

The Appropriation Mechanisms of Corporate Social Responsibility: An Empirical Study on Moroccan SMES

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Abstract:

Corporate Social Responsibility is a dynamic concept that has evolved over time, from a normative approach to an increasingly integrated approach aimed at making it a cross-cutting issue for the organization.

In Morocco, the concept of CSR appeared less than fifteen years ago. However, there is little research that has been interested in studying the appropriation of such an approach by Moroccan companies, particularly small and medium-sized enterprises (SMEs). Through this paper, we mainly aim to explain the mechanisms of appropriation of a CSR approach within Moroccan SMEs labelled CSR, by using the analytical grid developed by DeVaujany, in particular the three perspectives of appropriation, namely the rational, psycho-cognitive and socio-political dimensions.

Our results are based on an exploratory study based on the case study of three SMEs labelled CSR by the General Confederation of Moroccan Enterprises (CGEM).

Keywords: *CSR, SMEs, CSR Label, prospects of appropriation.*

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I. Introduction

Corporate social responsibility, better known by the acronym CSR, is a concept that has evolved over time. A normative approach to CSR, which recognizes the need for businessmen, in addition to their economic and legal responsibility, to be socially responsible (Bowen, 1953; Davis, 1960; Backman, 1975; Jones, 1980); The notion of CSR gradually emerged in the 1970s as a managerial concern, following deep debates about the externalities of firms' economic activities (Carroll, 1979; Sethi, 1975). Then, during the 1980s, reflections focused on the relationship between social and financial performance. Recently, CSR has tended to become institutionalized in the various organizational fields, and questions companies in their practices, in their organizations, questioning their legitimacy towards their stakeholders (Porter, 2006; Kramer, 2011).

In Morocco, there are many reasons for the emergence of Corporate Social Responsibility. These include Morocco's accession to the Global Compact in April 2006, which aims to promote Corporate Social Responsibility, as well as the promulgation, from December 2006, of the Charter on Social Responsibility and the CSR label by the General Confederation of Moroccan Enterprises (CGEM).

Thus, and after about ten years of the emergence of the CSR concept in Morocco, our paper raises questions about the mechanisms of appropriation of such an approach by Moroccan companies that have obtained the CSR label, particularly Small and Medium Enterprises (SMEs), whose choice is well justified. On the one hand, SMEs constitute 95% of the Moroccan economic fabric, and on the other hand, research and studies have shown little interest in this type of company, particularly in emerging countries, as is the case in our country. Thus, and through our work, we try to answer the following question: "How do Moroccan SMEs appropriate the CSR approach? »

The structure of our work is as follows: At the beginning, we present a literature review on the concept of CSR. Then, we introduce the institutional framework of CSR in Morocco and the main mechanisms put in place before presenting the theoretical framework of the study. Finally, we highlight our strategy of access to reality and discuss the results obtained.

II. The Corporate Social Responsibility: Evolution Of The Concept

Although there is no consensus on the definition of the CSR concept, it should be noted that over time, the authors and researchers have focused on the multidimensionality of the concept by referring to the need to consider, in addition to the financial and economic aspects, social and environmental aspects, but also the ethical

component as a pillar of any responsible behavior towards a set of "stakeholder" actors who are in permanent interaction with the company.

1.1. EVOLUTION OF THE CONCEPT:

CSR as an academic concept was first developed by its founding father Bowen (1953), notably with the publication of his book "Social Responsibilities of the Businessman", where he defines CSR as the consideration by businessmen of values, so that the company's activities are in line with these values, particularly when making decisions. In other words, CSR is a set of obligations that generate strategies and decisions that are consistent with the company's objectives and values. Similarly, the context in which this book is published is a particular one, where companies have, in addition to their economic responsibility, a moral obligation towards society (Pasquero, 2005; Quairel, 2006).

Also, several researchers have examined the concept of CSR, Carroll (1979) has highlighted four dimensions of CSR, namely, the economic, legal, ethical and philanthropic responsibilities of companies towards society. Subsequently, the concept of CSR will be enriched by the work of Freeman (1984), in particular with the introduction of the Stakeholders concept defined by Freeman (1984:46) as "any group or individual that may influence or be influenced by the company's activity, expects companies to report on how they conduct their activities and assume their impacts on employees, shareholders, neighbours, the environment, etc."

