicated that employees will be able to contribute meaningfully to decision making concerning Corporate Social Responsibility if they are better resourced and equipped.

The survival of Corporate Social Responsibility in the industry will be dependent on the level of employees' participation in the policy decision making process. It is at this platform that all employees will get to contribute into the kind of Corporate Social Responsibility programs they consider to be mutually beneficial, and this tends to arouse their interest in the program as they feel being part of it. According to Pearson (1989), dialogue is considered to be the most important transaction in promoting Corporate Social Responsibility.

Table 4.6 Benefits of Corporate Social Responsibility outweighs the challenges

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	23	16.8	16.8
Strongly agree	114	83.2	100
Total	137	100.0	

Source: Field Survey, June 2014.

As seen in table 4.6, employees insist that the benefits of Corporate Social Responsibility totally outweigh the challenges associated with the practice. They consider Corporate Social Responsibility as an informal means through which the beverage industry can advertise and make known to the general public their products or operations. They are of the assertion that Corporate Social Responsibility gives the industry a good image. This confirmed the claim by McWilliams and Siegel (2000)

that organizations use Corporate Social Responsibility to promote their Research and Development agendas as well as the advertisement of their products. This assertion did not however take away the fact that the implementation of Corporate Social Responsibility comes with its own challenges. This is discussed in the next section.

4.4.1 Corporate Social Responsibility Promotes the Products of the Industry

Corporate Social Responsibility as stated earlier is used in the industry as an informal tool for advertising the products of the industry. According to the employees, this was an alternative means through which the various companies could extend their market shares and further solidify their market dominant.

Table 4.7 The tendency for corporate Social Responsibility to promote companies products

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	71	51.8	51.8
Strongly agree	66	48.2	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

Table 4.7 above presents findings on the tendency for Corporate Social Responsibility to promote the products of companies in the beverage industry. The research revealed that 51.8% and 48.2% of the employees agree and strongly agree respectively with this assertion. The unanimous confirmation of this assertion is an indication that Corporate Social Responsibility is used by the beverage industry as an indirect way of advertising their business besides their genuine concern for community development. Among some of the reasons advanced by these 137 employees are that Corporate

Social Responsibility provides a better avenue for advertisement as it makes it possible for the companies to interact directly with their customers and potential customers and also, it gives them the opportunity to get feedback from various stakeholders on their products. Others indicated that Corporate Social Responsibility afford them the opportunity to distribute their products to people. This, they believe is a way of winning potential customers as it had resulted in an increased in the demand for their products over the years. According to Cohen and Prusak (2001), Corporate Social Responsibility makes it possible for companies to gain competitive advantage over their competitors as they are able to interact directly with their primary stakeholders.

4.4.2 Corporate Social Responsibility leads to higher Profit.

The researcher seek to find out further in this section whether embarking upon Corporate Social Responsibility had really translated or resulted in an increased in the profit of the companies in the beverage industry. Table 4.8 below shows employees responses to the question.

Table 4.8 Tendency for Corporate Social Responsibility to lead to higher profits

Responses	Frequency	Percentage	Cumulative percentage
To a large extent	28	20.4	20.4
To a moderate extent	61	44.5	64.9
To a small extent	0	0	64.9
Always	1	0.7	65.6
Sometimes	47	34.3	100.0
Rarely	0	0	100.0
Not at all	0	0	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

In Table 4.8 above, 28 of the 137 employees (20.4%) agreed to a large extent that Corporate Social Responsibility had led to an increased in the profits of the various companies. From the table, 44.5% of the respondents agreed to a moderate extent while 34.3% of the respondents held the view that higher profits could sometimes be linked to the practice of Corporate Social Responsibility. According to Enginkaya et al. (2009), companies' motivation to implement Corporate Social Responsibility is dependent on the benefits they reap from such engagement. Although all the 137 respondents agreed that there is a positive relationship between Corporate Social Responsibility and profit, they however are of the view that it could not be exactly quantified. Nonetheless, their practice of Corporate Social Responsibility over the years had led to an increased in their profit margins as demand for their products keeps on rising. They held the view that Corporate Social Responsibility had resulted in a tremendous increased in their sales over the years as illustrated in Table 4.9 below.

