

## **Corporate Social Responsibility: what implications regarding trainings and education towards the community?**

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### **Abstract**

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*The increased power of large companies that has come with globalization was not without consequences. The media scandals of some of the biggest international groups regarding violations of human rights, of public health as well as the exploitation without preservation of energy and natural resources, has aroused a world collective awareness on the fatal effects of a wild liberalism. Facing the need to reform an unfair and brutal capitalism, Corporate Social Responsibility (CSR) aims to be a movement of autoregulation, particularly for stakeholders in large companies. It aims at company recognitions other than the legal and economic ones. Some international corporates invest in education and training. This study has leaned on the methodology of the case study from the available data (sustainable development reports, websites and other publications). On a theoretical level, this study contributes to enhance the abstract knowledge on CSR by implying that large companies as stakeholder of the education system establish a tool of socioeconomic development with the appropriation and operationalization of practices.*

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**Index Terms:** Ethics, Stakeholders, Corporate Social Responsibility, Philanthropic practices, Education system.

### **1. Introduction**

The quest for a development model with a reasoned economic efficiency, considering the social equity and conservation of natural resources has allowed Corporate Social Responsibility (CSR) to reappear with more intensity during the debate on sustainable development. The latter is defined by the Brudtland (1987) report [1] as «a development that meets the needs of the present without compromising the ability of future generations to meet their own needs». Mobilized at first in public politics, corporate social responsibility (CSR) has become a form of sustainable development in the business world. Carried by proactive companies, research professors and public players, CSR has spread and updated rapidly in the managerial field since the end of the 1990s [2].

### **2. Corporate Social Responsibility**

The European commission has contributed to make CSR more visible, and define it in their 2001 green book as follows: « Corporate Social Responsibility is a concept by which companies integrate their social and environmental concerns in their commercial operations as well as their interactions with subcontractors on a voluntary basis. It concerns companies having decided to go beyond their minimum legal requirement and their commitments resulting from collective agreements in order to satisfy social needs». (Commission Européenne, 2001, p.1) [3]. This definition emphasizes on two important points: 1) CSR is based on a voluntary process ; and 2) assumes that commitments go beyond the law.

Moreover, CSR is part of the North-American development, where it appeared and materialized in the business world [4]. The objective was to formalize social relationships between the industrial environment, the workers and their families with paternalistic practices following the management problems that had occurred back then. The concept of Social Responsibility (SR) appeared under the shape of paternalistic practices (welfare care), filling in the gaps of state failures. It is largely influenced by catholic and protestant religions. Some company directors, when making commitment in practices such as accommodation, education, health and leisure activities of their employees as well as their families, were trying to develop loyalty in their qualified workers, especially in times of shortage.

Corporate Social Responsibility took shape such as it is described in current literature through the work of Bowen 1953 « The responsibilities of businessmen» [5]. According to Carroll A.B. [6], Bowen's approach on CSR comes from his conviction that hundreds of large companies at the time were at the center of power and decision-making and that these companies' actions have an impact on the lives of citizens in several ways. He outlines this concept by defining it as follows: « Corporate Social Responsibility refers to the obligation of businessmen to pursue politics, in order to make decisions, or to follow the lines of action which are desirable in terms of objectives and values in our society » (p.6) [7]. Carroll A.B. proposes a CSR model with three factors.

### 3. Carroll's Model (1979) [ 8 ] : The Various Forms or Categories of Corporate Social Responsibility

Carroll (1979) proposes a model which integrates three factors: 1) the various categories of social responsibilities (CSR1); 2) the actions or the answers to social expectations (Corporate Social Responsiveness or CSR2); and 3) the specific domains in which these actions are committed (Hay, Gray and Gates, 1976), quoted by Carroll, (1979, p. 498). [9]

The model categorizes CSR in four levels of responsibilities: economic, legal, ethical and discretionary (or philanthropic) :

- **Economic responsibility:** consists of producing and supplying goods and services to members of society. The main motivation of the entrepreneur is to make profit and even to maximize it. Carroll develops the components of economic responsibility into five points: 1) to maximize the profit; 2) to insure the profitability of the company; 3) to maintain a strong competitive position; 4) to insure a high level of operating efficiency; and 5) to perpetuate the profitability.
- **Legal responsibility:** companies have to conform to laws and regulations. As a partial realization of the social contract between a company and the society, companies have to continue pursuing their economic missions within the law. This requires companies to conform to the governmental and legal expectations, to respect the current laws, to fill all juridical obligations and to supply goods and services in adequacy with the legal requirements.
- **Ethical responsibility:** all activities and practices which are expected or prohibited by members of the society and which are not required by law. They embody the standards or the expectations which reflect the concerns of what the consumers, employees, shareholders, and the community consider as just, or in agreement with the respect or the protection of moral rights of stakeholders. Ethics and values are the leading impulse for the creation of laws and regulations. It is expected from businessmen (or company directors) to operate at levels above those required by law. This suggests that companies integrate ethics in the decision making process in order to reach its goals and reflect an honorable behavior, exceeding the legal frame.
- **Philanthropic responsibility:** philanthropy regroups voluntary actions of a company made in order to promote the well-being of the community.

According to Carroll, the satisfaction of the first two responsibilities (Economic and Legal) is both essential and required by society, whereas the satisfaction of ethical responsibility is expected, and philanthropic responsibility is desired. This case study deals with the question of philanthropy towards the community by trying to identify the practices of Morocco's first employer: The "Groupe Office Chérifien des Phosphates" (*Cherifian Phosphates' Office*) (OCP).