In other words, in addition to its economic responsibility towards its shareholders, the company must take into consideration the social and environmental dimensions, and this towards all the agents and actors with whom the company interacts, in this case, customers, suppliers, lenders, trade unions, NGOs, etc... In addition, these stakeholders express a set of often divergent expectations and requirements, which the firm is required to satisfy, but also to report to them on its behavior and its societal and environmental actions undertaken or to be undertaken in their favor.

At the institutional level, many debates on the concept of CSR have emerged, with the Commission of the European Communities defining CSR in 2002 as "the voluntary integration by companies of social and environmental concerns into their business activities and their relations with their stakeholders". Also, the International Organization for Standardization (ISO) in its ISO 26000 standard proposes in 2010 a definition of CSR: "The responsibility of an organization towards the impacts of its decisions and activities on society and the environment, reflected in an ethical and transparent behavior that: contributes to sustainable development, including the health and well-being of society; takes into account stakeholders' expectations; complies with applicable laws while being consistent with international standards of behavior; is integrated throughout the organization and implemented in its relationships" (NF ISO 26 000, 2010).

Recently, research has increasingly focused on the institutionalization of CSR within organizations, but also on its appropriation through the creation, dissemination and evaluation of concrete mechanisms. In this sense, Capron & Quairel-Lanoizelée (2007) define CSR as: "the company's response to societal challenges by producing strategies, management systems, change management systems and methods for monitoring, control, evaluation and reporting".

1.2. THE CORPORATE SOCIAL RESPONSIBILITY: THE MOROCCAN CONTEXT

There are many reasons behind the emergence of Corporate Social Responsibility in the Moroccan context. In 2005, His Majesty Mohammed VI encouraged investors and companies to integrate social responsibility indicators and objectives at the Integral Investment Awards. A year later, Morocco joined the Global Compact, whose objective is to promote corporate social responsibility. In December of the same year, the General Confederation of Moroccan Enterprises promulgated the Charter of Social Responsibility and the CSR label, which becomes a distinction in favor of companies engaged in a CSR approach.

Other institutional reforms promoting the implementation of a CSR approach have been implemented, including the signing of numerous international conventions and standard-setting principles (OECD Guidelines, the ILO Tripartite Declaration, the UN Guidelines on Human Rights and Transnational Corporations). In 2009, the State signed the National Pact for Industrial Emergence (PNEI) with Moroccan companies, integrating CSR as a tool for promoting investment and improving the business climate. Similarly, in 2017, the Kingdom drew up a National Sustainable Development Strategy, which is currently being implemented.

In addition to institutional reforms, other economic and cyclical variables confront companies, all structures combined, with economic, social and environmental challenges. Here are some of them:

- Association and Free Trade Agreements: this is the Association Agreement with the European Union, and the Free Trade Agreement with the United States. This implies an opening of economic borders but also a commitment to CSR policies in order to guarantee a competitive advantage and therefore the acquisition of the tools and skills to face increasing competition in national markets.

- The establishment in Morocco of subsidiaries of multinationals that are bound by the strategies and policies of parent companies and that are involved in CSR processes while ensuring that their partners adhere to them.
- Representation by national companies whose activity is strongly linked to demanding CSR principals.

Moreover, Moroccan institutions have developed and implemented two main mechanisms in the CSR's field: standards and the CGEM label for CSR.

STANDARDS:

In Morocco, we have four standardization institutions:

- The Moroccan Standards Institute (IMANOR)
- The Higher Interministerial Quality and Productivity Council (CISQP)
- The Technical Committee on Standardization (TNCs)
- Moroccan Industrial Standardization Services (SNIMA)

We also distinguish between national standards such as NM 00.5.600 relating to the management system of social aspects in the company and NM 00.5.610 on social audit, and international standards such as ISO 9000 and ISO 9001 for quality management and ISO 14000 and ISO 14001 for the environment.