Table 4.9 Corporate Social Responsibility had led to a rise in sales

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree	7	5.1	5.1
Disagree	17	12.4	17.5
Neutral	6	4.4	21.9
Strongly agree	91	66.4	88.3
Agree	16	11.7	100
Total	137	100.0	

Source: Field Survey, June 2014.

In Table 4.9, findings showed that majority of employees had noticed the tremendously increased in sales over the years as a result of Corporate Social Responsibility with 66.4% and 11.7% agreeing and strongly agreeing with this respectively. However, 5.1% and 12.4% of the employees disagreed and strongly

disagreed with this assertion. They were of the opinion that the increased in sales could not be directly attributed to their involvement in Corporate Social Responsibility since they undertake series of activities such as advertisement to promote sales. Although their opinion could be considered as being valid, responses from most of the employees proved that regardless of the difficulties in quantifying this assertion, sales had increased over the years in line with the practice of Corporate Social Responsibility. It is worth noting that 4.4% of respondents could not confirm or deny this assertion as a result of their position in the various companies in the industry. According to Callan and Thomas (2009), Corporate Social Responsibility boosts the profits of organization through increased sales.

Table 4.10: Importance of Corporate Social Responsibility to the companies

Responses	Frequency	Percentage	Cumulative percentage
Totally unimportant	0	0	0
unimportant	0	0	0
Important	16	11.7	11.7
Very important	121	88.3	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

In line with the benefits of Corporate Social Responsibility, respondents were asked the question “how important is Corporate Social Responsibility to the company?” Findings from the research as indicated in Table 4.10 revealed that all the respondents recognized Corporate Social Responsibility to be of great value to their companies. This confirms the assertion by Cohen and Prusak (2001) that Corporate Social Responsibility is important for the long-term survival of companies. Among some of the reasons advanced by the employees were:

- a) Corporate Social Responsibility provides the platform for the companies' to contribute in ameliorating their business environment.
- b) It makes it possible for the companies to retain their customers as they are of the view that some customers' loyalties are dependent on the company's involvement in Corporate Social Responsibility activities in their communities.
- c) Corporate Social Responsibility gives the companies a good public image. This affords them the opportunity to interact freely with their consumers and potential consumers of their products.

4.5 Challenges of Corporate Social Responsibility (CSR)

Table 4.11: CSR drains companies of their resources

Responses	Frequency	Percentage	Cumulative percentage
Strongly disagree	104	75.9	75.9
Disagree	30	21.9	97.8
Neutral	1	0.7	98.5
Agree	1	0.7	99.2
Strongly agree	1	0.7	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

Findings on the amount of resources committed to Corporate Social Responsibility revealed that majority of the employees considered the inability of Corporate Social Responsibility activities to drain the company of its resources. As indicated in Table 4.11, 75.9% of these employees are of the strong opinion that their companies have enough resources to be able to embark upon Corporate Social Responsibility without it constituting a strain or drain on their annual budget.

This confirms the argument that most firms do not necessary view Corporate Social Responsibility as a drain on their resources but as a marketing strategy due to the potential benefits they anticipate to drive from an improve public relations (Callan and Thomas, 2009).

They considered their companies to have made enough profits over the years to be able to contribute responsibly to the growth and development of their communities and all stakeholders concern. Based on these opinions, it could be deduced that companies in the beverage industry have sufficient amount of resources they could rely upon to embark on Corporate Social Responsibility programs. They further indicated that their companies could do a whole lot better in the implementation of Corporate Social Responsibility programs than is currently carried out. According to Waddock and Graves (1997), the benefits of practicing Corporate Social Responsibility compensate the cost of implementing it.

They were of the opinion that the communities within their catchment areas deserve better Corporate Social Responsibility programs than what is currently carried out.

Although the findings demonstrated the ability of the beverage industry to successfully carry out Corporate Social Responsibility programs, undertaking Corporate Social Responsibility can be very challenging. Table 4.14 below is the responses of employees to this assertion.

