# Strategies to Promote Social Responsibility in Cultural Organizations (Case Study: Social and Cultural Department of Tehran Municipality, District 8)

**Hossein Mehrdost**
Lecturer
Department of Management
West Tehran Branch
Islamic Azad University
Tehran, Iran

## Abstract

*This research is mainly concerned with identifying the strategies to promote corporate social responsibility (CSR). While emphasizing the importance and benefits of social responsibility in organizations, it studies the economic, social-cultural and ethical–legal approaches to promote social responsibility and in the framework of the research analytical model, the components and elements of the approaches are described and the necessity of planning in organizations to promote CSR is considered. The results from the reseach shpwed that social–cultural and ethical–legal approaches have a fundamental role in the promotion of social responsibilities in cultural organizations and institutions and there is a strong and meaningfull relationship between these approaches and the increase in social responsibility.*

**Key words:** Corporate Social responsibility, strategies to promote social responsibility, cultural organizations

## *1. Introduction*

The term "corporate social responsibility" came in to common use in the late 1960s and early 1970s, after many multinational corporations formed. The term stakeholder, meaning those on whom an organization's activities have an impact, was used to describe corporate owners beyond shareholders as a result of an influential book by R. Edward Freeman, *Strategic management: a stakeholder approach* in 1984 (Freeman, 1984). Proponents argue that corporations make more long term profits by operating with a perspective, while critics argue that CSR distracts from the economic role of businesses. Others argue CSR is merely window-dressing, or an attempt to pre-empt the role of governments as a watchdog over powerful multinational corporations.

CSR is titled to aid an organization's mission as well as a guide to what the company stands for and will uphold to its consumers. Development business ethics is one of the forms of applied ethics that examines ethical principles and moral or ethical problems that can arise in a business environment.

For a business to take responsibility for it's actions, that business must be fully accountable. Social accounting, a concept describing the communication of social and environmental effects of a company's economic actions to particular interest groups within society and to society at large, is thus an important element of CSR (Gray, Owen & Maunders, 1987). Social accounting emphasizes the notion of corporate accountability. D. Crowther defines social accounting in this sense as "an approach to reporting a firm's activities which stresses the need for the identification of socially relevant behavior, the determination of those to whom the company is accountable for its social performance and the development of appropriate measures and reporting techniques." (Growther, 2000).

The scale and nature of the benefits of CSR for an organization can vary depending on the nature of the enterprise, and are difficult to quantify, though there is a large body of literature exhorting business to adopt measures beyond financial ones (e.g., Deming's Fourteen Points, balanced scorecards). Orlitzky, Schmidt, and Rynes (2003) found a correlation between social/environmental performance and financial performance. However, businesses may not be looking at short-run financial returns when developing their CSR strategy.

The definition of CSR used within an organization can vary from the strict "stakeholder impacts" definition used by many CSR advocates and will often include charitable efforts and volunteering. CSR may be based within the human resources, business development or public relations departments of an organisation ("Corporate Social Responsibility and Ethical Careers", 2008), or may be given a separate unit reporting to the CEO or in some cases directly to the board. Some companies may implement CSR-type values without a clearly defined team or programme.

A CSR programme can be an aid to recruitment and retention (Bhattacharya, Sankar and Korschun, 2008), particularly within the competitive graduate student market. Potential recruits often ask about a firm's CSR policy during an interview, and having a comprehensive policy can give an advantage. CSR can also help improve the perception of a company among its staff, particularly when staff can become involved through payroll giving, fundraising activities or community volunteering. CSR has been found to encourage customer orientation among frontline employees (Korschun, Bhattacharya and Swain, 2011).

The rise in popularity of ethical consumerism over the last two decades can be linked to the rise of CSR. As global population increases, so does the pressure on limited natural resources required to meet rising consumer demand (Grace and Cohen 2005, 147). Industrialization, in many developing countries, is booming as a result of both technology and globalization. Consumers are becoming more aware of the environmental and social implications of their day-to-day consumer decisions and are therefore beginning to make purchasing decisions related to their environmental and ethical concerns (Eisingerich, Rubera, Seifert, Bhardwaj, 2011). However, this practice is far from consistent or universal.

As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their growth and potential profits. Government regulations, tariffs, environmental restrictions and varying standards of what constitutes "labor exploitation" are problems that can cost organizations millions of dollars. Some view ethical issues as simply a costly hindrance, while some companies use CSR methodologies as a strategic tactic to gain public support for their presence in global markets, helping them sustain a competitive advantage by using their social contributions to provide a subconscious level of advertising. (Fry, Keim, Meiners 1986, 105) Global competition places a particular pressure on multinational corporations to examine not only their own labor practices, but those of their entire supply chain, from a CSR perspective[1].