Not to mention ISO 26000, which is a standard that does not lend itself to certification unlike the above-mentioned standards and which contains guidelines for organizations wishing to structure their social responsibility policy.

THE CGEM LABEL FOR CSR:

The social responsibility label is a distinction implemented by the General Confederation of Moroccan Enterprises (CGEM) in favor of companies wishing to engage in a CSR process. The label makes it possible, on the one hand, to promote Corporate Social Responsibility through the recognition of the exemplary nature of their commitment, and to demonstrate, on the other hand, to beneficiary companies that their social responsibility process consists of:

- Prevent the risks of legal non-compliance and anticipate legislation (employment of people with disabilities, women on boards of directors, etc.);
- Respect the fundamental rights of their stakeholders, to take into consideration their expectations and interests, to dialogue with them, inform them and report back to them;
- Define objectives based on tangible, controlled processes and means oriented towards continuous improvement.

The CGEM label is awarded to companies based in Morocco that are members of the Confederation for a period of three years. Currently, 92 companies have been able to obtain this label, one third of which are Small and Medium-sized Enterprises.

III. Theoretical Framework

Our research question focuses on understanding the mechanisms for appropriating the CSR approach with Moroccan companies (SMEs) that have the label of the General Confederation of Moroccan Enterprises for social responsibility.

To this end, we believe it is appropriate to mobilize the work of DeVaujany (2005), which is developing an interesting analytical framework to understand how management systems are mobilized and implemented within organizations.

1.1 THE APPROPRIATION DIMENSIONS ACCORDING TO DEVAUJANY:

In this paragraph, we present the definitions of the three perspectives of appropriation as developed by DeVaujany (2005). It is a reflection around the individual, group and organizational elements that are behind a dynamic of strategic changes within the organization. A distinction is made between:

The psycho-cognitive perspective: the psycho-cognitive perspective focuses on how actors acquire new knowledge through the implementation of management tools and devices that will serve as a basis for building individual or collective intelligence that will enable them to promote and improve the decision-making process.

The socio-political perspective: in this perspective, management systems are appropriate for actors as a means of influencing their strategic environment and also their stakeholders. In other words, it is a means of legitimizing the actions and decisions taken by the company and its stakeholders.

The rational perspective: appropriation is part of a mechanistic vision of the organization, the management tool is presented as a vector for rationalizing the decisions taken by the company's stakeholders.

In other words, the psycho-cognitive perspective is a learning process that generates reflection and the acquisition of new knowledge, whereas in the socio-political perspective, the tool is conceived as a means of valorization and influence. From a rational perspective, the management system serves to rationalize decision-making and managerial action.

1.2 METHODOLOGICAL FRAMEWORK:

The objective of our work is to understand the mechanisms of ownership of a CSR approach through access to the experience of the company's stakeholders. However, qualitative data collection is necessary.

To achieve our objective, we opted for an exploratory approach (Yin, 1989; Wacheux, 1996) based on the case study, in order to generate new hypotheses and proposals (Thiéart, 2003) on the appropriation of the CSR approach within Moroccan labelled SMEs.

Indeed, the data collection was carried out by semi-directive interviews with the managers of the companies in our sample (managers involved in the labelling process). We also used secondary data, including reports published by these companies.

An interview guide was developed taking into account the objectives of the study, composed of six themes: corporate identity, labelling process, perception and motivation towards CSR, the label and the company's stakeholders and finally the impact and changes observed.

Thus, we opted for a nonprobability sample composed of three companies labelled CSR by the General Confederation of Moroccan Enterprises (CGEM). Two companies (A and B) operating in the service sector and one company (C) operating in the agri-food sector.

After transcribing the interviews, all the data collected were coded. As for the analysis of our data, we used the Nvivo software, which allowed us to conduct a content analysis and consequently, to clarify the mechanisms of appropriation of the CSR approach by these companies observed.

IV. Study results and discussions:

The three companies interviewed are Small and Medium-sized Enterprises with CSR certification and located in Casablanca. Two companies operate in the service sector and the third in the agri-food industry.

The results thus presented are an analysis of their speeches in the light of DeVaujany's proposed appropriation perspectives.