As indicated by Pirsch et al. (2007), Corporate Social Responsibility makes it possible for companies to attract and retain high quality employees, generate a positive corporate image, and it enhanced the product evaluation of the firm which goes a long way to promote profit maximization.

Table 4.12: Implementing CSR can be challenging

Responses	Frequency	Percentage	Cumulative percentage
To a large extent	14	10.2	10.2
To a moderate extent	53	38.7	48.9
To a small extent	16	11.7	60.6
Always	3	2.2	62.8
Sometimes	48	35.0	97.8
Rarely	0	0	97.8
Not at all	3	2.2	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

In Table 4.12 above, 97.8% of the respondents agreed that there are challenges associated with the implementation of Corporate Social Responsibility. Regardless of this, they differed in the degree of severity of these challenges their various companies encountered in the planning and implementation process of Corporate Social Responsibility programs. They regarded Corporate Social Responsibility as a core component of their organizational structure and for that matter activities related to Corporate Social Responsibility had to go through careful planning and all the bureaucratic channels for approval and implementation. As a result of this, the respondents considered the bureaucratic structures of their companies an impediment or obstruction to the frequent and smooth implementation of Corporate Social Responsibility as it is considered to be time consuming. The 2.2%, who refuted this, were of the opinion that their companies were better-equipped to handle any activities related to Corporate Social Responsibility and as such there were no difficulties they could not effectively manage. This however, did not take away the fact that undertaking Corporate Social Responsibility can be very challenging as indicated by Kytle and John (2005).

When respondents were asked to rate the way their companies were handling challenges emanating from Corporate Social Responsibility, 27% and 49.6% of them rated their companies performance to be excellent and very good respectively as shown in Table 4.13 below, contrarily to the assertion by Jonker and Schoemaker (2004) that most companies do not have the appropriate skills needed to effectively handling challenges emanating from Corporate Social Responsibility. This was partly due to the high educational background and frequent training given to their management team. The findings in Table 4.13 further revealed that the management teams in the beverage industry have placed value on the importance of Corporate Social Responsibility and for that matter had put measures in place to curb any challenges resulting from the implementation of Corporate Social Responsibility.

Table 4.13: Ratings on company's handling of challenges associated with CSR

Responses	Frequency	Percentage	Cumulative percentage
Excellent	37	27.0	27.0
Very good	68	49.6	76.6
Good	24	17.5	94.1
Average	8	5.8	100.0
Poor	0	0	100.0
Very poor	0	0	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

Despite these companies' effective handling of challenges emanating from Corporate Social Responsibility, 5.8% of the respondents as in Table 4.13 expressed concerns about the way Corporate Social Responsibility programs were planned and executed. According to them, decision making process pertaining to Corporate Social Responsibility policies and programs are centralized instead of a decentralized system where all employees could express their view on Corporate Social Responsibility programs at the planning stage.

Table 4.14: Consideration of CSR as a waste of employees' time

Responses	Frequency	Percentage	Cumulative percentage
To a large extent	0	0	0
To a moderate extent	1	0.7	0.7
To a small extent	3	2.2	2.9
Always	0	0	2.9
Sometimes	8	5.8	8.7
Rarely	3	2.2	10.9
Not at all	122	89.1	100.0
Total	137	100.0	

Source: Field Survey, June 2014.

Respondents considered Corporate Social Responsibility not to be a waste of their time as it had become an integral part of their business operations over the years. Table 4.14 above shows employees responses to the indicator “Corporate Social Responsibility is a waste of employee time” The findings revealed that 89.1% of them did not view Corporate Social Responsibility as a waste of their precious time but rather as an opportunity to contribute to the economic and social well being of the beneficiary communities. According to Commission of the European Communities (2001), Corporate Social Responsibility makes it possible for companies to integrate social and environment concerns in their business operations in a more charitable way. Corporate Social Responsibility get employees to ease themselves from the boredom of office work throughout the year. Others saw Corporate Social Responsibility programs to some level as a waste of their working hours and wished they could opt out from participation as shown in Table 4.14.