The rise of ethics training inside corporations, some of it required by government regulation, is another driver credited with changing the behavior and culture of corporations. The aim of such training is to help employees make ethical decisions when the answers are unclear. Tullberg believes that humans are built with the capacity to cheat and manipulate, a view taken from, hence the need for learning normative values and rules in human behavior (Tullberg & Tullberg, 1996). The most direct benefit is reducing the likelihood of "dirty hands" (Grace and Cohen 2005), fines and damaged reputations for breaching laws or moral norms. Organizations also see secondary benefit in increasing employee loyalty and pride in the organization (Thilmany, 2007).

**Cultural organizations and CSR**

In the competitive world that there is today, those organizations continue to exist which have done their future planning and have realistically predicted future challenging happenings. The past can no longer predict the future. This has been proven by the extremely fast changes done in the world. We can no longer leave our future in the hands of fate or achieve development by practicing trial and error (Abol-Alayi & Ghaffary, 2006). The world that organizations are dealing with today is the challenging and hard world. The increase of competitiveness and attempts of organizations for accomplishing higher levels of quality and effectiveness require more powerful, talented and worthy executives (Abol-Alayi & Ghaffary, 2006).

The daily growth of universities and supreme educational centers has caused the issue of thousands and thousands of educational degrees which are sometimes only used for being able to get hired in governmental sectors are the cause of the said problems.

So many Iranian cultural organizations interfere in each others' duties. These interferences results in the disqualification of the interfering organizations and leads them to no effectiveness (Salehi Amiri, 2007).

In addition to the unlimited development of the administrational system, the inessential administrational bureaucracy along with indiscipline action of the paying system has caused Iran to face a budget fractional crisis, especially practicing macro planning in the recent years.

Statistics show that before the revolution of Iran there were only 2 million official workers; but, today there are almost more than 5 million official workers in the governmental sector (official, contract & etc.) which use most of the governmental budget through the salary & fringe benefits and other inessential expenses caused by them.

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[1] http://en.wikipedia.org/wiki/Corporate_social_responsibility

In other words, in most cases the people's expenses are more than their salaries. But it seems as if bureaucracy will continue to get more complicated as the recruitment of powerful and useful forces or professional education continues without any core planning. Britain which almost has the same population as Iran does, only has 700 thousand workers. It is incredible how Britain's administrational system is so successful & useful, but Iran is not that successful although it is very high in recruitment; and, it is structurally deformed still looking for a solution to achieve effectiveness and useful use of human forces (Kavousy et al., 2010).

There have been various viewpoints on the realm of culture, the definition of culture and the privatization of cultural activities vs. the non-privatization of cultural activities. Culture consists of many elements in different levels such as thoughts, feelings, values, goals, attitudes, desires and accomplishments (Kavousy et al., 2007). In the new era that we are in, culture is a crucial subject which is gradually becoming the main axis for any kind of development and societal issues. Culture is also known to be one of human's greatest achievements. Thus, United Nations Educational, Scientific and Cultural Organization (UNESCO) has specifically addressed a decade as the decade of cultural development and then published various documents, evidences, books and reports to notify the fact that undeveloped countries make it hard to achieve development because of the wrong usage of western cultures and not knowing one's own cultural background. Thus, it seems that culture itself and cultural matters have always been the center of attention in social and anthropocentric studies. Today a lot of anthropologists have known cultural subjects to be in the heart of scientific studies such as various political, economic, psychological, psychoanalytical and other academic subjects. Other scholars who emphasize the classic theory have said that there is no "one" definition to culture and it is impossible to define culture completely and generally. So, from their point of view defining culture and knowing it as the starting line of research is totally a useless effort and causes ambiguity (Salehi Amiri, 2007) (Nikoomaram et. Al, 2010).

For a cultural organization to consider all managerial factors, it is important to take all social and cultural elements of the society in which it is established and operate. The 1st step in policy-making and deciding of macro social strategies, the proper policies should be taken. In the next steps in the legislative field, the regulations proper with the designed policies should be set; then, the proper organization and structure for this model which is a mixture of different social groups should be created, its proper managing & planning cycle is presented, the proper knowledge and culture of Corporate Cultural and Social Responsibility (CCSR) and other managing & structural requirements are made and finally a proper and useful system should be created in the supervisory & assessing field which could properly supervise the managing & planning cycle and to reform the places in of of reformation.