1.3 CSR: A FAVOURABLY PERCEIVED APPROACH:

We present below the definition given to CSR by each company, focusing on the contribution of the CSR label as a management system:

Company A: CSR is a mechanism to promote and perpetuate good societal practices in companies. It is also a means that will enable companies to position themselves as economic and social players of reference. It has improved the company's performance and integrated new standards and values within the company

Company B: CSR is about combining economic profitability, environmental protection and improving the living conditions of employees and the community in general. The approach is part of the company's commitment to the country's new orientations in terms of Sustainable Development.

Company C: CSR is an ethical behavior that contributes to sustainable development, including the well-being of society. It has made it possible, among other things, to respond to the pressures of the Stakeholders and to build loyalty among the company's customers and consumers.

Thus, the three companies insisted on the positive impact of the CSR label. Obtaining the label for Company A and C has enabled them to communicate better around its image but also to ensure better collaboration with stakeholders around common values. For Company B, obtaining the label refers to gaining a competitive advantage and increasing employee productivity.

1.4 THE CSR LABEL AND STAKEHOLDERS:

The three companies interviewed maintain good relations with their stakeholders, which include employees through the improvement of their skills and employability. Customers and suppliers with regard to the quality of the services offered or received, compliance with deadlines, awareness of the label's requirements, etc. Also, societal practices towards the community deserve to be mentioned, namely the participation in the financing of certain projects of general interest. Not to mention the natural environment, which attracts particular attention from the managers of these companies, particularly through their mobilization to engage in the implementation of environmental projects and also in actions to optimize the resources used.

At this level, two points should be noted. On the one hand, we noted that some actions, particularly those concerning the community, remain limited. This can be explained by the lack of financial resources to engage in more consistent actions.

On the other hand, the sustainability dimension is hardly remarkable in the majority of the actions and practices of these companies towards their stakeholders (mainly customers and suppliers). In other words, how socially compliant are these partners? Or do these companies try to compel or encourage them to implement responsible practices that promote the sustainability of their professional relationships?

1.5 CSR: A PERFECT PROCESS OF LEARNING:

The analysis of the speeches of the three companies interviewed revealed the dominance of the psycho-cognitive dimension. Indeed, the labelling process has enabled them to learn new practices and implement new projects for their stakeholders, particularly with regard to their natural environment, employees and suppliers.

As such, Company C has developed a number of projects to protect and optimize its natural environment. These are the treatment of liquid discharges via a Wastewater Treatment Plant (STEP) and the establishment of a controlled landfill for solid waste based on the sorting system. Solid waste (paper, wood, scrap metal, etc.) will then be sold and recovered. In the same way, the company carries out a systematic analysis of gaseous discharges by an approved laboratory as well as the installation of a biomass boiler in order to reduce gaseous discharges.

The other two companies (A and B) are also carrying out projects to optimize the daily consumption of water and electricity with total recycling of their waste.

In addition, the adoption of a CSR approach through the award of the label of the General Confederation of Moroccan Enterprises (CGEM) had a considerable impact, particularly in terms of economic performance but also on the societal level.

The socio-political perspective is also present, but to a lesser degree, it is a question of the three companies acquiring a certain legitimacy with regard to their stakeholders, particularly in terms of negotiating power with their suppliers.

V. Conclusion

Our analysis revealed a dominance of the psycho-cognitive perspective. That said, the labelling process seems to be a learning trajectory for the companies observed. The label is thus positioned as a device but also a strategic tool enabling the company to make decisions and adopt responsible practices with these various stakeholders ranging from internal customers (employees) to external customers, suppliers, natural environment and community.

In addition, it should be noted that our study identified some areas for improvement and opportunities for further development. Thus, we propose, on the one hand, to extend the research towards a deeper understanding of the process of adopting a CSR approach by using the reading grid proposed by DeVaujany (pre-appropriation phase, original appropriation or re-appropriation phase), in order to identify the phase in which labelled companies are positioned and to take stock of what has been done and what remains to be done. On the other hand, to consider a larger sample of companies or even to carry out a census given the limited number of labelled SMEs.

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