4.6 Corporate Social Responsibility and Community Development

Table 4.15: Corporate Social Responsibility addresses community needs

Responses	Frequency	Percentage	Cumulative percentage
To a large extent	98	54.4	54.4
To a moderate extent	36	20.0	74.4
To a small extent	3	1.7	76.1
Always	18	10.0	86.1
Sometimes	14	7.8	93.9
Rarely	0	0	93.9
Not at all	11	6.1	100.0
Total	180	100.0	

Source: Field Survey, 2014.

Table 4.15 above displays results on the question “do you think Corporate Social Responsibility addresses the needs of the beneficiary communities?” Findings revealed that 54.4% of respondents considered to a very large extent the role Corporate Social Responsibility had played in addressing community needs such as the refurbishment of classroom blocks and children’s block of Amakom hospital, sanitation programs as well as the adoption of local raw materials that had improved the livelihood of local farmers and their families. According to Kytle et al. (2005), the practice of Corporate Social Responsibility provides the framework for stakeholder engagement on community development as this tends to lead to a rise in stakeholders’ participation in Corporate Social Responsibility programs.

In view of this, 20% and 1.7% of the 180 respondents agreed to a moderate and small extent respectively the efforts Corporate Social Responsibility were making in addressing community needs. Table 4.15 further revealed that 7.8% of the respondents are of the opinion that Corporate Social Responsibility sometimes meet community needs but in other instances the beverage industry carry out Corporate Social Responsibility programs for the optimum aim of improving their corporate

image but not to address community needs. Nonetheless, the beverage industry could do more to cut down carbon dioxide emission, the volume of water usage and improve the frequency with which they carry out Corporate Social Responsibility programs in a year.

Table 4.16: Consultation of beneficiary communities on the kind of CSR to implement

Responses	Frequency	Percentage
Strongly disagree	0	0
Disagree	48	26.7
Neutral	4	2.2
Agree	110	61.1
Strongly agree	18	10.0
Total	180	100.0

Source: Field Survey, June 2014.

Table 4.16 above displays responses on the level of consultation beneficiary communities are preview to in the implementation of Corporate Social Responsibility activity. The researcher also seeks to find out the level of participation of community members. Findings discovered that 61.1% of the 180 respondents confirmed community involvement and participation in the kind of Corporate Social Responsibility activities that were implemented. Responses from this confirmation were predominantly employees from the beverage industry.

The research also discovered that 26.7% of the respondents who were mainly people from these beneficiary communities felt there were not active participants in the planning stage of the kind of Corporate Social Responsibility programs that were implemented. This finding portrays the inadequate participation of community members on the kind of Corporate Social Responsibility program they felt will address their most pressing needs at the stage where it matters most. According to

Pearson (1989), dialogue result in co-creation of Corporate Social Responsibility that tends to promote the attainment of stakeholders goals.

In rating the nature of community development with respect to Corporate Social Responsibility, 0.7%, 13.1%, 54% and 31.4% of the sampled employees rated their companies' performance as being excellent, very good, good and average respectively. All the same, these employees were quick to add that the industry could invest more into community development. The results are display in table 4.17 below.

Table 4.17: Employees' responses on the nature of community development with respect to Corporate Social Responsibility

Responses	Frequency	Percentage
Excellent	1	0.7
Very good	18	13.1
Good	74	54.0
Average	43	31.4
Poor	1	0.7
Very poor	0	0
Total	137	100.0

Source: Field Survey, June 2014.

4.7 Qualitative analysis

In view of the opinion held by employees, the researcher asked people within the beneficiary communities to rate their communities' development with regards to Corporate Social Responsibility from the beverage industry, they responded contrary to the employees' view.