If the right policies and regulations of CCSR development are designed and set, powerful and useful organizations should conduct and manage themselves. The basic and important subjects which are to be creating these organizations emphasize the attendance of all agents in different political, economical, social, cultural, managing and scientific fields of this contribution organization. Although the initial organization is to be done by governments and ministries, but firstly, this organization should not be a concern to the government or the legislative power; it should only help develop CCSR. Secondly, all social groups (governmental representatives & deputies) in the organization, from different sectors (social conductors & workers, organizational executives, investors, consumer's & trade's deputies & other organizational beneficiaries, deputies of the labor & employee class, deputies of organizations & international societies, scientific & informational councilors, cultural, educational and training experts & trainers, implementing & planning experts & ...) should have an active and responsible attendance proper with their roles, responsibilities, potentials and performances. This organizing is in 2 levels of policy-making & planning which is consisted of supreme council's development of CCSR and the managing & planning organization of CCSR development which designs and implements the cultural plannings proper with different social conditions that can stabilize the culture of CCSR.

If a cultural & reflective way of thought was created to develop stability alongside keeping the religious & national social & cultural values, then concentrating on one new organization for managing & planning CSR would not be enough and it would not have a powerful impact, unless it would be extended to other organizations, groups and social institutes who each do their own things, but yet contribute with others in reaching CCSR. All of the said groups and institutes in the society (economical, political, cultural-social & scientific-informational) should explore their own roles and responsibilities and quickly take action.

In the model at hand, the roles, responsibilities & performances of 16 different social sectors (the Islamic conductor - the Expediency Council - the Supreme Council of cultural revolution as the main institute of policy-making - the Legislative power - the Executive power - the Juridical power & supervisory institutes - NGOs & social institutes - religious & ethic groups, centers & institutes - cultural-educational centers, organization's & institute - the media & press - races & parties - private & cooperative corporations - governmental corporations, trade societies - multi-national companies - international organizations - scientific & informational centers - the Supreme Council of policy-making - social-cultural responsibility development - organization of managing & planning CCSR) have been specified which could be developed (Salehi Amiri et al., 2010).

## Research questions

### Main question:

1 - How can social responsibility in cultural organizations be promoted?

### Subsidiary questions:

1- Is there a relationship between economic approach and the promotion of social responsibility?
2 - Is there a relationship between social-cultural approach and the promotion of social responsibility?
3 - Is there a relationship between legal and ethical approach and the promotion of social responsibility?

## Research goals

### Main goal

1 - To promote social responsibility in cultural organizations and institutions

### Sub-goals

1. Determining the relationship between the economic approach and promotion of social responsibility in the cultural organizations and institutions
2. Determining the relationship between the social - cultural approach and promotion of social responsibility in the cultural organizations and institutions
3. Determining the relationship between the ethical-legal approach and promotion of social responsibility in the cultural organizations and institutions