### 4. The OCP Group: Which Mode of Appropriation of CSR ?

The study is based on the methodology of the case study from the available data (sustainable development reports, websites and other publications). On a theoretical level, this study contributes to enhance the abstract knowledge on CSR by proposing a frame of analysis of CSR actions by emphasizing the mode of appropriation of large companies' CSR as stakeholders of the education system.

The latter is constituted by all components and players interacting in training and education. The company is actively involved from start to finish in the training and education process. It should be noted that the philanthropic project is a society project, with a common vision of education and training in a community. Moreover, responsible strategic management of a community is to think of the management in terms of projects, to succeed in overcoming techniques of organization when wanting to realize an objective. It is the art of doing what is necessary for the aimed goal to be reached.

The OCP Group is the first exporter of ore in the world, leader on the phosphoric acid market and major player in solid fertilizers. OCP reached this position as a result of its history and the experience accumulated since 1920. The group has started evolving on a legal plan since 1975, to become in 2008 a limited company called "OCP S.A". Starting off as a rock extracting and processing company, OCP has positioned itself over time on all the links of the value chain: from fertilizer production to the production of phosphoric acid and various by-products. Today, OCP accounts for twelve subsidiaries and joint ventures as well as four offices in the world.

Since its creation, OCP has gone from a few hundred people to almost 23 000 employees. Being the largest employer in Morocco. The group has also invested a lot in training schemes since the 70s. Furthermore, the institute of socio-educational promotion (IPSE) (non-profit organization, subsidiary of the OCP Group) was established in 1974 and had approximately 20 establishments in 2015. Its mission is to offer an education in compliance with the programs of the Ministry of Education, enriched by the strengthening of languages and the introduction to cultural, artistic and scientific awakening activities. Its objective is to aim to:

- Insure the instruction and education to children and OCP agents as a priority ;
- Offer an excellent education from preschool to secondary school in the activity zones of the group ;
- Update the technical and educational trainings of the teaching staff ;
- Set up a support system for children with academic difficulties.

Besides, the group built The Mohammed VI Polytechnique University in Benguéir's green city -one of their phosphate extraction site-. Its mission is to become an institution of reference in training and research, and to create partnerships with the most important national and international academic institutions, while leading a specifically Moroccan innovative experience. The university offers degrees in engineering, economics, political and social sciences on all their university programs.

The University consists of an Engineering Faculty, an Engineering school: The school of Industrial Management (EMINES) and a Faculty of Governance and Economic and social sciences, which aims to reach a goal of 6000 students enrolled in 2023.

Regarding the research element, the University policy focuses around two main points in its investigations, centered on the economic and social development of the country :

- The industrial processes, the innovative process at the heart of added value creation in particular ;
- The human societies, as well as social and political evolutions which are necessary in order to have a better understanding of complex social backgrounds, the impacts of economic, social and political transformations of the country, the citizens' need and their relationship to public authorities.

Mohammed VI Polytechnique University students have the privilege of benefiting from research trainings. The latter allows them to be in touch with research projects and to be formed in new practices. Eventually, these students will be sought-after professionals, generating change and sharing their knowledge.

Besides, OCP Group participates in the employability of young people by creating employment resources spaces, with trainings in job research techniques and personal development, by orienting the youth looking to improve their qualifications and training towards promising sectors and career paths. The Group also helps young entrepreneurs and associations with on-going projects by supporting them before and after the realization of their projects, with activities that will generate income as well as cooperatives, and finally by financing the projects and supporting them in its implementation.

This philanthropic act allows OCP to enjoy a return on investment (excellent tool of recruitment of the University graduates, good image with the community). Moreover, Moroccan deposits (Western Sahara included) would represent almost 50% of the world's reserve. The OCP group has ambitious objectives: increase the quantities of processed products by holding 50% of patents on phosphates by 2030 [10].

Significantly, OCP financed the construction of the Mohammed VI Polytechnique University in partnership with renowned international universities, which should form a great body of researchers or engineers educated to work towards that goal. It is true that the OCP group is significantly involved in training and education, however, the group remains in an instrumentalist logic, far from the ethical vision of sustainable development.

## 5. Conclusion

The debate on sustainable development is more centered on global warming and the shortage of natural resources, putting ecology on the front row and ignoring the consequences on human resources (stress, burnout, occupational illnesses, school and university dropouts ...). However, sustainable development as defined on Burtland's report, is « a development that meets the needs of the present without compromising the ability of future generations to meet their own needs». This implies that companies should go beyond the economic objectives and beyond financial performance. It is more of an interdependent approach where the same attention is given to the various stakeholders, including the community.

Education and training remain the baseline of any socioeconomic development. The State dedicates about 25 % of its budget towards education, and has launched a "strategic vision of the education reform" aiming at "the construction of a school of equity and quality" before 2030. Yet, the results are not as high as the investments: Morocco is part of the 25 least developed countries in terms of schooling, according to the UNESCO. With this in mind, we have to admit that this development requires a new way to improve living standards, and public authorities, which by themselves, have difficulty facing important requirements. It is without any doubt for these reasons that it is fundamental for large companies to get more involved in training and education by trying to find innovative ways to help compensate for the deficiencies and for the failures of public politics. Companies have to go beyond the traditional philanthropy (gifts of money, materials ...) to aim towards a sustainable education. Notably, in the era of globalization and inter-connectivity, the trend to make cash or material donations in the business world can, in no way solve the problem of our poor educational system. For instance, this can be noticed in school and university dropout rates and in the lack of visibility of students' professional projects, the problematic that is to find talents for professionals, etc. It is about introducing innovation into schools by personalizing the educational experience, by thinking of setting up new classroom and curriculum designs. And thus, by revising the and the evaluation tools and methods, by reflecting on how to change the vision of a child and/or a student on his or her future ... This questions an alliance of all stakeholders of the education system: school, university, government and companies.

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