Table 4.18: Peoples’ responses on the nature of community development with respect to Corporate Social Responsibility

Responses	Frequency	Percentage
Excellent	0	0
Very good	2	4.7
Good	14	32.6
Average	4	9.3
Poor	22	51.1
Very poor	1	2.3
Total	43	100.0

Findings from the study discovered that majority (51.1%) of the 43 people within the beneficiary communities do not associated their level of development with the Corporate Social Responsibility of the beverage industry. They described the beverage industry contribution to their development as “a drop in an ocean”. Even so, 32.6% of these respondents felt the beverage industry was doing well to enhance the provision of basic social amenities in the area of education, health and sanitation. Based on the study, it can be deduced that there are still more developmental issues within communities the beverage industry is yet to expand their Corporate Social Responsibility programs to cover. Contrarily to the Guinness Ghana Brewery Limited annual report (2013), the beverage industry is committed at providing clean drinking water through integrated Water, Health and Sanitation programs to communities. Nevertheless, developing countries have witnessed little studies on the relationship of Corporate Social Responsibility and community development (Luken, 2006).

Workers were asked to give their opinion on whether their companies were doing enough to support Corporate Social Responsibility. Responses revealed that 62% of the employees confirmed that their companies were doing enough to support the practice whiles 37.9% responded in the negative. Most employees were satisfied with the amount of Corporate Social Responsibility projects or programs their companies

carried out. They were of the assertion that their various companies were investing a sufficient amount of their resources into ensuring that Corporate Social Responsibility projects or programs were duly implemented. Though a greater number of the employees responded in the positive, 37.9% of them felt their companies were not allocating enough resources for Corporate Social Responsibility projects or programs. Nonetheless, this did not belittle the finding that the concept still faces a lot of challenges and companies need to devote more resources beside what is currently allocated. This supports the argument that although companies are putting in efforts to carry out Corporate Social Responsibility, the beverage industry is grappling with three major challenges such as weak legal system, inadequate competent managers and high level of low income families (Hill, 1996).

Table 4.19 Peoples Familiarity with the term Corporate Social Responsibility

Responses	Frequency	Percentage (%)
Yes	17	39.5
No	26	60.5
Total	43	100

Source: Field Survey, June 2014.

The researcher interviewed 43 people within the operational areas of these beverage companies to ascertain their familiarity with the concept of Corporate Social Responsibility. In the Table 4.4, a yes response meant the interviewees were familiar with the term Corporate Social Responsibility while a no response meant the contrary. It was revealed that 39.5% of them were aware of the concept of Corporate Social Responsibility while more than half of these interviewees (60.5%) were unaware of the concept. The majority of interviewees held the view that they were hearing the term Corporate Social Responsibility for the first time but they however later associated certain activities of the beverage industry they could describe to be

Corporate Social Responsibility. The finding confirms that the term Corporate Social Responsibility is not new although some were not able to readily identify themselves with the concept. Some of the views expressed by the people were:

“...Corporate Social Responsibility can be considered to be the situation where companies compensate society for all the gains they are making in business”.

“...Corporate Social Responsibility is a good thing but the fact of the issue is that all companies are not actively involved in it considering the increasing number of society needs and problems created by these companies”.

“...I view Corporate Social Responsibility to be a good concept and for that matter a lot of companies should be encouraged to implement it. I think it helps companies to make higher profits as community members are motivated to buy their products”.

“...it gets the companies to be responsible for their actions. They sometimes create problems and expect government to solve them”.

“... I do not understand what the concept actually means but I know that companies carry out a lot of projects in the communities to help improve the health and livelihood of people especially in the distribution of mosquito nets, malaria prevention campaigns, building of classrooms among others”.

Table 4.20 Beverage Industry Implementation of Corporate Social Responsibility Activities

Responses	Frequency	Percentage (%)
Yes	28	65.1
No	15	34.9
Total	43	100

Source: Field Survey, June 2014.

Interviewees were asked here to share their opinion on whether the beverage industry carried out Corporate Social Responsibility activities in their communities. The result indicated that 28 of the interviewees responded in the affirmative while the remaining 15 responded negatively. This clearly demonstrates the efforts the beverage industry is investing into Corporate Social Responsibility. The responses from the minority 15 interviewees constituting 34.9% is a signal to the beverage industry to intensify and adopt various Corporate Social Responsibility programs that will not only benefit a section of the community but seek to enhance the participation of all beneficiary community members in order to deepen their public relation. This confirms the findings that the beverage industry is committed in investing in an integrated and sustainable community initiatives through the usage of local raw materials such as maize, sorghum and cassava in its production (Business News, 2005). The increase in the beverage industry engagement in Corporate Social Responsibility is as a result of stakeholders demand on companies to be socially responsible (Ofori and Hinson, 2007).