**Research conceptual model**
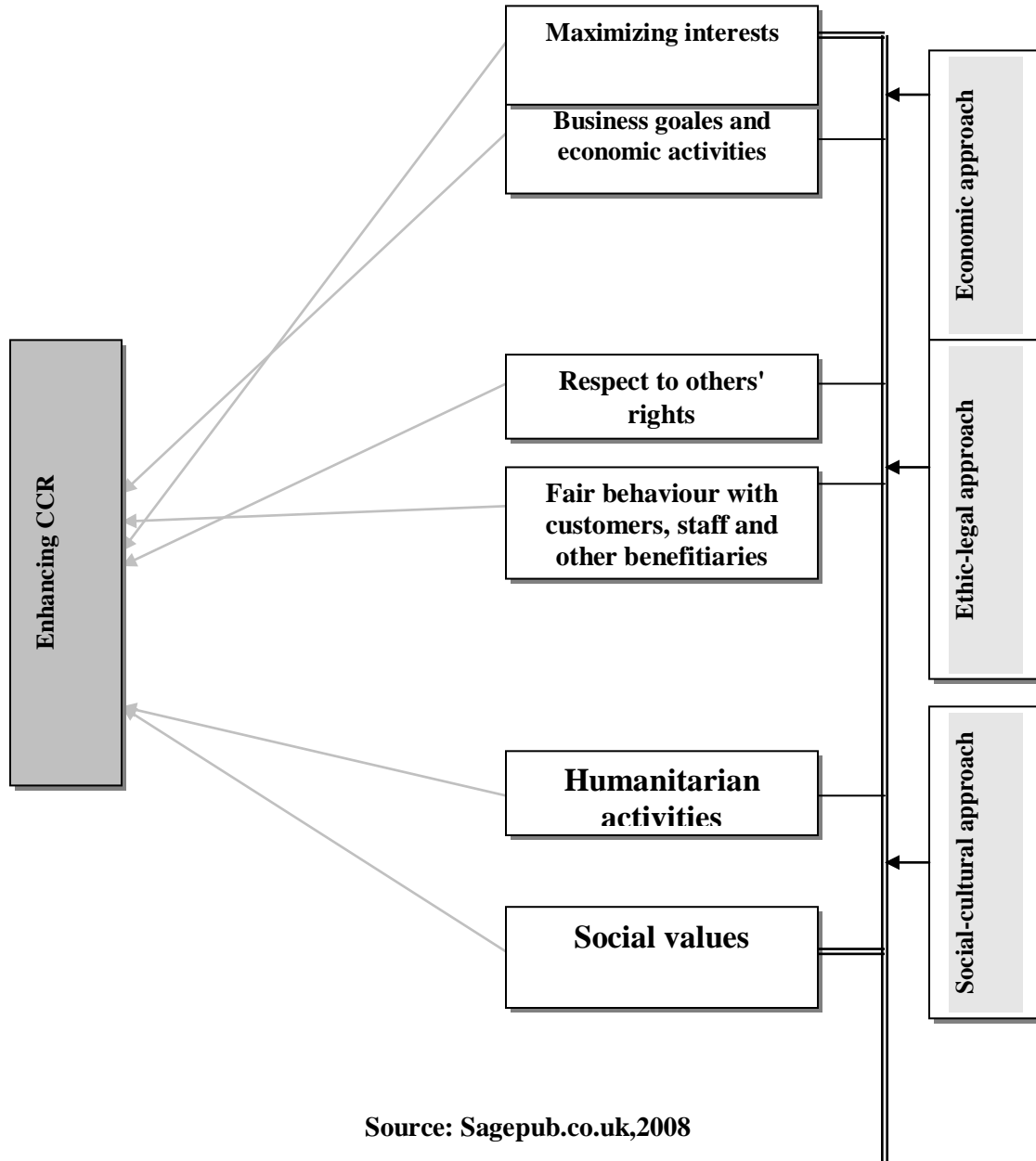


**Source: Sagepub.co.uk,2008**

**Research hypotheses**

**Main hypothesis**
There are some affective approaches to enhance the CSR.

**Main hypothesis test result**

| Hypothesis | Test type | Khi-score | df | Significance level | Test result |
|---|---|---|---|---|---|
| There are some affective approaches to enhance the CSR. | Khi-score | 47.166 | 8 | 0.000 | There is a significant relationship |

**Table 1: The significant relationship between economic, social-cultural and ethic-legal approaches and the CSR**

**Sub-hypotheses**

1. There is a signifacant relationship between economic approach and increse in the CSR.

**Sub-hypothesis 1 test result**

| Hypothesis | Test type | Khi-score | df | Significance level | Test result |
|---|---|---|---|---|---|
| There is a signifacant relationship between economic approach and increse in the CSR. | Khi-score | 33.643 | 4 | 0.000 | There is a significant relationship |

**Table 2: The significant relationship between the economic approache and the CSR**

2. There is a signifacant relationship between social-cultural approach and increse in the CSR.

**Sub-hypothesis 2 test result**

| Hypothesis | Test type | Khi-score | df | Significance level | Test result |
|---|---|---|---|---|---|
| There is a signifacant relationship between social-cultural approach and increse in the CSR. | Khi-score | 50.441 | 7 | 0.000 | There is a significant relationship |

**Table 3: The significant relationship between the social-cultural approache and the CSR**

3. There is a signifacant relationship between ethical-legal approach and increse in the CSR.

**Sub-hypothesis 3 test result**

| Hypothesis | Test type | Khi-score | df | Significance level | Test result |
|---|---|---|---|---|---|
| There is a signifacant relationship between ethical-legal approach and increse in the CSR. | Khi-score | 41.265 | 5 | 0.000 | There is a significant relationship |

**Table 4: The significant relationship between the ethical-legal approache and the CSR**

*Conclusion*

There are many approaches to enhance the social responsibility in organizations. This study mainly reviewed the social responsibility in cultural organizations and the approaches which could help to increase CSR in such organizations. The results from thesting the research hypotheses showed that there is a positive and significant relationship between all considered approaches in this study namely economic, social-cultural and ethic-legal and increse in the CSR in cultural organizations.

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