4.8 Conclusion

This chapter presented findings from the study of the benefits and challenges of Corporate Social Responsibility (CSR) in the beverage industry in line with the objectives. Despite the benefits of Corporate Social Responsibility to the beverage industry and society at large, findings revealed that certain challenges could undermine the effective and frequent planning and implementation of CSR programs if care is not taken to curb it. As a result of this, it is necessary for the management of the beverage industry to decentralize decision making concerning CSR programs in

order to cut-down the level of bureaucracy in their organizational structures and enhance participation from all ranks.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of research findings, conclusion and recommendations. The research findings are presented in relation to the objectives of the study and the contribution of the study to knowledge

5.2 Summary of findings.

The study has revealed a number of findings in relation to the perception, benefits, challenges and the contribution of Corporate Social Responsibility (CSR) to community development.

5.2.1 Ineffective enforcement of Corporate Social Responsibility (CSR) practice.

The study revealed that companies within the beverage industry are not strictly adherents to the practice of Corporate Social Responsibility as there is no comprehensive Corporate Social Responsibility policy or law governing the practice in the country. This had led to the inadequate implementation of Corporate Social Responsibility programs in the Kumasi Metropolis. It was further discovered that people were of the opinion that government was not doing enough to formulate and pass into law a comprehensive Corporate Social Responsibility policy or law that will mandate the implementation of Corporate Social Responsibility as a requirement for doing business in the Metropolis. This was because of their assertion that the beverage industry embarked on Corporate Social Responsibility with the sole aim of enhancing

its corporate image rather than with aim of truly addressing community needs. Hence, the inadequate practice of Corporate Social Responsibility in the Kumasi Metropolis was linked to the ineffective enforcement and availability of a comprehensive Corporate Social Responsibility policy or law.

5.2.2 The usage of Corporate Social Responsibility as an informal tool for advertisement.

The study discovered that the beverage industry within the Kumasi Metropolis used Corporate Social Responsibility as an indirect way for promoting their products. The study revealed a tremendous increased in the sales of their products over the years. It was found out that 51.8% and 48.2% of the sampled employees agreed and strongly agreed respectively to the assertion that Corporate Social Responsibility promotes their products as 78.1% of them confirmed the practice had led to a rise in sales. The study therefore confirms the assertion or perception that the beverage industry derives some benefits from the implementation of Corporate Social Responsibility as it is used as a promotional tool for boosting their profit margin.

5.2.3 The beverage industry's ability to handle challenges emanating from Corporate Social Responsibility.

The study revealed that the beverage industry was well resourced to handle challenges caused by Corporate Social Responsibility. It was found out that they had very experienced staff with the expertise to effectively manage issues linked with Corporate Social Responsibility as the industry viewed the benefits of embarking on Corporate Social Responsibility to outweigh its challenges. It was also found out that the industry did not consider Corporate Social Responsibility as a drain on it

resources. This was as a result of the enormous benefits they derive from carrying out Corporate Social Responsibility.

5.2.4 Involvement of key community stakeholders in the kind of Corporate Social Responsibility activity or project to implement.

It was ascertained from the study that the beverage industry indulge some amount of consultation with the key stakeholders of beneficiary communities on the kind of Corporate Social Responsibility activity to implement. Nevertheless, individual community members felt excluded in the process. This exclusion of individual community members was found to be thwarting the efforts of the beverage industry to implement Corporate Social Responsibility programs as community participation was usually low. The study further revealed that community members advocated for a community durbar with the beverage industry to discuss the type of projects that will address their core needs as they are of the opinion the industry is not doing enough to facilitate community development.

5.3 Conclusion

The study has established that society have a negative perception about the beverage industry implementation of Corporate Social Responsibility program and community development. It was also confirmed that beside the benefits accruing from the implementation of Corporate Social Responsibility, it comes with its own challenges. However, the beverage industry was better equipped to deal with these challenges. The study further established that the beverage industry used Corporate Social Responsibility as an informal tool for advertisement of its products.

5.4 Recommendations

The study discovered series of issues that could thwart the efforts of the beverage industry and its implementation of Corporate Social Responsibility. The researcher therefore suggests the following recommendations to augment and facilitate the relationship of the beverage industry and its stakeholders in the implementation of Corporate Social Responsibility.

5.4.1 *Decentralization of the Corporate Affairs Department:*

It was found out from the study that decision making relating to the formulation of Corporate Social Responsibility policy and program were taken by the Corporate Affairs Departments of the companies for the study which were located in Accra. This made it difficult for the prompt planning and implementation of CSR programs within the Kumasi Metropolis as the Kumasi branches of the companies relied on their mother branches in Accra for policy formulation and direction. It is therefore recommended for the decentralization of this department as it will facilitate and improve greatly employees' participation in CSR program designing and implementation.

5.4.2 Improving community participation in the designing stage of Corporate Social Responsibility programs:

It has emerged from the study that individual community members opinions were not seek on the kind of CSR programs to implement in the community and based on the views of the 43 respondents selected from beneficiary communities, it is recommended that community fora be organized to give community members the opportunity to contribute into these CSR programs at their designing stage. This will

arouse and increase their interest and participation during the implementation of these CSR programs.

5.4.3 The enactment of a comprehensive CSR policy or law in Ghana:

The study has revealed that there is an incomprehensive policy or law on CSR and based on that strict measures have not be put in place to enforce the practice in the Kumasi Metropolis. It is therefore recommended that a comprehensive policy or law be passed to guide CSR practice in the Metropolis.

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APPENDIX A: INTERVIEW GUIDE

Kwame Nkrumah University of Science and Technology

College of Arts and Social Sciences

School of Business

Department of Managerial Science

INSTRUCTIONS: This is a study on the benefits and challenges of Corporate Social Responsibility within the beverage industry in the Kumasi Metropolis. As a resident of the Kumasi Metropolis, you qualify to participate in this study. In the following sections there are questions that focus on Corporate Social Responsibility and community development. Please respond to each question as honestly as you possibly can. Remember that your responses are **confidential** and solely for academic purposes.

Paruzie Isaac Bonituo

(Research Student, MBA)

Contact:

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Email: paboni71@gmail.com

June, 2014.

1. Please provide your demographic information.
2. Are you familiar with the term Corporate Social Responsibility?.
3. What is your view on Corporate Social Responsibility?
4. Does the beverage industry carry out any Corporate Social Responsibility activities in your community?
5. What specific CSR programmes have the organization?
6. Does Corporate Social Responsibility addresses the community needs?
7. How does it address the community needs?
8. Is it important for the beverage industry to embark on Corporate Social Responsibility?
9. Why should they embark on Corporate Social Responsibility?
10. How will you rate the beverage industry's contribution to Corporate Social Responsibility in your community?
11. How often do they embark on Corporate Social Responsibility?
12. How involve are you in the implementation of Corporate Social Responsibility intervention in your community?
13. What will you recommend should be done to improve the practices of Corporate Social Responsibility?
14. What are some of the specific CSR projects/programmes undertaken by the company for the past 4 years?

APPENDIX B: QUESTIONNAIRE FOR EMPLOYEES

Kwame Nkrumah University of Science and Technology

College of Arts and Social Sciences

School of Business

Department of Managerial Science

INSTRUCTIONS: This is a study on the benefits and challenges of Corporate Social Responsibility within the beverage industry in the Kumasi Metropolis. As an employee of your company, you qualify to participate in this study. In the following sections there are questions that focus on Corporate Social Responsibility and community development. Please respond to each question as honestly as you possibly can. Remember that your responses are **confidential** and solely for academic purposes. **Please tick (✓) where appropriate.**

Paruzie Isaac Bonituo

(Research Student, MBA)

Contact:

Mobile: 0243077713/0209124109

Email: paboni71@gmail.com

June, 2014.

Section A: Perception on Corporate Social Responsibility (CSR)

1. What is your opinion on Corporate Social Responsibility if it is defined as the continuing commitment by a company 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. Strongly disagree []

Disagree [] Neutral [] Agree [] Strongly agree []

2. Corporate Social Responsibility is viewed as the preserve of the company.

Strongly disagree [] Disagree [] Neutral [] Agree []

Strongly agree []

3. Community members are actively involved in Corporate Social Responsibility projects.

Strongly disagree [] Disagree [] Neutral [] Agree []

Strongly agree []

4. The company is doing enough to support Corporate Social Responsibility.

Strongly disagree [] Disagree [] Neutral [] Agree []

Strongly agree []

Section B: Benefits of Corporate Social Responsibility (CSR)

5. The company has a working policy on Corporate Social Responsibility.

Strongly disagree [] Disagree [] Neutral [] Agree []

Strongly agree []

6. The company allows me to participate in decision making pertaining to Corporate Social Responsibility policy? Strongly disagree [] Disagree []
Neutral []

Agree [] Strongly agree []

7. The benefits of Corporate Social Responsibility outweigh the challenges.

Strongly disagree [] Disagree [] Neutral [] Agree []
Strongly agree []

8. Corporate Social Responsibility is useful for promoting the products of the company.

Strongly disagree [] Disagree [] Neutral [] Agree []
Strongly agree []

9. Corporate Social Responsibility leads to higher profits. To a large extent []

To a moderate extent [] To a small extent [] Always []
Sometimes [] Rarely [] Not at all []

10. Sales have increased tremendously over the years as a result of Corporate Social Responsibility. Strongly disagree [] Disagree [] Neutral []
Agree [] Strongly agree []

11. How important is Corporate Social Responsibility to the company?

Totally unimportant [] Unimportant [] Important [] Very Important []

Section C: Challenges of Corporate Social Responsibility (CSR)

12. Corporate Social Responsibility drains the company of its resources. Strongly

disagree [] Disagree [] Neutral [] Agree []

Strongly agree []

13. Undertaking Corporate Social Responsibility can be very challenging.

To a large extent [] To a moderate extent [] To a small extent []

Always [] Sometimes [] Rarely [] Not at all []

14. How will you rate your company's handling of challenges resulting from

Corporate Social Responsibility? Excellent [] Very good [] Good []

Average [] Poor [] Very poor []

15. Corporate Social Responsibility is a waste of employees' time. To a large extent

[]

To a moderate extent [] To a small extent [] Always []

Sometimes [] Rarely [] Not at all []

Section D: Corporate Social Responsibility and Community Development

16. Do you think Corporate Social Responsibility addresses the needs of the

beneficiary communities? To a large extent [] To a moderate extent []

To a small extent []

Always [] Sometimes [] Rarely [] Not at all []

17. Beneficiary communities are consulted on the kind of Corporate Social Responsibility activity to implement. Strongly disagree [] Disagree []
Neutral [] Agree [] Strongly agree []

18. How will you rate the nature of community development with respect to Corporate Social Responsibility? Excellent [] Very good [] Good []
Average []
Poor [] Very poor []

19. What in your opinion, should be done to strengthen the company's Corporate Social Responsibility program?

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20. Please list specific CSR projects/programmes undertaken by the company for the past 4 years

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Section E: Socio-demographic Background of Respondent.

21. Gender of Respondent: Male [] Female []

22. For how long have you been working in this company?

1-5 years [] 6-10 years [] 11-15 years [] 16 years and above []

23. Level of education (Educational background): JHS/SSS [] “O” or “A”
level [] Diploma [] Degree [] Post-Degree (MA, MSC, MBA,
MPHIL) []

Others (please specify)

24. What is your position in the company? Senior staff [] Junior staff []

 Management staff [] Operational staff []

25. Marital status: Married [] Single [] Widowed []

**THANK YOU FOR YOUR CO-OPERATION IN COMPLETING THIS
QUESTIONNAIRE.**